

hibernia

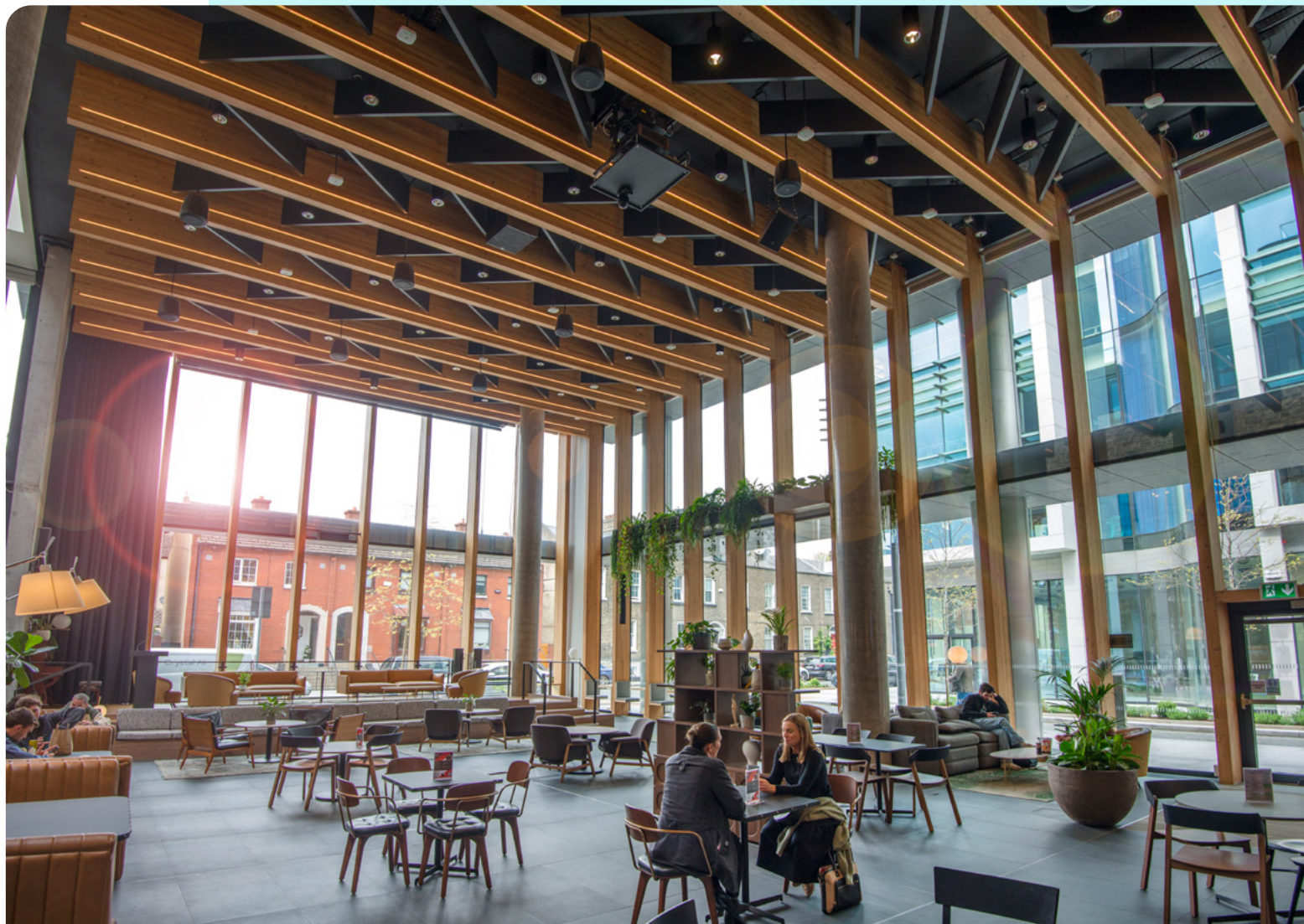
CLIMATE TRANSITION PLAN

2025



What's inside

Executive Summary	02
The Imperative for Climate Action	03
Our Approach to Transition Planning	05
Our Climate Commitments	08
Governance and Leadership	09
Decarbonisation Strategy	12
Climate Adaptation and Resilience	17
Stakeholder Engagement and Collaboration	23
Financial Strategy and Investment	25
Implementation and Progress Monitoring	27
Our Vision for the Future	29
Leading Ireland's Climate Transition	31
Glossary and Abbreviations	32



Executive Summary

Ireland stands at a climate crossroads. As the country grapples with missing its 2021-25 carbon budget and faces the daunting task of achieving a 51% emissions reduction by 2030, the property sector finds itself at the centre of an urgent transformation. We see this challenge not as a threat to our business, but as an opportunity to lead Ireland's transition to a sustainable economy.

This Climate Transition Plan represents our roadmap to building comprehensive climate resilience across our Dublin portfolio. Our commitment extends beyond environmental stewardship to encompass value creation for all stakeholders: our occupiers benefit from high-performance buildings, our investors gain exposure to climate-leading assets, our communities enjoy enhanced urban resilience, and Ireland moves closer to its national climate goals.

The urgency driving our action is clear, as has been confirmed through our latest double materiality assessment. Climate-related regulations are tightening rapidly, occupier preferences are shifting

decisively towards sustainable buildings, and investors are increasingly focused on climate performance as a key criterion for capital allocation. Properties that fail to adapt face rental discounts, reduced valuations, and the very real risk of becoming stranded assets. Conversely, those that lead the transition capture market premiums, attract quality occupiers, and access preferential financing.

Our strategy rests on three pillars: ambitious decarbonisation that eliminates operational carbon emissions through energy efficiency and renewable energy; proactive adaptation that protects our properties against physical climate risks whilst creating resilient, attractive spaces; and transparent engagement that builds partnerships with occupiers, suppliers, and communities to amplify our collective impact.

This approach is not merely environmentally responsible – it is commercially compelling. Our analysis demonstrates that climate action generates measurable returns through reduced operating costs, enhanced asset values, improved occupier satisfaction, and access to green

financing. We are investing in our future competitiveness whilst fulfilling our responsibility to current and future generations.

This strategic overview document provides a comprehensive introduction to our climate commitments, that serves as our internal operational blueprint. The technical plan contains specific asset-level action plans, quantified financial projections, implementation timelines, and performance metrics that drive day-to-day decision-making across our organisation. Together, these documents ensure our climate transition is both strategically coherent and operationally robust, providing transparency and accountability at every level.

Through leadership, collaboration, and unwavering commitment to excellence, Hibernia is not simply adapting to climate change – we are helping to shape Ireland's sustainable future whilst demonstrating that ambitious climate action creates lasting value for all stakeholders.



The Imperative for Climate Action

Understanding the Challenge

The science is clear: global warming must be limited to 1.5°C above pre-industrial levels to avoid the most catastrophic impacts of climate change. This requires halving global emissions by 2030 and reaching net zero by 2050. For Ireland, this translates to a 51% reduction in greenhouse gas emissions by 2030 – a target the country currently appears unlikely to achieve.

The Central Bank of Ireland has made clear that climate transition is not optional. Their guidance emphasises “an inevitability to the climate transition” with “legally binding commitments at national and EU level requiring us to transition to net zero by 2050.” For property companies, this is both a regulatory imperative and a business opportunity.

Physical climate risks are already happening in Ireland. Dublin faces increasing risks from surface flooding, more intense storms, and extreme heat events. Our climate risk and vulnerability assessments reveal that without adaptation, these risks could result in excessive costs to our portfolio annually from 2050. More importantly, properties that fail to adapt risk becoming uninsurable and unrentable – essentially “stranded assets”.

Transition risks present equally significant challenges. Enhanced building energy efficiency standards, carbon pricing mechanisms, and changing occupier preferences are reshaping market dynamics.

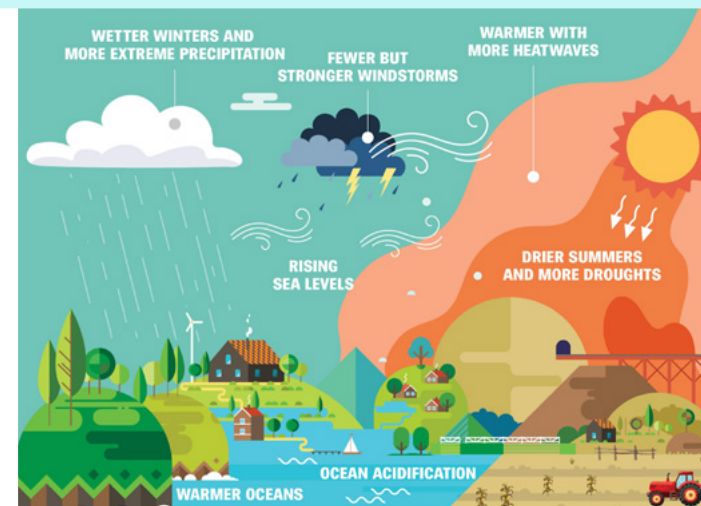
Ireland's Climate Context

Ireland's climate challenge is particularly acute. As a small, open economy with ambitious EU commitments, the country faces compressed timelines for transformation. The EU's Fit for 55 package, Green Deal and Energy Performance of Buildings Directive create binding obligations that flow through to national legislation, corporate, and building level requirements.

The sustainable finance regulatory environment is rapidly evolving. The Corporate Sustainability Reporting Directive, EU Taxonomy, and emerging due diligence requirements will soon mandate the type of comprehensive climate action we are implementing voluntarily today.

For Ireland's commercial property sector, this regulatory acceleration creates both urgency and opportunity. Properties that meet tomorrow's standards today will capture market advantage, whilst those that lag risk obsolescence.

Image:
Ireland's Changing
Climate, taken from
the National Climate
Change Risk
Assessment,
EPA, 2025



The Business Case for Leadership

Climate action is not a cost to our business – it is an investment in our future competitiveness and resilience. Our analysis demonstrates that proactive climate measures generate a number of value opportunities:

Operational Efficiency

Energy efficiency measures reduce operating costs whilst improving asset performance. Our preliminary assessments suggest 40% energy reductions are achievable across our portfolio.

Access to Capital

Green financing instruments offer more favourable terms, whilst ESG-focused investors – now representing €35 trillion¹ in global assets – prioritise climate-leading companies.

Regulatory Preparedness

Early action positions us ahead of inevitable regulatory tightening, avoiding compliance costs and potential penalties.

Risk Mitigation

Proactive adaptation measures, such as our planned storm shutters with €97,400 return on investment over ten years, protect asset values whilst reducing insurance costs.

Market Premium

Climate-conscious occupiers increasingly seek high-performance buildings. Net zero properties command rental premiums and maintain higher occupancy rates.

1. Advancing environmental, social, and governance investing. A holistic approach for investment management firms, Deloitte, 2025



Our Approach to Transition Planning

Methodology and Framework

Developing Hibernia's Climate Transition Plan required a comprehensive, science-based approach that balances ambition with commercial reality. We adopted internationally recognised frameworks (e.g. IFRS, ESRS, TPT) whilst ensuring alignment with Irish regulatory expectations and industry best practices.

Our methodology has been informed by thorough climate risk assessment using advanced modelling tools, providing property-level analysis of physical climate risks under multiple warming scenarios. This granular approach enabled us to quantify potential financial impacts and prioritise adaptation investments based on risk-return analysis.

For carbon accounting and target setting, we use the Greenhouse Gas Protocol, the Science Based Targets Initiative Buildings Standard and UK Net Zero Buildings Standard to ensure our commitments align with climate science. Our use of the Carbon Risk Real Estate Monitor (CRREM) tool provides industry-standard assessment to align real estate with climate goals and manage transition risk.

The Better Buildings Partnership Climate Resilience framework guided our comprehensive approach to climate resilience, ensuring we address mitigation, adaptation, and disclosure with equal rigour. This framework, developed by leading European property companies, represents current best practice in commercial real estate climate action.



Stakeholder Engagement Process

Climate action is not a cost to our business – it is an investment in our future competitiveness and resilience. Our analysis demonstrates that proactive climate measures generate a number of value opportunities:

Occupier Consultation

We conducted detailed discussions with major occupiers to understand their sustainability requirements and collaborative opportunities. This engagement revealed strong appetite for enhanced building performance and willingness to participate in joint initiatives.



Investors/Lenders Dialogue

Conversations with current and prospective investors confirmed increasing focus on climate performance as a key investment criterion. Our commitment to accelerated timelines aligns with investor expectations for leadership rather than compliance.



Supply Chain Assessment

Comprehensive review of our supply chain revealed significant opportunities for collaborative decarbonisation. Our suppliers demonstrated enthusiasm for partnership in achieving mutual sustainability goals.



Expert Advisory

We engaged climate scientists, sustainability consultants, and industry experts to validate our approach and ensure alignment with emerging best practices.

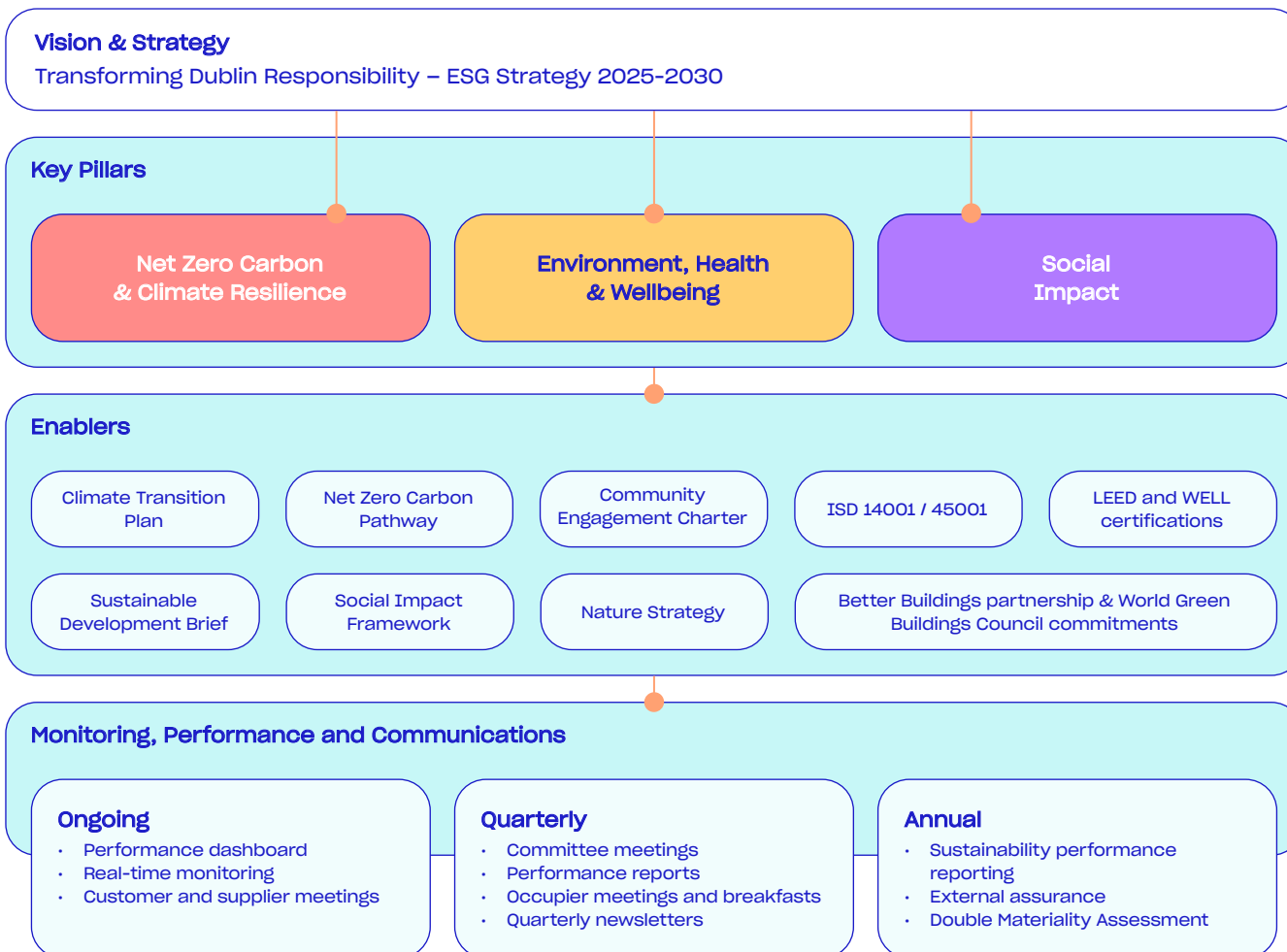


Integration with Business Strategy

Climate transition is not an add-on to our business strategy—it is integral to how we operate and create value. Our approach recognises that climate action must deliver commercial returns whilst contributing to broader sustainability goals.

The plan integrates with our existing Transforming Dublin Responsibly ESG Strategy, ensuring consistency with our established sustainability commitments. It builds upon our Net Zero Carbon Pathway whilst expanding scope to address adaptation, resilience, and stakeholder engagement comprehensively.

Financial planning incorporates climate considerations throughout our decision-making processes. Our internal carbon pricing mechanism ensures climate costs and benefits are reflected in investment decisions, whilst dedicated climate capital allocation drives systematic decarbonisation.



Our Climate Commitments

Net Zero Carbon

Hibernia is committed to achieving our net zero carbon targets across operations of our managed office assets by 2030. This commitment reflects both the urgency of climate action and our confidence in the business case for accelerated decarbonisation.

Our pathway targets a 30% reduction in our overall carbon footprint including embodied carbon from developments and reduce our energy use intensity (Scope 1, 2 and 3 (downstream leased assets) of managed offices to below 100 kWh/m²/yr. These targets are science-based, aligning with pathways to limit global warming to 1.5°C e.g. CRREM, SBTi and the UKNZCBS and look not only to 2030 but beyond to 2050.

The commitment encompasses all carbon emissions under our operational control whilst extending influence to areas where we can drive change through partnerships and procurement.

Our pathway is aligned to the Better Buildings Partnership Net Zero Carbon Pathway Framework and World Green Building Council's Net Zero Carbon Buildings Commitment. As part of these commitments, we are required to report on our annual progress and the steps we are taking along our pathway to achieve our net zero carbon ambition.



Transparency and Accountability

We commit to industry-leading transparency in climate reporting, going beyond compliance requirements to provide stakeholders with comprehensive, timely information about our performance and progress.

Annual reporting will align with the IFRS/Task Force on Climate-related Financial Disclosures (TCFD) framework, or equivalent, incorporating quantitative scenario analysis and detailed progress against targets. We will continue to seek external verification of our carbon inventory and progress from independent third parties. We will maintain our annual responses to GRESB and CDP to benchmark our climate-related disclosures.

Our governance structures ensure accountability for delivery, with Board-level oversight and management incentive alignment. Regular stakeholder updates will maintain open dialogue about challenges, successes, and evolving approaches.



Climate Resilience by 2050

Beyond carbon reduction, we commit to building comprehensive climate resilience across our portfolio. This involves systematic adaptation to physical climate risks whilst preparing for transition risks through strategic positioning and stakeholder engagement.

Our resilience commitment includes property-level adaptation measures tailored to specific risk profiles, portfolio-wide standards for climate-resilient design and operations, and community-scale partnerships to enhance broader urban resilience.

Resilience planning extends to our business model, ensuring we can thrive regardless of how quickly or smoothly the broader economic transition unfolds. This adaptive capacity positions Hibernia to capture opportunities whilst managing risks across multiple climate scenarios.

Governance and Leadership

Senior Management Oversight and Accountability

Climate transition requires leadership from the top. Our Senior Management Team (SMT) recognises climate change as a strategic priority requiring direct oversight and regular engagement. SMT responsibilities include setting overall climate strategy, monitoring progress against targets, and ensuring adequate resources for implementation.

We are enhancing SMT climate competence through structured training programmes and regular briefings from climate experts. SMT meetings include quarterly climate progress reports, ensuring climate considerations are integrated into all major strategic decisions.

The Risk and Compliance Committee formally integrates climate risk assessment into quarterly reviews, using our TCFD-aligned methodology to monitor emerging risks and evaluate mitigation effectiveness.

The SMT report directly to the Board of our owners, Brookfield, on a quarterly basis and climate-related updates are included.

CDP Ireland Network Annual Report 2024 Launch
Hosted by Hibernia at The Windmill Quarter
Hibernia are a member of the CDP Ireland
Network Steering Committee

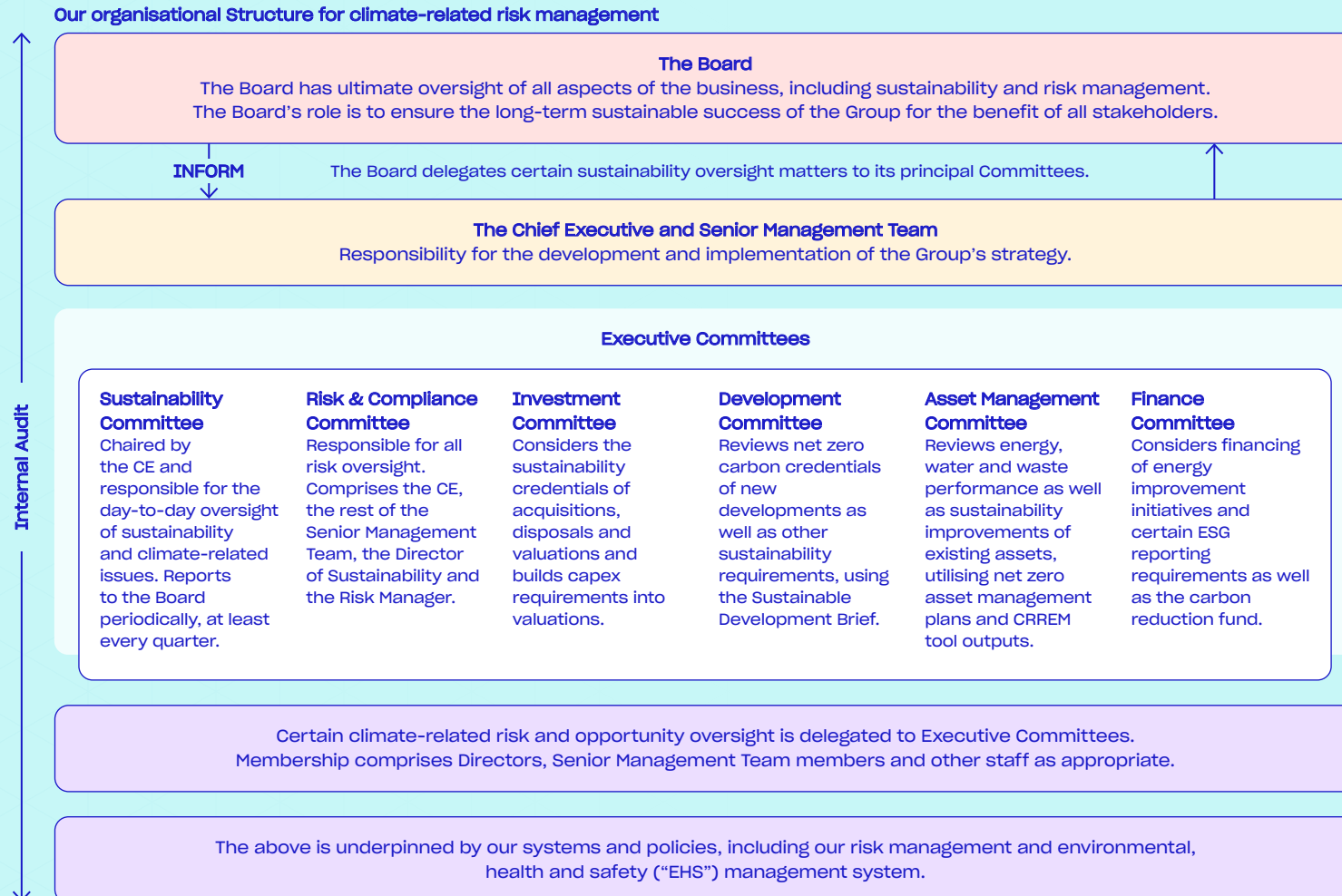


Management Structure and Responsibilities

Our Sustainability Committee provides strategic direction for climate action, coordinating across departments to ensure integrated implementation. See the governance framework outlined in the diagram to the right.

The Sustainability Department drives day-to-day implementation, with clear accountability for delivering specific milestones and targets. This cross-functional team meets monthly to review progress, address challenges, and coordinate activities.

Asset-level climate champions throughout our organisation ensure implementation reaches operational levels, with responsibility for building-specific action plans and occupier engagement.



Skills Development and Capability Building

Climate leadership requires appropriate expertise throughout our organisation. We are implementing comprehensive skills development programmes to ensure all team members understand climate risks and opportunities relevant to their roles.

Executive development includes advanced climate training covering scenario planning, transition risk assessment, and stakeholder engagement. Technical training for asset management and development teams focuses on building performance optimisation, renewable energy integration, and adaptation measures.

We are developing partnerships with leading universities and climate organisations to ensure ongoing capability development as climate science and technology evolve.

Performance Management and Incentives

Climate performance is integrated into our performance management systems, with climate-related objectives included in role descriptions and performance assessments across the organisation. Executive remuneration includes specific climate performance metrics, ensuring leadership accountability for delivery.

Key performance indicators cascade from SMT-level commitments to individual objectives, creating clear line of sight between overall targets and daily activities.



Decarbonisation Strategy

Understanding Our Carbon Footprint

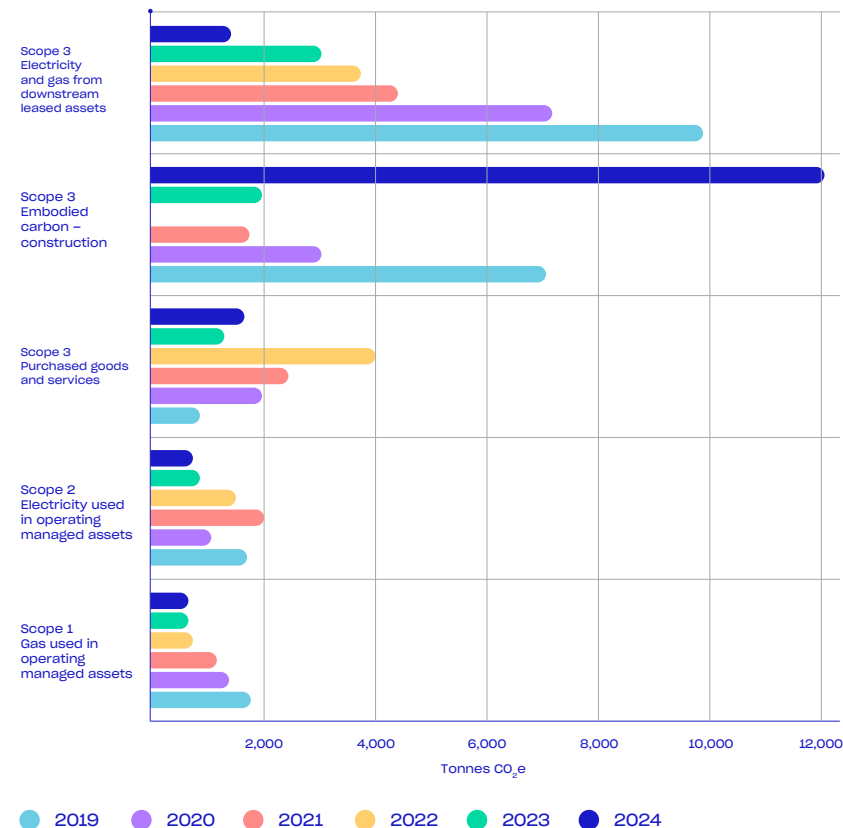
Achieving net zero requires comprehensive understanding of our carbon emissions across all sources and activities. Our carbon inventory follows the Greenhouse Gas Protocol, covering Scope 1 direct emissions from our operations, Scope 2 indirect emissions from purchased energy, and material Scope 3 emissions from our value chain.

Scope 1 emissions primarily come from natural gas heating systems across our portfolio. These emissions are directly under our control and represent our most immediate decarbonisation opportunity through electrification and efficiency improvements.

Scope 2 emissions result from purchased electricity for building operations. Whilst Ireland's electricity grid is becoming cleaner, we can accelerate progress through energy efficiency, on-site renewable generation, and procurement of renewable energy.

Scope 3 emissions include embodied carbon in our developments and occupier energy consumption in our buildings. These emissions require collaborative approaches and long-term strategies but represent significant opportunities for value creation through stakeholder engagement.

Scope 1, 2 and 3 emissions for last six years



Whole life carbon approach to decarbonisation

Our carbon footprint can be further split across the lifecycle of our buildings using the whole life carbon approach.

Whole life carbon refers to the total greenhouse gas emissions associated with a building, from the extraction of raw materials and construction

processes to its operational phase and eventual renovation or demolition. This holistic approach provides a more accurate picture of a building's carbon footprint compared to traditional methods that often focus solely on operational emissions.

Importance of measuring whole life carbon

Comprehensive environmental impact:

By measuring whole life carbon, we can identify and mitigate carbon emissions at every stage of the building's lifecycle. This approach ensures that both the embodied carbon (emissions from materials and construction) and operational carbon (emissions from energy use during the building's life) are accounted for.

Regulatory compliance and future-proofing:

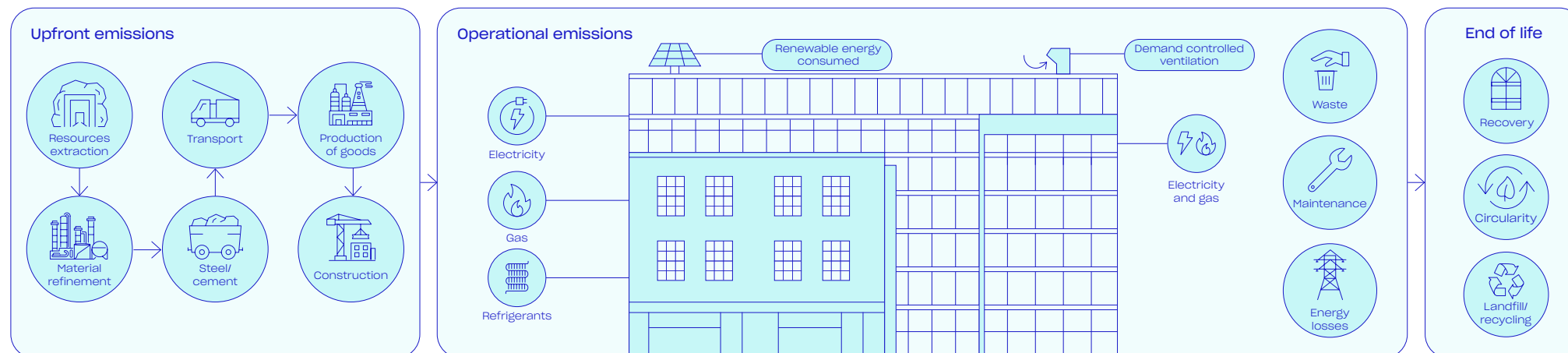
As regulations around carbon emissions become stricter, measuring whole life carbon helps us stay ahead of compliance requirements. It also future-proofs the development against potential regulatory changes, ensuring long-term sustainability and viability.

Enhanced marketability:

Buildings with lower carbon footprints are increasingly attractive to occupiers and investors. By demonstrating a commitment to reducing whole life carbon we enhance the marketability and value of our developments.

Contribution to global climate goals:

The real estate sector is a significant contributor to global carbon emissions. By adopting whole life carbon measurement, Hibernia will help in the achievement of broader climate goals, such as those outlined in the Paris Agreement, and supports Ireland's national targets for carbon reduction.



Our Decarbonisation Pathway

Our decarbonisation strategy prioritises the greatest impact opportunities whilst building systematic capability for comprehensive transition. The approach follows the mitigation hierarchy: avoid emissions where possible, reduce emissions through efficiency and renewable energy, and offset only residual emissions after all feasible reduction measures have been exhausted.



Energy Efficiency First

Building energy efficiency provides the foundation for decarbonisation, reducing energy demand before addressing supply. Our programme includes advanced building management systems, LED lighting upgrades, enhanced building envelopes, and optimised HVAC systems.



Renewable Energy Transition

We are maximising on-site renewable generation through rooftop solar installations whilst procuring renewable electricity for remaining needs. Our target of 90% renewable generation coverage by 2030 will virtually eliminate Scope 2 emissions.



Heating Electrification

Systematic replacement of gas heating systems with efficient electric heat pumps eliminates the largest source of direct emissions whilst improving building performance and occupant comfort.

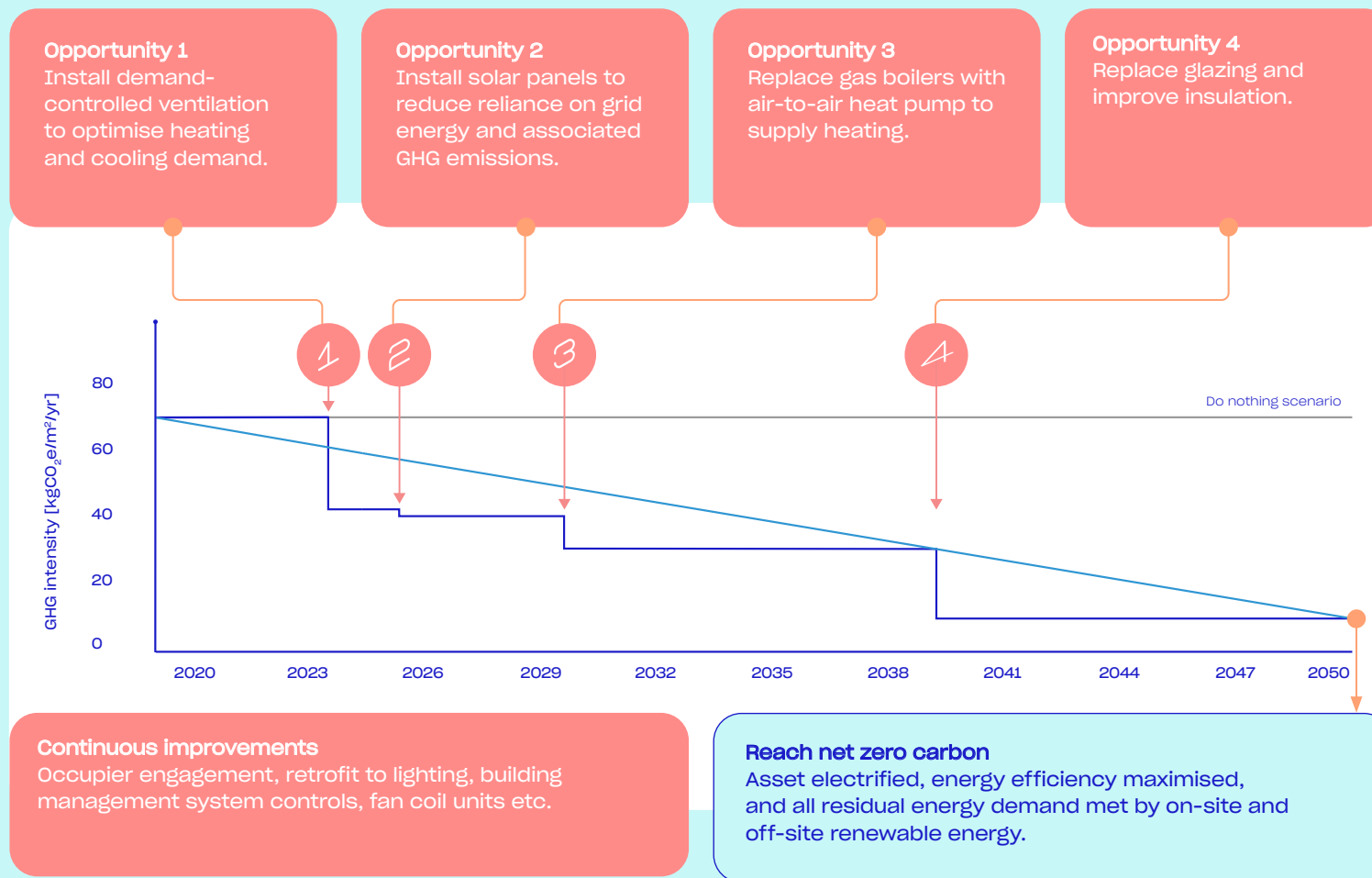


Embodied Carbon Reduction

New developments and major refurbishments incorporate low-carbon materials, circular design principles, and supply chain engagement to minimise embodied carbon. Our 30% reduction target drives innovation in construction methods and material selection.



Example of a decarbonisation pathway for an asset



Technology and Innovation

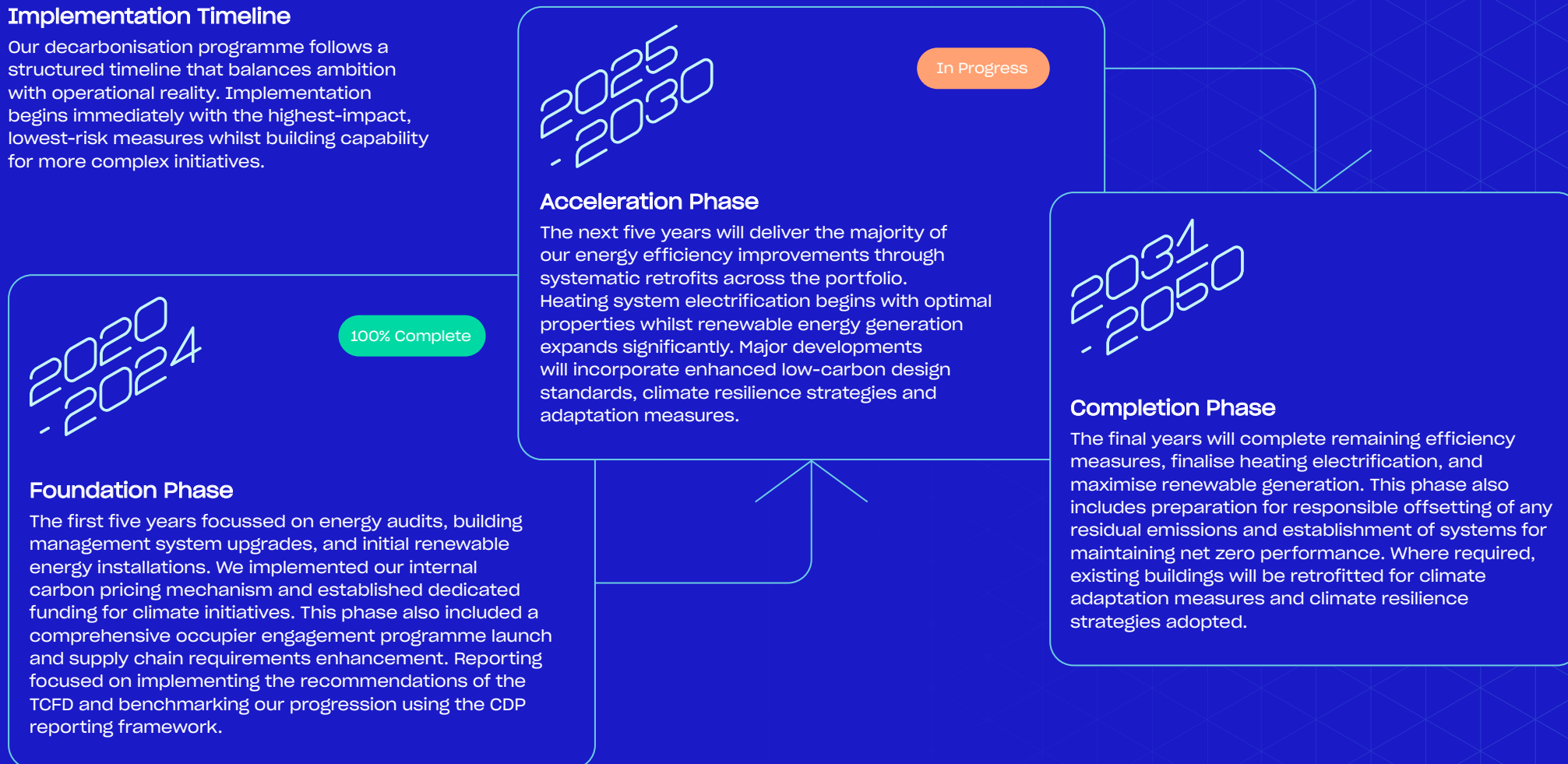
Achieving net zero by 2030 requires deployment of proven technologies alongside strategic investment in emerging solutions. Our technology strategy balances commercial viability with performance requirements.

Current technology deployment focuses on building automation systems, energy efficiency measures, and renewable energy generation. These proven technologies provide immediate impact whilst delivering strong financial returns.

Emerging technology investment includes energy storage systems, advanced heat pump technologies, and smart grid integration. These investments position us for continued performance improvement whilst supporting broader market development.

Implementation Timeline

Our decarbonisation programme follows a structured timeline that balances ambition with operational reality. Implementation begins immediately with the highest-impact, lowest-risk measures whilst building capability for more complex initiatives.



Climate Adaptation and Resilience

Understanding Physical Climate Risks

As a responsible business, we recognise that we need to consider the potential impacts of climate change, beyond short-dated business time horizons. While many climate-related risks are likely to materialise over the medium to longer term, the market may begin to price these risks in over the shorter term and, as such, we have taken steps to understand our climate-related risks and opportunities across a breadth of time horizons and against different climate scenarios.

Our top identified climate-related risks have been selected from a longer list, and against each of our climate-related time horizons.

Surface flooding represents our most significant acute risk, with an increased likelihood of flooding that could result in significant costs to Hibernia from 2050 onwards.

These risks are concentrated in specific locations, enabling targeted adaptation investments with measurable returns.

Storm intensity is increasing, with projected wind speeds reaching 166.5 km/h during extreme events. Storm-related damages could increase by 2050 as a result.

Chronic risks include subsidence potential and increasing heat stress. Whilst these risks develop slowly, they require proactive planning to maintain building performance and occupant comfort as climate conditions evolve.

As our business operates only in Dublin-based real estate, we have not broken down results by sector or geography. The table of the relevant short-, medium- and long-term risks identified are provided on the next page.



Identified climate-related risks

Short term: 2025-2029

Risk

Potential impacts to Hibernia

Market demand shifts

Demand within the market and among our occupiers for low carbon, climate resilient assets could lead to a green premium for high-performing assets or, conversely, a brown discount for assets that do not meet contemporary standards. Shifts in market dynamics could also create difficulties for our occupiers.

- Impacts on asset valuations and rental values
- Increased cost of financial capital
- Occupier default risk

Energy transition

As the shift away from fossil fuels to renewable energy accelerates, and uptake and demand for low-carbon technologies increase, energy inefficient or fossil fuel-powered assets could fall into underperformance. Carbon taxation and increased energy demand could increase assets' operating costs.

- Increased cost of energy; costs of carbon taxation
- Impacts on asset values and rental values for inefficient assets
- Potential to miss opportunities to harness government subsidy mechanisms

Regulation and policy

To meet its 2050 net zero carbon target, and to begin embedding climate adaptation into the economy, we expect the Irish Government to enhance climate policy in the coming years, partly by targeting the built environment.

- Fines, void periods or reputational damage from non-compliance
- Capital cost to meet new standards

Supply chain disruption

Our business and our occupiers are reliant on global supply chains. During the decarbonisation transition and physical climate impacts could disrupt our ability to operate efficiently.

- Business interruptions; loss of income
- Increased development costs; delayed development timelines
- Occupier default risk

Medium term: 2030-2049

Risk

Potential impacts to Hibernia

River flooding

Our assets' Dublin locations means that river flooding could pose a risk to our assets in the medium term. This could include issues with the wider area around our assets, even if physical damage to assets is avoided.

- Business disruption for Hibernia and occupiers; loss of income
- Reduced asset values or stranded asset risk for at-risk assets
- Capital costs of installing resilience measures
- Clean-up and repair costs

Long term: 2050 and beyond

Risk

Potential impacts to Hibernia

Coastal flooding

We expect the main impacts of coastal flooding to be long term, but our Dublin location, near both coast and rivers, is important for us to consider in mitigation planning.

- Business disruption for Hibernia and occupiers; loss of income
- Reduced asset values or stranded asset risk for at-risk assets
- Capital costs for installing resilience measures
- Clean-up and repair costs

Risk Management

Risk management is an integral part of running our business. Risks are constantly changing, so our management approach is to monitor and proactively mitigate them. We categorise risks by considering their likely impact on our strategy, operations, financial position and stakeholders. Our projects may take many years to complete, requiring long-term planning, risk mitigation and financial discipline. Our processes are designed to also identify and assess emerging risks.

We recognise the increasing impacts of climate change, which are closely linked to many of the key risks of our business and have implemented the recommendations of the TCFD. As part of this, we improved our risk management around climate change and our understanding of the risks that face the Group, including the potential for stranded assets if certain risks are not

addressed, as confirmed through rigorous climate risk and vulnerability assessments and applying the methodology of the CRREM tool.

Our approach to risk management promotes clear decision making as to which risks we take and how they are managed, based on an understanding of their potential strategic, commercial, financial, tax, compliance, legal and reputational implications.

Our latest double materiality assessment (see [our website](#)) helps identify risks to the business, and climate change mitigation and resilience are key material issues.

The Sustainability Committee is responsible for our strategic approach, projects, and the monitoring and measurement of the climate resilience of the business.

Our Sustainable Development Brief ensures that our development projects meet our climate resilience ambitions for project design and delivery and into operations. Our ISO14001 Environmental Management System, which is externally certified, ensures that the management of our properties manage climate related risks in a structured manner, identify the appropriate risks, and that relevant staff are trained in the appropriate measures to manage those risks in each of our buildings.

Climate-related risk management is supported by transparent reporting, e.g. GRESB, CDP and TCFD. This keeps our stakeholders informed on the steps we are taking to proactively manage climate-related risks and opportunities.



Scenario analysis

In 2022, we collaborated with Jones Lang LaSalle (JLL) Upstream Sustainability Services and its partner The Climate Service to undertake climate scenario analysis. The process was as follows:

We chose the IPCC (Intergovernmental Panel on Climate Change) Representative Concentration Pathway (RCP) scenarios, as the most widely used, credible climate scenarios that model different pathways of greenhouse gas emissions over the coming years. To cover the most likely range of average global temperature rise, we selected the RCP4.5 and RCP8.5 scenarios. The results of this modelling will impact our business planning in the coming years.

	Average temperature rise	Transition:	Adaptation:	Impact:
	1.7–3.2°C by 2100	Transition policies intensify gradually starting immediately	Medium adaptation required at medium cost	- Economic: GDP losses, not as substantial as RCP8.5. Significant regulatory pressure and associated costs - Environment: Less physical impact, although c.2°C of warming still presents substantial physical climate risks
	3.2–5.4°C by 2100	No additional policy action, business as usual	High adaptation required at high cost	- Economic: Permanently stunned GDP growth; severe economic shifts - Environment: Chronic changes to ecosystems; severe associated impacts on a global scale

Climate scenario impact modelling

As all our assets are in and around Dublin, and therefore will largely have similar climate risk profiles, we modelled a representative sample of assets to understand our key risks and opportunities. The modelling enabled us to quantify potential losses or savings, providing a sense of the scale of potential climate-related impacts and informing priority areas for mitigation planning. The modelling looked over each of our time horizons and went out until 2100, providing a detailed long-term view of potential climate futures.

See left for more detail on the scenarios we used in this analysis. More recent assessments using Climate X on existing assets, and consultants for specific development projects have calculated similar impacts under the various scenarios. We are committed to re assessing our assets every 2-3 years.

Asset resilience assessment

To go further than the modelling would enable us to, we conducted a more detailed asset resilience assessment for a sample of assets. We distributed a property survey to understand asset-specific information – e.g. elevation; plant and equipment use and age; existing physical defence infrastructure; occupier types and more – to get a more detailed view of the resilience of our assets and better inform our assessment of vulnerability. We were able to conclude that, although the modelling projects physical climate risks, we are already managing these across several of our assets.

Transition risk review

Although our modelling exercise included transition risks, in recognition that modelling capabilities around transition risks are less mature, we also undertook a deep-dive review into transition risks. The detailed review covered policy, legal, market, technology and reputational risks. This has provided us with a richer picture of the potential transitional shifts that may affect our business so that we can proactively prepare for them and seize the associated opportunities.

Social risk review

Finally, we synthesised all the above together to review how the transitional and physical climate-related risks and opportunities we have identified may impact the society in which we operate, and how that in turn will affect our business. The top risks include an increase in poverty, health and wellbeing impacts, and skills shortages. As a real estate company, we can provide opportunities in collaboration with stakeholders to support capacity building in local suppliers, provide training and employment opportunities, and engage the community. We will use this information to manage these societal risks and provide opportunities to support a just transition.

Bringing all of this together, the top climate-related risks to Hibernia that we have identified are summarised in the table the left. This assessment process has informed detailed risk management recommendations to support resilience across all life-cycle stages and the relevant priority actions going forward.

Our Adaptation Strategy

Physical climate adaptation requires property-specific solutions based on detailed risk assessment and cost-benefit analysis. Our strategy combines engineering solutions with nature-based approaches to build comprehensive resilience whilst creating additional value.

- ➔ **Flood/Storm Resilience:** Properties at risk of surface flooding receive sustainable drainage systems and enhanced flood barrier protection. These measures provide flood protection whilst improving site environmental performance and reducing infrastructure costs.
- ➔ **Heat Management:** Enhanced cooling systems, external shading, and green infrastructure will maintain building performance and occupant comfort as temperatures rise. These measures also provide energy efficiency benefits and improved urban environmental quality.
- ➔ **Nature-Based Solutions:** Green roofs, urban forestry, and biodiversity enhancements provide climate adaptation – stormwater retention and added insulation – benefits whilst supporting our environmental commitments and creating attractive spaces for occupiers.



Building Portfolio Resilience

Individual property adaptation must be complemented by portfolio-level strategies that address systemic risks and opportunities. Our approach ensures climate resilience is embedded in all aspects of property ownership and management.



Acquisition due diligence now includes comprehensive climate risk assessment, ensuring new properties meet resilience standards or have clear adaptation pathways. This forward-looking approach protects investment value whilst building portfolio resilience systematically.

Design standards for developments and major refurbishments incorporate climate projections for the buildings' expected lifespans. This ensures new assets remain functional and valuable regardless of how climate conditions evolve.

Insurance strategy evolution includes both risk reduction through adaptation measures and comprehensive coverage for residual risks. This balanced approach provides financial protection whilst incentivising continued resilience investment.



Stakeholder Engagement and Collaboration

Building Partnerships for Change

Climate transition requires collaboration across the entire property ecosystem. Our stakeholder engagement strategy recognises that achieving ambitious climate goals depends on partnership and mutual support rather than individual action alone.

We work actively with occupiers, investors, lenders, suppliers, and community partners to align interests and share the benefits of climate action. This collaborative approach amplifies impact whilst distributing costs and risks appropriately among stakeholders.

Our engagement goes beyond consultation to include joint initiatives, shared investments, and collaborative problem-solving. This deeper partnership model creates stronger commitment and better outcomes than traditional landlord-occupier or client-supplier relationships.

Occupier Partnership Programme

Occupiers control significant portions of building energy consumption and emissions, making partnerships essential for achieving comprehensive decarbonisation. Our occupier engagement programme creates mutual value through collaboration on efficiency, renewable energy, and operational improvements.

Green lease provisions establish clear frameworks for data sharing, collaborative target setting, and joint investment in building improvements. These provisions protect both landlord and occupier interests whilst enabling ambitious sustainability initiatives.

Occupier sustainability support includes energy performance dashboards, efficiency guidance, and assistance with their own sustainability reporting and certification. This value-added service strengthens occupier relationships whilst supporting broader sustainability goals.

Joint initiatives include shared renewable energy projects, collaborative waste reduction programmes, and coordinated building efficiency improvements.

These partnerships often achieve better results at lower costs than individual efforts.

Investor and Financial Partner Engagement

Climate performance increasingly influences investor decisions and financing costs. Our engagement with financial stakeholders focuses on transparency, performance demonstration, and alignment of interests around long-term value creation.

Enhanced climate reporting provides investors with detailed information about risks, opportunities, and performance against targets. This transparency builds confidence whilst enabling informed decision-making about climate-related investments.

Green financing initiatives align funding sources with sustainability objectives, often providing more favourable terms whilst supporting ambitious climate action. Our sustainability-linked facilities demonstrate market demand for climate leadership.



Supply Chain Collaboration

Our supply chain, whilst a significant source of emissions, also provides a number of decarbonisation partnership opportunities. Supplier engagement focuses on collaborative emissions reduction, capability building, and innovation support.

Enhanced supplier requirements include emissions reporting, reduction targets, and sustainable practice implementation. These requirements are supported by capacity-building

programmes that help suppliers meet expectations whilst improving their competitiveness.

Supplier innovation partnerships explore new technologies, materials, and approaches that benefit both parties. Our scale and commitment provide suppliers with market opportunities and they provide us with improved solutions.

Community Engagement and Social Impact

Climate action must support broader social goals, particularly ensuring that transition benefits are shared equitably and avoid negative impacts on vulnerable communities. Our community engagement programme recognises these broader responsibilities.

Local partnership initiatives include educational programmes, community resilience projects, and support for green skills development. These initiatives build social value whilst supporting our business objectives through stronger community relationships.

We prioritise local suppliers and contractors where possible, supporting regional economic development whilst reducing transport emissions. This approach often provides better service and creates broader economic benefits.

Community feedback mechanisms ensure our climate actions consider local perspectives and needs. This engagement helps identify potential issues early whilst building support for ambitious sustainability initiatives.



Financial Strategy and Investment



Climate as Investment Opportunity

Climate action requires significant financial investment, but our analysis demonstrates that these investments generate attractive returns whilst reducing risks and creating new opportunities. Our financial strategy treats climate action as core business investment rather than discretionary spending.

Capital allocation prioritises climate initiatives based on return potential, risk reduction, and strategic value. This commercial approach ensures sustainability investments compete effectively with other business opportunities whilst building long-term competitive advantage.

Our internal carbon pricing mechanism embeds climate costs and benefits into all investment decisions. Set at €75 per tonne, this pricing ensures climate considerations influence day-to-day business decisions.

Funding Climate Transition

Comprehensive climate action requires dedicated funding sources that align with our sustainability objectives whilst providing competitive terms. Our funding strategy combines internal resources with innovative external financing.

A dedicated Carbon Reduction Fund captures revenues from internal carbon pricing whilst providing transparent financing for high-impact climate initiatives. This mechanism ensures carbon costs directly fund emissions reductions rather than becoming general revenues. Green financing instruments, including loans linked to sustainability performance, provide external funding whilst demonstrating market confidence in our climate strategy.

Investment prioritisation follows clear criteria that balance carbon reduction potential, financial returns, and climate resilience benefits. This systematic approach ensures optimal allocation of limited capital across competing opportunities.

Creating Climate Value

Climate investments create value through multiple channels beyond traditional financial returns. Our approach captures these diverse value streams whilst maintaining commercial discipline and proportionality.

Energy efficiency improvements reduce operating costs whilst improving asset performance and occupier satisfaction. These improvements often pay for themselves through reduced utility bills whilst creating additional value through improved building ratings and market positioning.

Renewable energy installations provide long-term energy cost certainty whilst reducing carbon emissions and enhancing building resilience. These investments often generate positive returns and protect against energy price volatility.

Climate adaptation measures protect asset values and can also help reduce insurance costs and improve occupier retention.

Long-Term Financial Planning

Climate action requires long-term thinking that balances immediate investments with future value creation. Our financial planning extends beyond traditional investment horizons to capture the full value of climate initiatives.

Scenario planning ensures our financial strategy remains robust across different climate and policy futures. This approach protects against stranded asset risks whilst positioning us to benefit from accelerated transition scenarios.

Technology roadmaps inform investment timing, ensuring we deploy proven technologies immediately whilst preparing for emerging solutions that offer additional value creation opportunities.



Example of protecting asset value through decarbonisation and biodiversity retrofit whilst obtaining green building certification: **Observatory building refurbishment 2024/25:**



32kWp of PV solar panels installed to reduce reliance on grid emissions.



Electrical infrastructure moved to avoid possible flood damage.



Flood defence barriers on site and call out service in place to erect on warning to protect asset from potential river flooding.



Premium Facilities to promote use of sustainable transport modes.



100% Electric Building – heat pumps installed to reduce dependency on fossil fuels to reduce dependency on fossil fuels.



Aiming for LEED O+M Gold certification to recognise improvements in energy and water efficiency.



B2 BER Rating improved from C2 and to reduce carbon emissions from energy usage and protect asset value/avoid stranding.



Biodiverse terraces prioritising nature and stormwater retention.



Implementation and Progress Monitoring

Systematic Implementation Approach

Achieving net zero carbon operations by 2030 requires systematic, coordinated implementation across all aspects of our business. Our implementation strategy balances urgency with practical realities, ensuring steady progress whilst maintaining operational excellence.

Implementation is under way and began with comprehensive property assessments, system upgrades, and stakeholder engagement programmes. Early actions focussed on high-impact opportunities that provide immediate returns whilst building momentum for more complex initiatives.

Cross-functional coordination ensures climate actions integrate smoothly with ongoing business operations. Regular coordination meetings prevent conflicts whilst identifying opportunities.

Progress tracking systems provide real-time visibility of implementation status, enabling rapid response to challenges whilst capturing lessons learned for future initiatives.

Performance Measurement and Reporting

Robust measurement systems provide the foundation for successful climate transition, enabling us to track progress, identify issues, and demonstrate results to stakeholders. Our measurement approach combines automated data collection with regular manual verification.

Building-level monitoring systems track energy consumption, carbon emissions, and operational performance in real-time. These systems enable immediate response to performance issues whilst providing detailed data for analysis and reporting.

Portfolio-level dashboards aggregate building data to provide management and SMT oversight of overall performance

against targets. These dashboards highlight trends, identify outliers, and support strategic decision-making. Annual reporting provides comprehensive assessment of progress against all commitments, including detailed analysis of successes, challenges, and lessons learned. This reporting supports continuous improvement and engenders stakeholder confidence.

These are presented in the ESG performance tables which can be found on ESG performance section on our website covering the last two calendar years, and include the following topics seen in the table below.

Use of benchmarks such as GRESB and CDP ensure we maintain the highest level of climate-related performance and transparency to our stakeholders.

ESG Performance Topics

Total and like-for-like electricity consumed (both market and location based)

Total and like-for-like fuel consumed (gas used for heating and hot water)

Building energy use intensity (by area)

Energy use intensity versus 2030 Net Zero Carbon Pathway target

Total scope 1 and 2 emissions intensity

Total scope 3 emissions intensity

Total Scope 1, 2 and 3 emissions intensity

Building water usage and intensity

Waste generated (recycled, composted and incinerated)

Percentage of revenues derived from LEED certified assets

Percentage of revenues derived from BER rated buildings B3 or better

Estimated annual energy savings from measures

Estimated annual greenhouse gas emissions savings

Total amount of capital raised via the Internal Carbon Price

Percentage of capital invested via the Carbon Reduction Fund generated from previous year

Percentage of suppliers engaged on Scope 3 emissions



Examples of benchmarks, certifications, commitments and guidance Hibernia use for measuring performance, providing transparency and stakeholder confidence, as well as setting targets.

Continuous Improvement and Adaptation

Climate transition is a learning process that requires continuous improvement as technology, regulations, and best practices evolve. Our approach builds in flexibility and adaptation capability whilst maintaining focus on overall objectives.

Regular strategy reviews assess progress against plans and identify opportunities for enhancement or acceleration. These reviews consider technological developments, policy changes, and market evolution to ensure our approach remains optimal.

Continuous improvement is also managed through careful implementation of LEED O+M and ISO 14001 certification of our managed assets.

Stakeholder feedback integration ensures our approach continues to meet evolving expectations whilst identifying new opportunities for collaboration and value creation.

Long-Term Monitoring and Maintenance

Achieving net zero carbon operations by 2030 is the beginning, not the end, of our climate journey. Our monitoring systems ensure continued performance whilst preparing for the next phase of climate leadership extending to 2050. Post-2030 planning addresses the transition to meet more stringent 2050 carbon targets, requiring enhanced carbon removal capabilities and continued technological advancement.

Adaptive management systems enable response to changing climate conditions, evolving stakeholder expectations, and new regulatory requirements that maintain our leadership position.

Knowledge sharing initiatives contribute to broader industry transformation, helping other companies achieve their climate goals and enhance our competitive advantage through continued innovation.

Our Vision for the Future

Beyond Net Zero

Achieving and maintaining net zero carbon operations by 2030 represents the foundation for our longer-term vision of regenerative business practices that create net positive environmental impact. Our planning extends to 2050, positioning Hibernia as a leader in the next phase of climate action.

Post-2030, we will continue to transition assets towards more aggressive net zero targets, not just for operational carbon emissions, but also incorporating advanced materials and circular economy principles into our developments that restore environmental systems whilst creating exceptional spaces for occupiers.

Technology leadership includes investment in emerging solutions such as building-integrated carbon capture, advanced energy storage, and smart building systems that optimise performance automatically. These investments will position us at the forefront of property technology whilst delivering superior environmental performance.



Industry Transformation and Collaboration

Climate leadership requires supporting broader industry transformation rather than simply outperforming peers. Our long-term vision includes establishing platforms for knowledge sharing, technology development, and collaborative action that accelerate decarbonisation across the entire sector.

We will develop partnerships with universities, technology companies, and other innovators to advance climate solutions that benefit the entire property industry. This open innovation approach accelerates progress whilst creating new business opportunities.

Supply chain development initiatives will help our partners achieve their own climate goals whilst building market capacity for sustainable construction materials, renewable energy systems, and other essential technologies.

Policy advocacy will support enhanced climate regulations and incentives that create level playing fields for climate action whilst ensuring Ireland meets its national climate commitments.

Community Impact and Social Value

Our climate vision extends beyond environmental benefits to encompass broader social value creation through job creation, community resilience building, and equitable access to sustainable spaces.

Local economic development includes prioritising Irish suppliers, supporting green skills training, and investing in community renewable energy projects that provide local benefits whilst contributing to national decarbonisation goals.

Community resilience initiatives will expand beyond our immediate properties to support area-wide adaptation and preparation for climate impacts. This approach protects our assets whilst creating broader social benefits.

Educational partnerships will support climate literacy and skills development, ensuring Ireland has the human capital needed for successful transition whilst creating opportunities for career development in emerging green industries.

Measuring Success and Impact

Success in climate transition extends beyond carbon metrics to encompass broader measures of value creation and positive impact. Our measurement framework evolves to capture these diverse outcomes whilst maintaining focus on core environmental objectives.

Environmental impact measurement includes biodiversity enhancement, resource efficiency/circularity, and broader ecosystem benefits created through our operations and development activities.

Social impact assessment captures job creation, community engagement outcomes, skills development, and contributions to local economic development.

Economic impact evaluation includes supply chain benefits, innovation contributions, and broader economic value creation through climate leadership and sustainable business practices.

These comprehensive measurement approaches ensure our climate action creates maximum value for all stakeholders whilst contributing to broader sustainability goals for Ireland and the global community.



Leading Ireland's Climate Transition

For more information click on the links below:

Internal

[Ongoing ESG reporting and detailed progress updates](#)

[Sustainability Strategy: "Transforming Dublin Responsibly"](#)

[Net Zero Carbon Pathway](#)

[Double Materiality Assessment](#)

[Sustainable Development Brief](#)

External

[Better Buildings Partnership](#)

[World Green Building Council's Net Zero Carbon Buildings Commitment Climate Commitment](#)

Hibernia's Climate Transition Plan represents more than environmental commitment – it embodies our vision of business leadership that creates value for all stakeholders whilst contributing to Ireland's successful climate transition.

Our commitment to net zero carbon operations by 2030, comprehensive climate resilience, and transparent stakeholder engagement positions us at the forefront of sustainable business practice. These commitments reflect our confidence that ambitious climate action creates competitive advantage whilst fulfilling our responsibilities to current and future generations.

The plan's comprehensive approach addresses every aspect of our business, from governance and strategy to operations and stakeholder engagement. This integration ensures climate considerations become embedded in our business culture rather than a response to external requirements.

Our collaboration-focused approach recognises that successful climate transition requires partnerships across the entire property ecosystem. By working closely with occupiers, investors, suppliers, and community partners, we create shared value whilst amplifying the impact of individual actions.

The financial strategy treats climate action as a core business investment, capturing value through operational efficiency, market positioning, and risk reduction whilst accessing innovative financing instruments that support ambitious action.

Looking beyond 2030, our vision of net zero carbon operations and regenerative business practices demonstrates commitment to continued leadership as climate action evolves and intensifies. This long-term perspective ensures our actions today position us for continued success tomorrow.

We invite all stakeholders to join us on this journey towards a sustainable future. Together, we can demonstrate that ambitious climate action is not only possible but profitable, creating lasting value whilst helping Ireland achieve its climate goals and contributing to global efforts to address the climate crisis.

Through leadership, collaboration, and unwavering commitment to excellence, Hibernia is transforming Dublin responsibly whilst building a sustainable foundation for future generations.

Glossary & Abbreviations

Glossary

Carbon Footprint:

The total amount of greenhouse gases emitted by an individual, organisation, event, or product.

Carbon Risk Real Estate Monitor (CRREM):

CRREM is the global standard to align real estate with climate goals and manage transition risk.

Climate Adaptation:

Adjusting to actual or expected climate and its effects.

Climate Mitigation:

Efforts to reduce or prevent the emission of greenhouse gases.

Climate Resilience:

The ability to anticipate, prepare for, and respond to hazardous events or disturbances related to climate.

Climate Transition Plan:

A strategic document outlining Hibernia Real Estate Group's roadmap to achieve net zero carbon operations by 2030 and build climate resilience across its portfolio.

Decarbonisation:

The process of reducing carbon emissions through energy efficiency, renewable energy, and other measures.

Double Materiality Assessment:

An evaluation of both the financial impact of climate risks on a company and the company's impact on the climate.

Embodied Carbon:

The total carbon emissions associated with the construction and materials of a building.

Green Financing:

Financial instruments that support environmentally sustainable projects.

Greenhouse Gas Protocol:

A global standard for measuring and managing greenhouse gas emissions.

ISO 14001:

An international standard for environmental management systems.

LEED Certification:

A globally recognised certification for green buildings.

Net Zero Carbon:

Achieving a balance between the amount of greenhouse gas emissions produced and the amount removed from the atmosphere.

Occupier Engagement:

The process of working with building tenants to improve sustainability performance.

Renewable Energy:

Energy from sources that are naturally replenishing such as solar, wind, and hydroelectric power.

Science Based Targets Initiative (SBTi):

An organisation that helps companies set emissions reduction targets in line with climate science.

Scope 1 Emissions:

Direct greenhouse gas emissions from sources that are owned or controlled by the organisation.

Scope 2 Emissions:

Indirect greenhouse gas emissions from the consumption of purchased electricity, heat, or steam.

Scope 3 Emissions:

All other indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Stakeholder Engagement:

The process of involving stakeholders such as investors, occupiers, suppliers, and communities in climate action.

Sustainability Committee:

A group responsible for overseeing and coordinating sustainability initiatives within an organisation.

Task Force on Climate-related Financial Disclosures (TCFD):

A framework for companies to disclose climate-related financial risks and opportunities.

Transition Risks:

Risks associated with the transition to a lower-carbon economy.

Whole Life Carbon:

The total carbon emissions associated with a building or infrastructure project over its entire lifecycle, including construction, operation, and demolition

**Industry Commitments/
Benchmarks****Better Buildings Partnership (BBP)****Climate Commitment:**

Hibernia aligns with the BBP Climate Commitment, which focuses on improving the sustainability of existing commercial building stock.

**World Green Building Council (WGBC)
Net Zero Carbon Buildings****Commitment:**

Hibernia is committed to the WGBC's Net Zero Carbon Buildings Commitment, which aims to achieve net zero carbon emissions for all buildings by 2050.

Carbon Disclosure Project (CDP):

Hibernia reports its climate-related performance and progress through the CDP framework, which provides a comprehensive assessment of environmental impact.

**Global Real Estate Sustainability
Benchmark (GRESB):**

Hibernia participates in the GRESB assessment, which evaluates the sustainability performance of real estate portfolios worldwide.

Abbreviations

GHG: Greenhouse Gas

CRREM: Carbon Risk Real Estate Monitor

SBTi: Science Based Targets Initiative

TCFD: Task Force on Climate-related Financial Disclosures

ISO: International Organisation for Standardisation

LEED: Leadership in Energy and Environmental Design

ESG: Environmental, Social, and Governance

CDP: Carbon Disclosure Project

RCP: Representative Concentration Pathway

IPCC: Intergovernmental Panel on Climate Change

GRESB: Global Real Estate Sustainability Benchmark



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