

**DEALING CODE****PREVENTION POLICY REGARDING MARKET ABUSE****7 FEBRUARY 2018<sup>1</sup>****1. PURPOSE OF THIS DOCUMENT**

Pursuant to the European Regulation<sup>2</sup> and the European Directive<sup>3</sup> on market abuse (hereafter the “Regulation” and the “Directive”), the delegated and implementing acts and their transposition and implementation under Belgian law in the Act of 2 August 2002 on the supervision of the financial sector and on financial services (hereafter the “Act”)<sup>4</sup>, the Company, in its capacity as issuer of shares on Euronext Brussels, 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 applicable market abuse regulations (insider dealing, unlawful disclosure and market manipulation) and to remind them of the obligations that apply, in this context, 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

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<sup>1</sup> Regarding the language of the Dealing Code, the Dealing Code is written in French; the English version is an unofficial translation. In case of inconsistencies between the French and English version, the French version will prevail.

<sup>2</sup> 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, Pb. L 173, 12 June 2014.

<sup>3</sup> Directive 2014/57/EU of the European Parliament and of the Council of 16 April 2014 on criminal sanctions for market abuse (market abuse directive), Pb. L 173, 12 June 2014.

<sup>4</sup> Act of 2 August 2002 on the supervision of the financial sector and on financial services, as amended (i.a. by the Act of 31 July 2017, with view to transpose the Regulation (EU) No 596/2014 on market abuse and to implement the Directive 2014/57/EU on criminal sanctions on market abuse and the Commission implementing Directive (EU) as regards reporting to competent authorities of actual or potential infringements of that Regulation, and containing miscellaneous provisions).

compliant with the Regulation and its application under Belgian law, 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) "Act": has the meaning assigned to this term in Section 1 of the Code.
- (ii) "Circle of Designated Persons- (iii) "Closed Period"
  - (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.
- (iv) "Code": this document containing the policy of the Company regarding the prevention of market abuse.
- (v) "Company- (vi) "Compliance OfficerAnnex 1 to this Code.
- (vii) "Directive": has the meaning assigned to this term in Section 1 of the Code.
- (viii) "Discretionary Trading Mandate- (ix) "Employee

- (x) “Financial Instruments” all financial instruments included in Annex 2 issued, or related to instruments issued by the Company.
- (xi) “FSMA”: the Belgian Financial Services and Markets Authority.
- (xii) “Infringement” : infringement of the dispositions of the present Code, as well as, more generally, each infringement of the rules whose compliance is monitored by the FSMA pursuant to article 45 of the Act.
- (xiii) “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/her investment decisions.

- (xiv) “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.
- (xv) “MAR committee”: the committee comprised of the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Compliance Officer and any other Employee designated by the Company.
- (xvi) “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.
- (xvii) “Notification”: the notification of an Infringement by a person belonging to the Circle of Designated Persons, in accordance with the internal procedure set out in Annex 5 to this Code.
- (xviii) “PDMR”: 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.

- (xix) “Person Closely Associated”:
- (a) a spouse, or a legal cohabitant of a PDMR; a dependent child of a PDMR;
  - (b) a relative of a PDMR who has shared the same household for at least one year on the date of the transaction concerned; or
  - (c) 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), (i) which is directly or indirectly controlled by such a person, (ii) which is set up for the benefit of such a person, or (iii) the economic interests of which are substantially equivalent to those of such a person;
- (xx) “Prohibited Period”: the period during which the Company and/or certain PDMRs or Employees are in possession of Inside Information, as announced by the Compliance Officer.
- (xxi) “Regulation”: has the meaning assigned to this term in Section 1 of the Code.
- (xxii) “Whistleblower”: a person of the Circle of Designated Persons who makes a Notification in accordance with the internal Whistleblowing Procedure set forth in Annex 5.
- (xxiii) “Whistleblowing Procedure”: internal procedure for the Notification of Infringements, drawn up to comply with article 69ter of the Act (Annex 5).

### 3. PROHIBITIONS

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

- (a) for its own account or for the account of a third party, directly or indirectly, acquire or dispose of Financial Instruments to which the Inside Information relates;
- (b) cancel or amend an order relating to Financial Instruments, to which the Inside Information relates, when the order 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, to which the Inside Information relates;
- (d) recommend or induce, on the basis of Inside Information, another person to cancel or amend an order concerning a Financial Instrument, to which the Inside Information relates; and
- (e) disclose Inside Information to any other person, unless (i) such disclosure is made in the normal course of the exercise of his/her 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 by the Compliance Officer 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 in the exceptional cases in which this is permitted under the applicable legislation. .

## 4. NOTIFICATIONS

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

- (a) regularly 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, to provide such list to the Compliance Officer and inform the Compliance Officer of any changes thereto;
- (c) inform the Persons Closely Associated of their duties; and
- (d) draw up and maintain a list of all the PDMRs and their Persons Closely Associated.

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

- (a) regularly notify their Persons Closely Associated of their qualification as a Person Closely Associated and their duties under the Regulation, the Act and this Code<sup>5</sup>, 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>)<sup>6</sup>.

## 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

<sup>5</sup> See notification form to Persons Closely Associated in Annex 4 to the Code.

<sup>6</sup> Annex C2 of the FSMA Circular : FSMA\_2016\_08 dated 18 05 2016 (as updated on 30.06.2016).

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 continuously update 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. The Compliance Officer will promptly inform any person who has been added or removed from this list.
- 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, without prejudice to the application of the Regulation and the Act.

## 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 in such case dismiss the Insider for serious misconduct, if he/she is an Employee, or make the Insider ineligible in the future, if he/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;
  - (c) *administrative sanctions*: the FSMA may impose administrative fines up to 5,000,000 EUR for natural persons and up to 15,000,000 EUR for legal persons or, if the amount obtained by applying this percentage is higher, 15% of the total annual turnover. If the infringement has caused a profit for the offender or has allowed him to avoid a loss, this administrative fine may be increased to three times the amount of this profit or loss. Moreover, the FSMA may impose, cumulatively, an administrative fine on the legal person and on the natural

person who committed the infringement on behalf of the legal person, or on the natural person who participated in the decision-making process. This applies to insider dealing, market manipulation and unlawful disclosure of Inside Information; and

(d) *criminal sanctions*: in the event of a criminal offense, the competent courts may impose imprisonment and/or criminal fines for market abuse, as well as for attempted market abuse. Insider dealing is punishable by imprisonment from three months to four years and a fine of 400 to 80,000 EUR. Market manipulation is punishable by imprisonment from one month to four years and a fine of 2400 to 80,000 EUR. The unlawful disclosure of Inside Information is punishable by imprisonment from three months to two years and a fine of EUR 400 to 80,000. The offender may also be ordered to pay up to three times the amount of the patrimonial advantage deriving directly or indirectly from the offense, without prejudice to the conviction for compensation for the damage under civil law.

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. WHISTLEBLOWING PROCEDURE**

In order to encourage the internal Notification of potential or actual Infringements, the Company has established a Whistleblowing Procedure (Annex 5) which allows all persons belonging to the Circle of Designated Persons to notify potential or actual Infringements internally without having to go to external bodies (such as the FSMA).

## **9. 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.

## **10. MODIFICATION**

The Company reserves the right to amend the Code when it deems necessary. The Compliance Officer will immediately inform the persons who carry out duties within or for the Company of any amendment, at the date of its entry into force. ...

## **11. PRIVACY**

In the context of the implementation of this Dealing Code, processing of personal data takes place, for which BEFIMMO NV (Chaussée de Wavre 1945, 1160 Auderghem) is the controller.

Any information relating to the persons included in the Insider lists and provided by them under this Code, will be treated in accordance with the legislation on the processing of personal data.

The legal basis for the processing of personal data in the context of this Dealing Code is the statutory obligation of Befimmo to draw up Insider lists (the Regulation).

In this context, Befimmo may pass on personal data to external advisors, competent authorities and supervisory institutions.

In principle, Befimmo will maintain the Insider lists for 5 years after the drawing up or updating of the list or longer if necessary for the defence of Befimmo's rights.

Persons whose data are processed in the context of this Dealing Code are entitled to access their personal data. They may have their personal data corrected or ask for their personal data to be removed or the processing thereof to be restricted.

They may also object to the processing of their personal data on compelling legitimate grounds.

The exercise of the above rights may be subject to conditions. However, these rights do not imply any right of access to personal data of other persons.

Persons whose data are processed in the context of a report of an irregularity also have the right to lodge a complaint with the supervisory authority (in Belgium: the Data Protection Authority ([commission@privacycommission.be](mailto:commission@privacycommission.be))).

**For receipt (Name, Date, Signature) :**

