

COMMUNICATION WITH EXTERNAL AND INTERNAL STAKEHOLDERS

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EXTERNAL STAKEHOLDERS

| LEVEL | EXTERNAL STAKEHOLDERS | ACTIVITIES |
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| PUBLIC AUTHORITIES | European Union | > Monitoring developments in new legislation. |
| | Brussels: BIM/IBGE Leefmilieu Brussel Bruxelles Environnement Wallonia: Operational Directorate-General for Agriculture, Natural Resources and the Environment (DGARNE) ¹ Flanders: Department of the Environment, Nature and Energy (LNE) ² | Befimmo endeavours to maintain good relations and synergies with IBGE. > Monitoring of regional legislation. > Interaction during the design phase of major renovations. > Participation in exemplary buildings competitions. During 2016, Befimmo added a new member to its legal team who is (partly) responsible for updating the legislation register/watch. |
| ASSOCIATIONS, NOT-FOR-PROFIT BODIES, ETC. | BRE Building Research Establishment | BRE has developed the "BREEAM" (BRE Environmental Assessment Method), a global standard and environmental rating system for buildings, launched in 1990. Overall, there are over 500,000 BREEAM-certified buildings under development and more than 2 million BREEAM assessments have been conducted since 1990. Befimmo has been following up and applying BREEAM certification since 2010 for all of its portfolio, both operational and under construction/renovation. At the end of 2016, 65 buildings were certified, with a total space of 524,695 m ² (59% of the consolidated portfolio). |
| | The Shift a Belgian sustainable development network. The Shift was founded in June 2015 by the former sustainable development networks KAURI and Business & Society Belgium | As an active member, Befimmo regularly attends information meetings and working groups organised by The Shift . |
| | ROTOR asbl | In 2016, Befimmo continued to take part in the circular economy project with ROTOR asbl on some of the Company's sites that had a potential for recovery and reuse. In this way, more than 36 tonnes of materials were removed and reused in various projects. |
| | Be.face | Be.face is a movement of responsible businesses which aims to build bridges between the needs of associations and resources of the business world, in terms of time, activities and equipment. Through Be.face , Befimmo contacted the municipal public social welfare centre (CPAS) and decided to reallocate its budget, usually assigned to the team for end-of-year treats to end-of-year presents, for disadvantaged children and older people in the municipality, organised by the municipal public social welfare centre (CPAS). |
| | Hu.Bu | Befimmo has also started a circular-economy cooperation project on some of its premises where there is potential for recovering and reusing equipment left behind by its tenants when they depart. This consists mainly of office furniture, chairs, IT equipment, etc. Hu.Bu then sells it on for a symbolic price to non-profit associations and needy schools. In the context of SWOW and the redevelopment of its corporate space, Befimmo also worked with Hu.Bu for the recycling of its old office equipment. This enabled more than 4 tonnes of extra equipment to be reclaimed. |

1. <http://environnement.wallonie.be/administration/orgdgarne.htm>
 2. www.lne.be

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| TRADE ASSOCIATIONS | UPSI Professional Union of the Real-Estate Sector ¹ | Befimmo maintains a strong commitment to its relationship with UPSI. UPSI and Befimmo actively cooperated again in 2016 via working groups to incorporate federal and regional real-estate requirements. During the 2016 fiscal year, the following main topics were dealt with: Cobat, CoBRACE, PLAGÉ, RRU, management of polluted soil, the reform of property taxation, BE-REITs, prevention of fire and explosion in car parks, the measurement code, etc. The CEO is a member of the UPSI board of directors. The CFO also participates in the UPSI Taxation Committee: exchange within the real-estate sector on the impact of (new) taxation regulations, adopting the sector's stance on these matters. Since early 2017, the COO and the CFO have been co-chairing the UPSI Investors Committee which deals with issues of specific interest to investor members. |
| | RICS Royal Institution of Chartered Surveyors ² | RICS is an independent not-for-profit body with nearly 100,000 qualified members in some 140 countries. RICS establishes high standards of competence and integrity, organises training and specific studies, and helps its members to fine-tune their sustainable-development strategies. The CEO is a fellow member of RICS. |
| | EPRA European Public Real-Estate Association ³ | With over 200 active members, EPRA is the voice of European listed real-estate companies and represents €250 billion of real-estate assets. EPRA establishes good practice in accounting, information and corporate governance. It provides quality information to investors and publishes financial and environmental reporting standards which Befimmo meets every year. The Secretary-General and the CFO are members of the Tax & Regulatory Committee, a working party on regulatory issues. It discusses European regulations in preparation, and defends the sector's position in relation to draft regulations. In early 2017, the CFO joined the Reporting & Accounting Committee, a working group that handles particular aspects of the standardisation of financial performance indicators and accounting issues. In late 2016, Befimmo received the "EPRA Gold Award Financial Reporting" and the "EPRA Gold Award Sustainability Reporting" for its Annual Financial Report 2015. |
| TENANTS | Private-sector tenants G4-PR5 | Befimmo intends to invite its tenants to take part in its approach to achieve more sustainable development, and to that end proposes to organise biannual meetings between tenants, Property Management and Befimmo's commercial department in order to inform tenants about the building they occupy, its technical operation, and the influence and role of each party in relation to environmental protection. An Environmental Cooperation Agreement and a Building User Guide are systematically offered to new tenants as well as to existing ones. Befimmo also plans to organise "afterworks" within its portfolio, to bring together all the tenants of a particular building in a pleasant atmosphere. The aim of such events is to foster relationships and exchanges between tenants. A first "afterwork" is scheduled for early 2017 in the Goemaere building. |
| | Public-sector tenants Buildings Agency G4-PR5 | The Buildings Agency is the main tenant in Befimmo's consolidated portfolio. In 2016 several contacts were made with the Buildings Agency, particularly in the context of reporting and obtaining data of energy consumption and waste production for properties in the Fedimmo portfolio. |
| ANALYSTS, INVESTORS AND SHAREHOLDERS | | Befimmo answers specific questionnaires on Social Responsibility from stakeholders. The answers to these questionnaires are made available to other stakeholders via the Company website www.befimmo.be/en/csr/stakeholders . Furthermore, Befimmo regularly presents its approach at roadshows and lectures on this topic. General feedback from analysts/investors Overall, the company's strengths have been assessed as: strategy and analysis; reporting and disclosure and external communication; environmental aspects; monitoring; certification. The main aspect to be addressed is relations with rental customers. Assessment questionnaire In line with Befimmo's desire to come into more direct contact with external stakeholders, they can also assess Befimmo's sustainable development approach and make comments and suggestions for improvement by filling in an "External Stakeholders Questionnaire" which is available on the corporate website at: www.befimmo.be/en/csr/stakeholders . In 2016, no comments were made on the feedback form provided on the website. |
| | Carbon Disclosure Project⁴ | In the past fiscal year, Befimmo answered the CDP questionnaire. Befimmo took part in reporting carbon emissions linked to its activities by responding to the questionnaire of the Carbon Disclosure Project, which aims to set up a global database of corporate greenhouse-gas emissions. This organisation acts on behalf of many investors representing more than US\$ 100 trillions in assets. In December 2016, Befimmo received its score for the CDP 2016 questionnaire, which further improved in relation to the scores of previous years. It obtained the Leadership A- status. This substantial improvement in Befimmo's score in recent years reflects the quality of its reporting for investors. |
| | GRESB Global Real Estate Sustainability Benchmark ⁵ | The 200 members of GRESB are institutional investors, 58 of which are pension funds. In the past fiscal year, Befimmo answered the GRESB questionnaire. Thanks to the action taken in recent years, Befimmo improved its score and made progress on the shortcomings identified at the beginning, namely the involvement of management in the CSR strategy and social factors. It also achieved the status of "Green Star" (70%) in 2012, which it has maintained in subsequent years, achieving a score of 82% in 2016, well in excess of the average for the real-estate sector. While Befimmo has achieved a higher level than its competitors, it still has matters requiring attention, such as analysing the value chain, performance indicators and stakeholder commitment. Befimmo is an official member of GRESB, which will allow it to access more information, attend training events and be eligible to serve on committees and take part in working groups. |
|  GRI Global Reporting Initiative | Befimmo has been a member of the GRI Gold Community since 1 January 2015. "Working separately and on isolated efforts is not an option; by working together, we can build on our common goal - a more sustainable, secure and stable economy and world. The GRI GOLD Community is a programme offering organisations around the world a unique opportunity to join a collaborative, global multi-stakeholder network to do exactly this." (www.globalreporting.org). For some years now, throughout its report, Befimmo has been following the trend towards standardisation not only of financial reporting but also of reporting on corporate social responsibility, by subscribing to the indicators published by EPRA, the GRI-G4 ("In accordance" - Essential criteria) guidelines and those for the real-estate sector, GRI-CRESS. In 2017, Befimmo plans to go even further in terms of its Corporate Social Responsibility Policy and reporting, by switching from GRI-G4 to GRI standards, which notably involves updating its materiality matrix and a thorough review of its CSR Policy. | |
| ARCHITECTS CONSULTANCY FIRMS | Various firms involved in the major renovations | Consultation from the design stage to identify the impacts and opportunities of major renovations. |
| PROPERTY MANAGERS | BNP Paribas Fortis, Single tenants | Regular meetings to assess opportunities for improvement, at both strategic and operational levels. |

1. www.ups-bvs.be
2. www.rics.org
3. www.epra.com
4. <https://www.cdp.net/en>
5. www.gresb.com

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| SUBCONTRACTORS & SUPPLIERS | Property Management / maintenance companies | Regular consultation at strategic and operational levels with Property Management helps to identify priorities to be addressed for reducing environmental impact. Property Management, as the main point of contact with maintenance companies, is responsible for raising awareness among them. Property Management also plays an important role in raising awareness among tenants and is audited annually by and at the initiative of Befimmo. |
| | Suppliers | <p>For some years now, Befimmo has been committed to a responsible corporate approach that it aims to extend beyond its own activities. To achieve this objective, Befimmo has begun a process of improving the environmental performance of its value chain, with the objectives of:</p> <ol style="list-style-type: none"> 1. Improving and updating existing conditions of sustainable procurement. Notifying them to project managers and external stakeholders as soon as possible and ensuring follow-up and compliance. 2. At corporate level, analysing the sustainability of office supplies ("eco-labelled brands") other than paper, orientating procurement policy in that direction and generally adopting a "sustainable" corporate purchase policy. <p>To achieve this goal, in 2016 Befimmo carried out a thorough analysis of the value chain, which enabled it to establish a Kraljic matrix for each main procurement family: "Corporate", "Management" and "Sites".</p> <p>In late 2016, as part of its drive to improve the environmental performance of its value chain, Befimmo organised an initial workshop attended by about 10 internal and external stakeholders (consultancy bureaux, architects, general contractors, certification bodies) to exchange ideas on the advantages and disadvantages of the systems for assessing the environmental performance of a building or renovation project.</p> |

INTERNAL STAKEHOLDERS G4-43

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| BOARD OF DIRECTORS | Directors | The Directors of Befimmo also take part in defining and approving budgets and taking major decisions on Social Responsibility, especially at strategy meetings and at the meetings scheduled every quarter when the results are published. |
| MANAGEMENT | Management staff | <p>The members of the Management Committee are members of professional associations in their fields of expertise. For instance, the Secretary-General takes part in the Federation of Enterprises in Belgium (FEB) (governance issues and financial regulations) and the Institut Des Juristes d'Entreprise (Institute of company lawyers).</p> <p>Moreover, the CFO and the Secretary-General are also members of the BE-REIT Association, founded in December 2015 (discussion of various aspects of accounting and tax regulations impacting the sector). The CFO is the Chairman and the Secretary-General is the Head of the Legal & Regulatory Committee.</p> <p>At strategic level, the Social Responsibility Team (SRT) consists of five people including three members of the Management Committee: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), the Head of Environmental Management (HEM) and the CSR Manager. This team meets every quarter and is responsible for developing and monitoring the CSR Action Plan and releasing adequate resources, and takes an active part in the annual Management Review of the ISO 14001 Environmental Management System.</p> |
| THE BEFIMMO TEAM | All staff | Befimmo's Social Responsibility is now fully integrated into its day-to-day management. Befimmo staff are increasingly involved in this strategy, one way or another depending on their field of expertise, and are aware of the major impact of the real-estate sector on the environment. Each year, various presentations are organised to inform and involve the team in various CSR-related topics, such as mobility, cutting energy consumption, etc. |
| POTENTIAL CANDIDATES | Students | In recent years, Befimmo has given a positive response to several calls for projects and other requests from students and universities. |