



BEFIMMO SA

DEALING CODE

PREVENTION POLICY REGARDING MARKET ABUSE

3 JULY 2016

1. PURPOSE OF THIS DOCUMENT

Pursuant to the European Regulation on market abuse¹ (hereafter the “Regulation”), the delegated and implementing acts and its application under Belgian law, the Company, in its capacity as issuer, has determined a prevention policy regarding the use of Inside Information linked to its Financial Instruments.

The purpose of this Code is to make its recipients aware of the market abuse regulations (insider dealing, unlawful disclosure and market manipulation) and to remind them, without prejudice to the rules applicable under the Regulation, of the obligations that apply on the one hand to the Company, in its capacity as a listed company issuing Financial Instruments, and on the other hand to all the other persons carrying out activities within the Company or for the Company, and who may have access to Inside Information.

The Code does not constitute legal advice and must not be considered as such. Any person concerned is personally responsible to ensure that their conduct is at all times compliant with the Regulation and its application in Belgium, and will ensure if necessary to obtain the advice deemed necessary or useful.

Each person who receives this Code is invited to return it signed to the Company, for acknowledgement and agreement, for the attention of the Compliance Officer, within five working days of its receipt.

All capitalized terms are defined in Section 2 below.

2. DEFINITIONS

- (i) “Circle of Designated Persons”: all PDMRs, management companies and one-person limited liability companies managed and controlled by PDMRs and all the Employees.
- (ii) “Closed Period”

¹ Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, *O.J.E.U.*, L.173, 12 June 2014.

- (a) the period of thirty calendar days immediately preceding the publication date of the annual results;
- (b) the period of thirty calendar days immediately preceding the publication date of the half-year results; and
- (c) the period of fifteen calendar days immediately preceding the publication date of the quarterly results;

or any longer period, as agreed upon by the MAR Committee and notified to the members of the Circle of Designated Persons; in each case in addition to the trading day on which the publication of results occurs.

- (iii) “Code”: this document containing the policy of the Company regarding the prevention of market abuse.
- (iv) “Company”: Befimmo SA.
- (v) “Compliance Officer”: the person appointed, in the framework of this Code, by the board of directors of the Company to ensure compliance with the procedures put in place by the Company regarding the prevention of market abuse, whose contact details, for the purpose of any notification or authorization required under this Code, are set forth in Annex 1 to this Code.
- (vi) “Discretionary Trading Mandate”: means a discretionary trading mandate given to an intermediary on the basis of which it conducts transactions in securities autonomously from the principal.
- (vii) “Employee”: any person other than a PDMR who is (i) an employee of the Company or (ii) an individual who dedicates a substantial amount of his or her activities to the Company which gives him or her access to Inside Information, outside of any employment contract, for example as independent consultant.
- (viii) “Financial Instruments” all instruments included in Annex 2 issued, or related to instruments issued, by the Company.
- (ix) “FSMA”: the Belgian Financial Services and Markets Authority.
- (x) “Inside Information”: information of a precise nature which has not been made public, relating, directly or indirectly, to the Company or to one or more Financial Instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those Financial Instruments.

Information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Financial Instruments.

Information which, if it were made public, would be likely to have a significant effect on the

prices of Financial Instruments, shall mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

- (xi) “Insider”: each person who is in possession of Inside Information. If the person in question is a legal person, the notion will extend to natural persons who take part in the decision-making, on behalf of such legal person.
- (xii) “MAR committee”: the committee comprised of the Chief Executive, the Chief Financial Officer, the Chief Operating Officer, the Compliance Officer and any other Employee designated by the Company.
- (xiii) “Notifiable Transactions”: any transaction conducted by a PDMR or a Person Closely Associated for their own account and relating to Financial Instruments, including the transactions set forth in Annex 3 to this Code.
- (xiv) “PDMR”: A person discharging managerial responsibilities as defined in Article 3(25) of the Regulation, *i.e.*, any person within the Company who is :
 - (a) a member of the administrative, management or supervisory body of the Company ; or
 - (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to Inside Information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company.
- (xv) “Person Closely Associated”: a person closely associated with a PDMR, as defined in article 3(26) of the Regulation, *i.e.* :
 - (a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
 - (b) a dependent child, in accordance with national law;
 - (c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or
 - (d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a PDMR or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person;
- (xvi) “Prohibited Period”: the period during which the Company and/or certain PDMRs or Employees are in the possession of Inside Information, as announced by the Compliance Officer.
- (xvii) “Regulation”: has the meaning assigned to this term in Section 1 of the Code.

3. PROHIBITIONS

3.1 ***Prohibitions of securities dealings and disclosure.*** At no time may an Insider:

- (a) use Inside Information by, directly or indirectly, acquiring or disposing of, for its own account or for the account of a third party, Financial Instruments ;
- (b) use Inside Information by cancelling or amending an order which was placed before the person held the Inside Information ;
- (c) recommend or induce, on the basis of Inside Information, another person to acquire or dispose of Financial Instruments;
- (d) recommend or induce, on the basis of Inside Information, another person to cancel or amend an order concerning a Financial Instrument; and
- (e) disclose Inside Information to any other person, unless (i) such disclosure is made in the normal course of the exercise of his employment, profession or duties; (ii) the recipient of the information owes a duty of confidentiality, regardless of whether such duty is based on a law, regulations, articles of association, or on a contract; and (iii) such disclosure is limited to a “*need to know*” basis.

3.2 ***Closed Period.*** In addition to the prohibitions provided under Section 3.1, the members of the Circle of Designated Persons may not conduct any transactions relating to Financial Instruments, for their own account or for the account of a third party, directly or indirectly, during a Closed Period, except as set forth in Section 3.7.

3.3 ***Prohibited Period.*** The PDMRs and the Insiders may not conduct any transactions relating to Financial Instruments for their own account or for the account of a third party, directly or indirectly, during a Prohibited Period.

3.4 ***Discretionary Trading Mandates.*** The prohibitions referred to in Sections 3.1(a), 3.1(b) and 3.3 do not apply to transactions effected pursuant a Discretionary Trading Mandate.

3.5 ***Clearance.***

- (a) The PDMRs may not conduct any transactions relating to Financial instruments, except for transactions conducted as set forth in Section 3.4 of the Code, without prior written notification to the Compliance Officer and without obtaining written clearance from the latter.
- (b) The response to a clearance request should be given within two working days from the date of notification of the request.
- (c) Each person who receives clearance as set forth in this Section 3.5 shall conduct the notified transaction as soon as practicable and at the latest within the two working days after the clearance was received.

- (d) The Compliance Officer shall keep a written record of all prior notifications, the responses and the clearances given, as well as of the transactions that have been effectively completed.

3.6 ***Event of refusal.*** The Compliance Officer shall refuse any clearance request for a transaction relating to Financial instruments :

- (a) with respect to a PDMR or an Insider, during a Prohibited Period, and
- (b) with respect to any member of the Circle of Designated Persons, during a Closed Period, except in the circumstances as set forth in Section 3.7.

3.7 ***Exceptional Circumstances.*** Without prejudice to the prohibitions referred to in Sections 3.1(a), 3.1(b) and 3.3, the members of the Circle of Designated Persons may, with permission of the Compliance Officer, conduct transactions relating to Financial Instruments for their own account or for the account of a third party, during a Closed Period, if the member of the Circle of Designated Persons is confronted with severe financial difficulties and is able to demonstrate that the particular transaction cannot be executed at another moment in time than during the Closed Period.

4. NOTIFICATIONS

4.1 ***PDMRs.*** The Compliance Officer shall:

- (a) notify the PDMRs of their qualification as a PDMR and their duties pursuant to this Code;
- (b) request the PDMRs to draw up a list of their Persons Closely Associated, provide such list to the Compliance Officer and inform the Compliance Officer of any changes thereto; and
- (c) draw up and maintain a list of all the PDMRs and their Persons Closely Associated.

4.2 ***Persons Closely Associated.*** The PDMRs shall:

- (a) notify their Persons Closely Associated of their qualification as a Person Closely Associated and their duties under this Code², and
- (b) draw up, at the request of the Compliance Officer, a list of their Persons Closely Associated and provide such list to the Compliance Officer.

4.3 ***Notifiable Transactions.*** PDMRs and their Persons Closely Associated must notify the Compliance Officer and the FSMA of each Notifiable Transaction no later than three working days from the date of the Notifiable Transaction, as follows the FSMA must be notified through the FSMA application available on its website (<http://www.fsma.be/en/Supervision/fm/ma/mm/circmedprak.aspx>)³.

² See notification form to Persons Closely Associated in [Annex 4](#) to the Code.

³ Annex C2 of the FSMA Circular : FSMA_2016_08 dated 18 05 2016 (as updated on 30.06.2016).

5. PUBLICITY OBLIGATIONS

- 5.1 The Company must make the Inside Information which concerns the Company public as soon as possible in accordance with the Regulation and the Code.
- 5.2 The Company may decide to delay, on its own responsibility, the disclosure of Inside Information, provided that: (i) the immediate disclosure is likely to prejudice the legitimate interests of the Company, (ii) the delay is not likely to mislead the public, and (iii) the Company is able to ensure the confidentiality of that information.
- 5.3 The decision to delay the disclosure shall be made by the MAR Committee. The MAR Committee meets regularly, as often as it deems necessary. Every member of the MAR Committee may convene a meeting when he or she considers that there is a risk of the Company being in possession of Inside Information. The decisions of the MAR Committee are recorded in writing.
- 5.4 When the MAR Committee decides to delay the disclosure of Inside Information, the Compliance Officer draws up and maintains a list of Insiders in accordance with Section 6.
- 5.5 When the Company has decided to delay the disclosure of Inside Information, it shall notify the FSMA immediately after the information is made public of the fact that the disclosure was delayed and shall provide a written explanation of how the conditions required for the delay of disclosure in accordance with Section 5.2 were met.

6. INSIDER LISTS

- 6.1 If a PDMR or an Employee becomes aware of information which he or she believes is Inside Information, he or she must promptly notify the Compliance Officer.
- 6.2 If the MAR Committee determines that the Company and/or any of its PDMRs or Employees are in possession of Inside Information (pursuant to the notification as set forth in Section 6.1 or otherwise), the Compliance Officer shall promptly draw up and maintain a list of all Insiders and take all reasonable steps to ensure that any person on the Insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing or unlawful disclosure of Inside Information.
- 6.3 Any person on an Insider list is subject to the prohibitions set forth in Section 3.1 and 3.3 of the Code.

7. SANCTIONS

- 7.1 Failure to comply with the rules relating to market abuse is subject to various sanctions, and mainly :
 - (a) *disciplinary sanctions*: each Insider or PDMR who breaches an obligation relating to market abuse can be subject to a disciplinary action by the Company. The Company may
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in such case dismiss the Insider for serious misconduct, if he or she is an Employee, or make the Insider ineligible in the future, if he or she is a member of a representative body or committee of the Company;

- (b) *civil sanctions*: a breach of the rules relating to market abuse is likely to cause damage to the Company, for which it reserves the right to apply for compensation before the competent courts; and
- (c) *administrative and criminal sanctions*: the FSMA may impose administrative fines and, in certain cases, the competent courts may impose imprisonment and/or criminal fines.

7.2 The FSMA has also the power to direct each person to comply with the requirements it set out, within the time period it determines and, failing that, has the power to make its decision public, and to impose the payment of a penalty; in urgent cases, the FSMA may take these measures without a preliminary injunction.

8. DECLARATION OF THE AMOUNT OF FINANCIAL INSTRUMENTS HELD

In order to enhance the transparency of the transactions in Financial Instruments, and in view of the publication of this information in the annual report of the Company, the PDMRs notify the Compliance Officer of :

- when they enter into office, the number of Financial Instruments held by them;
- at the end of each accounting year, an update of the number of Financial Instruments held by them.

9. MODIFICATION

The Company reserves the right to amend the Code when it deems necessary. The Compliance Officer will immediately inform the persons who at the date of the entry into force of any amendment carry out duties within or for the Company and will send or provide them two copies of the new version, one of which must be signed and returned to the Company within five working days, for the attention of the Compliance Officer.

10. PRIVACY

All the information relating to persons included in the Insider lists and provided by such persons in the context of the Code, will be treated in compliance with the act of 8 December 1992 on the protection of privacy in relation to the processing of personal data, as amended.

In accordance with this act, these persons are entitled to access their personal data and to obtain without costs the correction of incorrect or incomplete data that relate to them.

For receipt (Name, Date, Signature) :

(Annexes)