

Social Responsibility

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INTRODUCTION

Befimmo has incorporated the principles of **Social Responsibility** into its strategy, and these are reflected in the environmental, economic and social aspects of its day-to-day operations. Over the years it has built a strategy of Social Responsibility based on the topics of importance to Befimmo and its stakeholders.



*With the aim of continuously improving our position as a **responsible business and property owner**, we have initiated a process of regular dialogue with all our stakeholders.*

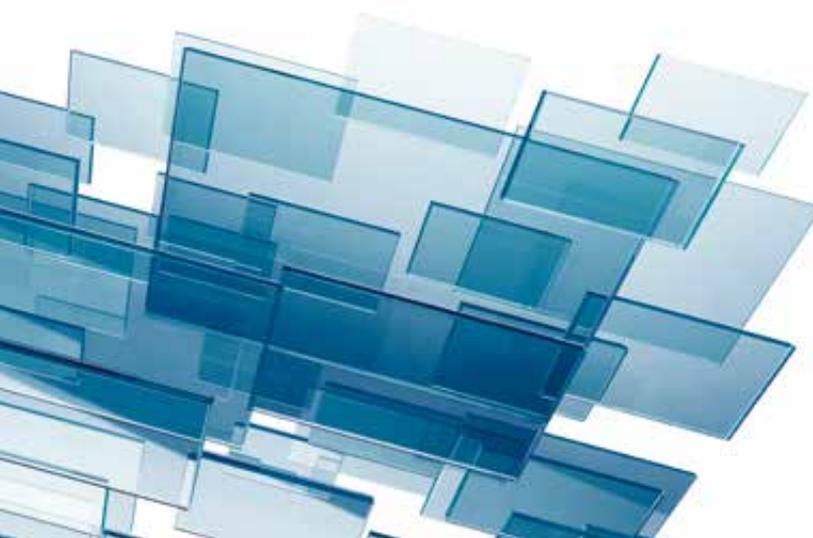
› **Responsible within our strategy** | *We aim to be a benchmark and we strive to differentiate ourselves by incorporating Social Responsibility into our overall strategy.*

› **Responsible towards our stakeholders** | *We initiate unifying measures, the impacts of which are measured and designed to meet the expectations of our stakeholders. We seek to strike a balance between the expectations of our various stakeholders and the challenges we regularly face.*

› **Responsible within our communication** | *We act with transparency in a long-term perspective.*



Benoît De Blicq | CEO



MOVING FROM OF AN “ENVIRONMENTAL” POLICY TO A “SOCIAL RESPONSIBILITY” POLICY [G4-18 | G4-23]

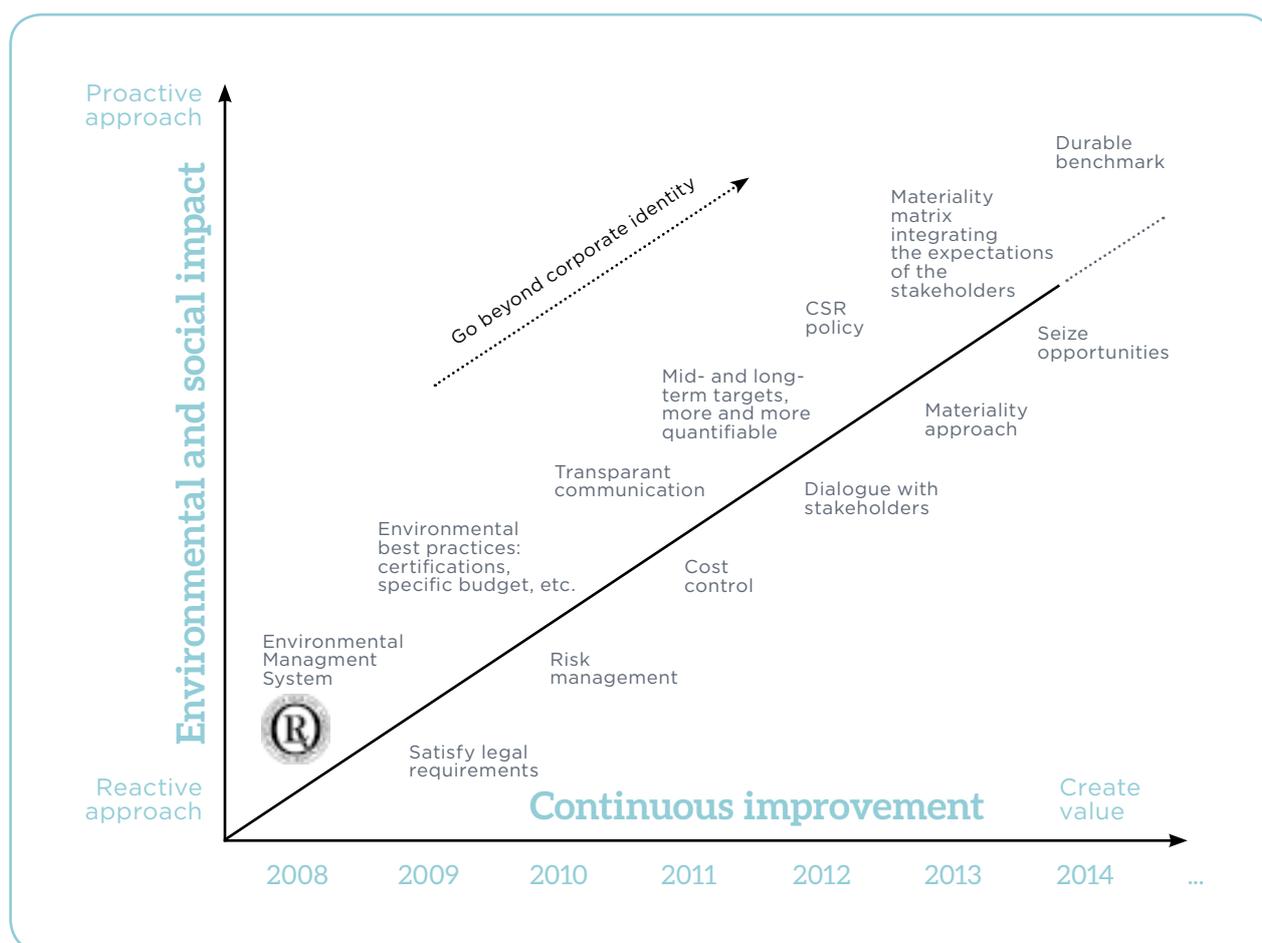
Befimmo is convinced that, in time, a proactive approach leads to a strong position in terms of reputation and improved profitability; since 2008 it has gradually evolved from a qualitative environmental policy to a true, proactive Social Responsibility policy, integrated into its overall strategy.

It recognises that effective governance over the long term requires a committed approach, applying the precautionary principle, designed to anticipate its risks and control its costs. Indeed, identifying the risks that could affect Befimmo (described in detail in the “Risk factors” section, see page 140), it is putting in place the necessary

measures to anticipate these risks and limit their potential impact. It undertakes to take account of the expectations of its stakeholders in devising its strategy and to establish an open dialogue and constructive consultation with them.

☛ “Risk factors”

Befimmo regards Social Responsibility as a part of its strategy, taking opportunities to improve its performances and create value in the medium and long term for all its stakeholders. Befimmo strives to differentiate itself and also to become a benchmark for Social Responsibility.



MATERIALITY EXERCISE [G4-18 | G4-23 | G4-24 | G4-25 | G4-26]

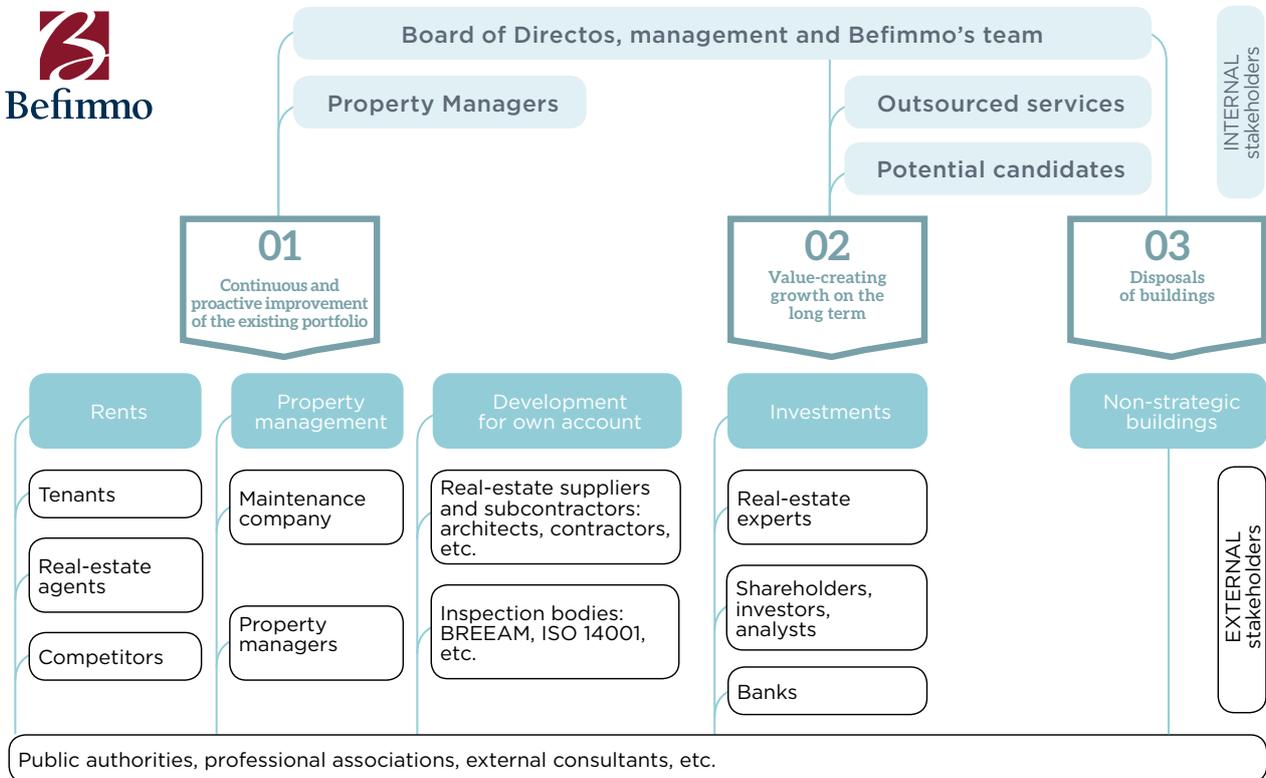
In view of its market capitalisation (> €1 billion), its membership of the BEL 20 index, its constantly growing team and also its property portfolio and its impact on the environment, Befimmo should be a responsible company and owner. It must constantly strive to limit its impact on society while being able to develop economically and improve its dialogue with its stakeholders.

Moreover, reading the results of surveys on CSR (such as the investors' questionnaires of GRESB, CDP or the Business & Society analysis), Befimmo has identified its weaknesses and hence a potential for improvement.

Thus, in a process of continuous improvement of its Social Responsibility policy, Befimmo has conducted a materiality study and initiated a process of regular dialogue with all its stakeholders (employees, tenants, investors, public authorities, suppliers, Directors, etc.).

This study, completed in December 2013, was conducted in cooperation with the management, the Board of Directors and the heads of the departments involved in the process. It consists of 6 main stages:

- > **Definition of key topics for Befimmo** in accordance with acknowledged standards such as ISO 26000, GRI, etc.
- > **Identification of stakeholders** to be interviewed in cooperation with the management and heads of departments. For the selection of stakeholders, since this is the first time the materiality matrix is being produced, it was decided to consult a broad panel of stakeholders, both internal and external. In selecting them, Befimmo took account of all players actively or passively affected by a decision or project of the Company, i.e. all stakeholders involved in the value chain of its property portfolio, in line with its overall strategy.
 - ☛ Strategy set out in the chapter "Identity and strategy" on pages 12 and 13 of this Report.



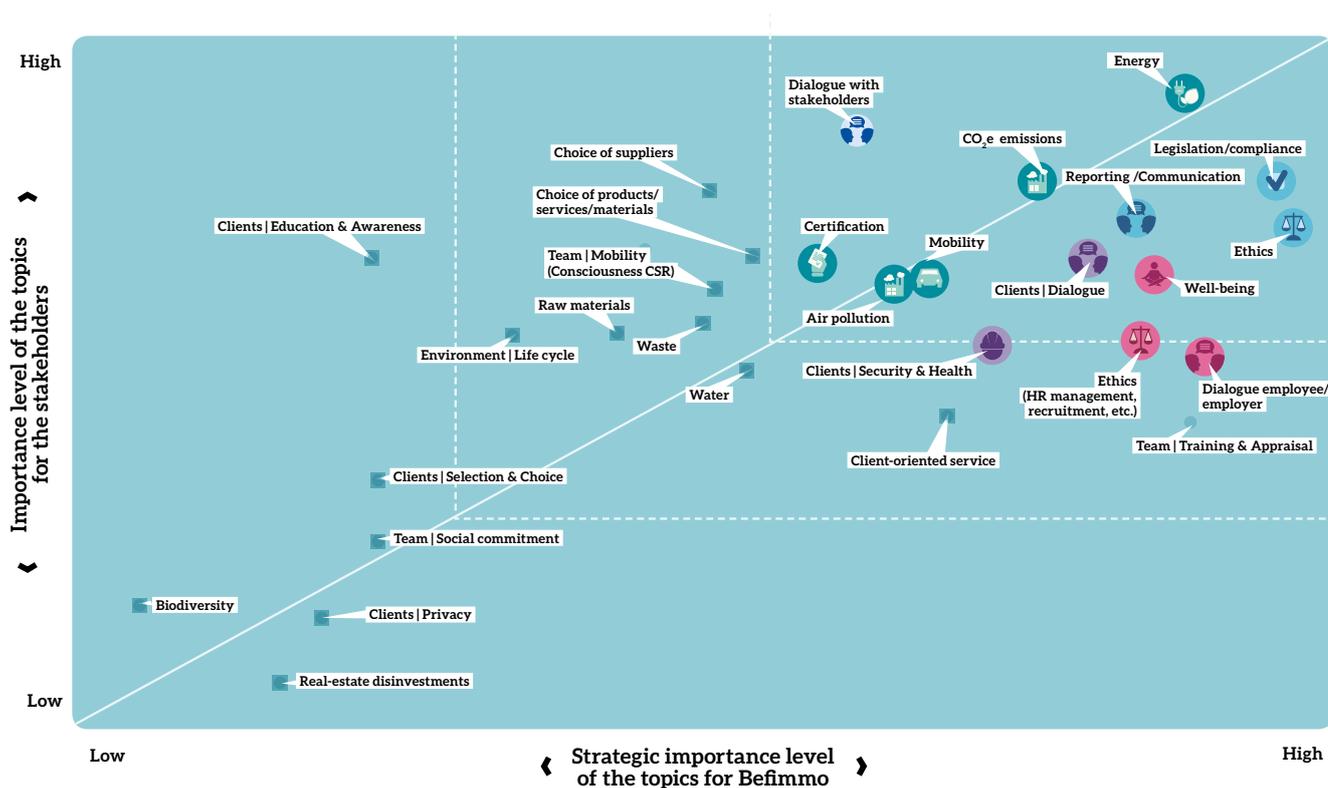
- › **Consultation of identified stakeholders** by means of around 30 interviews, surveys, etc. (see table describing the interaction with stakeholders during the 2013 fiscal year in Appendix III, page 240).
- › **Analysis of the expectations** gathered from stakeholders (see table in Appendix IV, page 245).
- › **Prioritisation of themes.** During this process, two Management Meetings were organised. The first meeting aimed to take a **practical approach**, firstly prioritising and validating the CSR topics and, secondly, approving the identified stakeholders. The second meeting took a **more abstract approach**, taking a step back from the exercise of prioritising the topics, through the involvement of an external speaker.

- › **Production of the Befimmo materiality matrix,** analysed and validated by management and the Board of Directors.

This materiality matrix (shown hereafter) has enabled Befimmo to (i) identify and rank its environmental, economic and social priorities, taking account of the expectations of its stakeholders, (ii) fine-tune its Social Responsibility strategy, and (iii) focus action on topics identified as priorities.

The matrix illustrates two levels of importance: (i) on the y-axis, the importance of the topics to the external and internal stakeholders and (ii) on the x-axis, the strategic importance level of the topics for Befimmo's management and Board of Directors. Accordingly, the top right-hand box shows the topics regarded as short-term priorities by both the management and directors of Befimmo and by stakeholders.

The other topics are given a lower priority in the short term, but will not be neglected, however: they will be analysed and implemented in the medium and/or long term.



PRIORITY TOPICS [G4-19 | G4-20 | G4-21]

In this way, Befimmo has identified and prioritised **12 environmental, economic and social priorities**, grouped into 4 main topics.

The responses to these priorities are reflected in specific commitments and measures and their

impacts, qualitative objectives that are increasingly quantifiable and measurable, described hereafter, but also set out in more detail in the Social Responsibility Programme (Appendix VI on page 248) prepared in cooperation with the management and its team.



If these specific Social Responsibility measures are to be successful, there must be effective reporting. The standards applied and the tools used on a daily

basis to ensure proper implementation of the Social Responsibility strategy are described in the table hereafter:

Level	
CORPORATE	<p>Exercise to analyse the business's environmental aspects and impacts, linked to the development of Befimmo's internal ISO 14001 Environmental Management System (EMS) [G4-PR3]</p> <p>Applicable environmental and social legislation</p>
OPERATIONAL	<p>BREEAM specifications: BREEAM guidelines are an essential tool for assessing improvements in Befimmo's environmental performance</p> <p>EPB certification (Energy Performance in Buildings)</p> <p>Regarding operational control, Befimmo's influence varies depending on the type of tenant and its importance in the building [building with multiple tenants (M), a single tenant (S) or let to the Buildings Agency (B)]</p>
COMMUNICATION	<p>Application of the GRI-G4 standard including a review of the GRI real-estate sector supplement, GRI-CRESS</p> <p>Publication of the KPIs laid down by EPRA</p> <p>Analysis of sector reports on Social Responsibility in the real-estate sector</p> <p>Questions from stakeholders: where necessary, Befimmo fine-tunes the measures to be taken, based on questions and remarks by stakeholders such as institutional investors or members of the Befimmo team</p>
DATA MANAGEMENT	<p>Installation of digital meters throughout the Befimmo portfolio (not including Fedimmo)</p> <p>Contacts with utility companies with a view to obtaining consumption data at source</p> <p>Use of sustainable development reporting software (SoFi)</p>

The environment

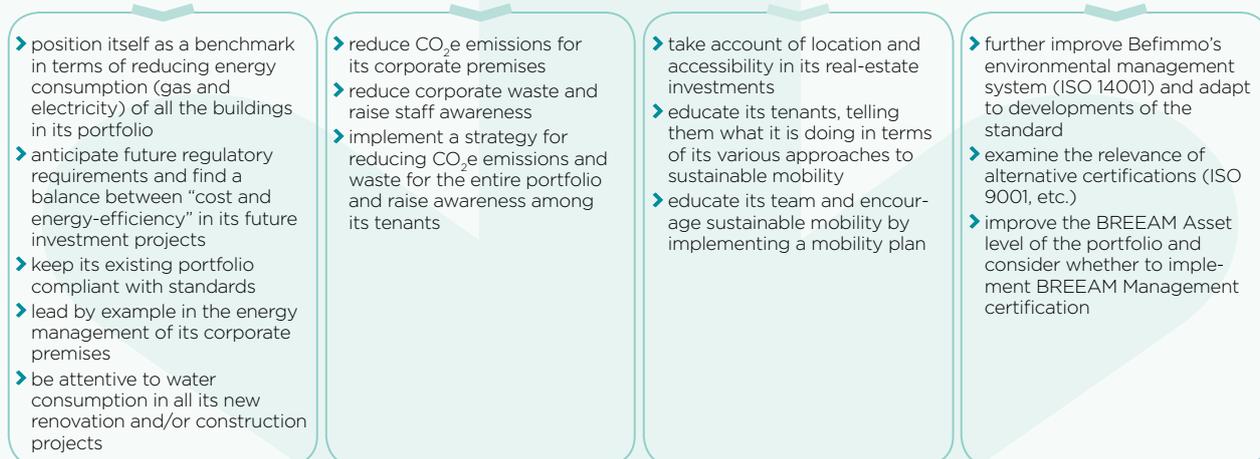
Since it is in the real-estate business, the main focus of Befimmo's Social Responsibility is on the environment. Moreover, Befimmo is aware that the value of a building is no longer measured solely in terms of its intrinsic value but also through other criteria related to sustainable development. The external stakeholders have also broadly agreed that this topic is the most important overall and want to see short-term action by Befimmo on the priorities related to the topic: **energy, pollution, mobility and certification.**

The implementation, monitoring and control of specific measures related to the environment are managed primarily by the Environmental Technical Team (ETT) which reports to the Chief Technical Officer (CTO), a member of the Social Responsibility team. In addition, to support the work of this team, Befimmo has decided to release the resources needed to ensure proper implementation and monitoring of its energy investments by recruiting a Green Advisor.

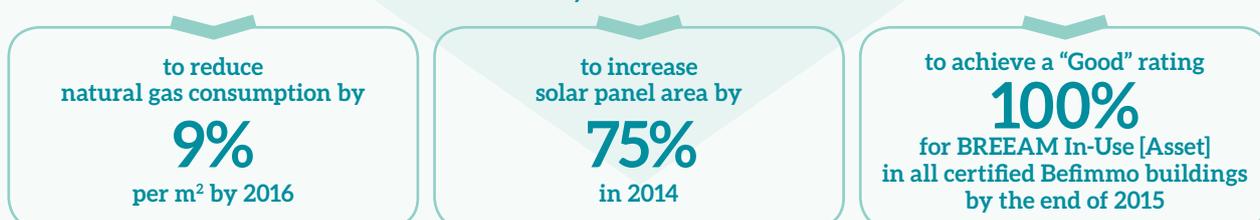
Main relevant topics raised by stakeholders



Befimmo undertakes to



Key indicators



ENERGY

MAIN ACHIEVEMENTS AND OBJECTIVES



Energy consumption (gas and electricity) and water consumption by tenants and corporate activities.

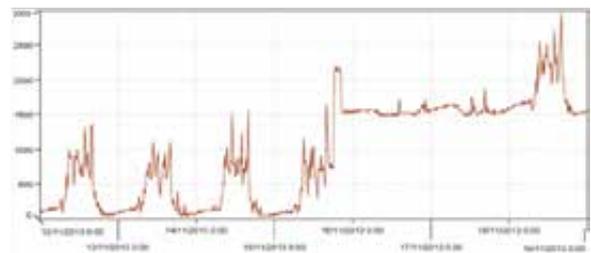
Management of consumption data

All data and information are obtained via (i) telemonitoring of consumption, (ii) maintenance companies and (iii) the utility companies and energy suppliers. Telemonitoring now covers 95% of buildings in the Befimmo portfolio and a small proportion of the buildings in the Fedimmo portfolio. The data collected generally cover all consumption (water, gas and electricity). This centralisation of data and online real-time access to them allows us to remotely identify any malfunctioning technical installations, immediately taking the necessary corrective action, and to assess the energy performance of each building and identify priority future investments to be considered.

With regard to electricity consumption data, Befimmo is continuing to work on separating consumption for private and common areas of the buildings in which it manages all consumption. In all other cases, Befimmo asks its tenants to give it direct access to their private consumption via the utility companies. This systematic approach is now applicable to each new lease for both gas and electricity consumption. In this way, Befimmo hopes to quickly cover 100% of the consumption data (common and private areas) of all its buildings.

The consumption data obtained from utility companies and energy suppliers are cross-referenced and compared with data from telemonitoring.

Extract from telemonitoring | Water Consumption (litres/hour): highlighting abnormally high consumption



Objective

To continue implementing systems for consolidating and monitoring energy consumption. This work will be partially automated during 2014.

Multi-annual investment plan

[G4-EN31]

Befimmo strives to keep its buildings attractive to tenants, thereby maintaining as high an occupancy rate as possible in its portfolio, by continually investing in the renovation and redevelopment of its properties or improving their energy and environmental performances, to upgrade them or maintain them at a high level of quality.

To achieve this objective, Befimmo is putting in place a multi-annual investment plan to schedule and carry out work to optimise the sustainable performances of the properties in use (Befimmo portfolio excluding Fedimmo) and not undergoing major renovation. In 2013, the budget for this is €1.8 million. For major renovations, part of the over-

all renovation budget is allocated to sustainable optimisation of the building. Accordingly, over the fiscal year Befimmo carried out investment works in its buildings at an overall cost of €54.8 million. Between 6 and 10% of this overall investment went to improve their environmental performances and thus respond to current and future legislation and also to tenants' expectations.

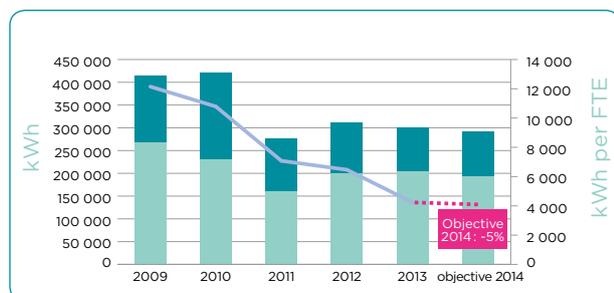
👉 "Outlook and dividend forecast"

Green Advisor

Befimmo is aware of the importance of checking proper implementation in the field of its investments in the environmental and energy performances of its buildings. In 2014, it took the decision to release the necessary resources to recruit a Green Advisor who will carry out this operational function within the technical department.

Befimmo's corporate energy consumption in kWh per full-time equivalent (FTE)

[G4-EN3-EN5]



Objective

Befimmo intends to continue with these initiatives. The budget in 2014 for investments related to operational buildings is slightly lower than the 2013 budget, however. This is explained by Befimmo's intention to focus on and give priority to optimising existing technical installations rather than investing more in new installations.

(€ million)

Realised		Outlook	
2013	2014	2015	2016
1.8	1.5	1.9	1.8



Objective

To enhance the monitoring in the field of the efficiency of energy investments.



Objective

At the corporate level, Befimmo intends to take up the challenge of reducing the standby consumption of its office equipment (computers, printers, copiers, etc.) by 5% by the end of 2014.

of which gas
of which electricity (including autoproduction)
electricity consumption per FTE
Electricity consumption goal per FTE

REPORTING OF CONSUMPTION

Regarding the way for analysing and interpreting all the tables hereafter, please see the methodology published in Appendix V on page 246.

Energy for heating and electricity (in GWh) [G4-EN3-EN4]

The data presented in the table hereafter refer to the total energy purchased and/or produced for the use of the private and common areas of the buildings in the portfolio (including car parks and

common amenities such as heating, air conditioning, ventilation, lighting and lifts). The data are changing in line with the portfolio.

Befimmo		Perimeter	Total of all assets	Belgium			Luxembourg
				Brussels	Wallonia	Flanders	
	Total 2011		79.5	55.0	2.5	18.5	3.6
	Total 2012		89.0	60.6	0.5	23.6	4.3
	Total 2013		96.2	63.4	1.7	26.9	4.2
Like for Like	2008-2013 at constant perimeter	31%	-10%	-10%	-17%	-8%	n.a.
	2011-2013 at constant perimeter	43%	5%	5%	2%	5%	n.a.
	2012-2013 at constant perimeter	72%	1%	5%	-1%	-8%	-2%

Fedimmo		Perimeter	Total of all assets	Belgium		
				Brussels	Wallonia	Flanders
	Total 2011		38.7	16.4	4.2	18.1
	Total 2012		44.1	19.7	4.2	20.2
	Total 2013		55.0	25.9	11.1	18.0
Like for Like	2008-2013 at constant perimeter	53%	-3%	-9%	45%	9%
	2011-2013 at constant perimeter	62%	32%	41%	16%	22%
	2012-2013 at constant perimeter	64%	16%	17%	11%	16%

Gas consumption (total consumption in GWh and specific consumption in kWh/m²)

[G4-EN3-EN4-EN5 | CRESS-CRE1]

The data presented in the table hereafter relate to the gross consumption of natural gas, normalised by region. Consumption data for heating are normalised for the influence of the outdoor temperature using the 16.5/16.5 degree-day method. This method can compare the consumption for buildings in different locations and at different times in the

same year or different years. Oil is excluded from the analysis because, since early 2012, all Befimmo and Fedimmo buildings have gas-fired heating, except for two Fedimmo buildings which still have oil-fired heating, though the data obtained are not usable.

Befimmo				Total of all assets	Belgium			Luxembourg
	Units	Perimeter	Brussels		Wallonia	Flanders		
2011	Gross total	GWh	94%	37.2	24.4	2.0	8.3	2.5
	Normalised degree/day			42.7	28.0	2.4	9.5	2.9
	Normalised degree/day/m ²	kWh/m ²	80%	88.1	90.2	137.0	76.8	n.a.
2012	Gross total	GWh	94%	41.6	30.4	0.3	8.8	2.1
	Normalised degree/day			39.6	28.9	0.3	8.4	2.0
	Normalised degree/day/m ²	kWh/m ²	91%	78.8	84.1	143.0	63.9	n.a.
2013	Gross total	GWh	98%	46.1	30.5	1.3	12.3	2.0
	Normalised degree/day			40.3	26.7	1.1	10.8	1.8
	Normalised degree/day/m ²	kWh/m ²	74%	74.1	74.4	115.0	70.8	n.a.
Like for Like	2008-2013 Normalised degree/day at constant perimeter	%	43%	0.4%	2%	-34%	-1%	n.a.
	2011-2013 Normalised degree/day at constant perimeter	%	58%	-7%	-6%	-25%	-6%	n.a.
	2012-2013 Normalised degree/day at constant perimeter	%	75%	-3%	-3%	-17%	-3%	-11%

Fedimmo				Total of all assets	Belgium		
	Units	Perimeter	Brussels		Wallonia	Flanders	
2011	Gross total	GWh	75%	24.6	8.3	2.8	13.5
	Normalised degree/day			28.2	9.5	3.2	15.4
	Normalised degree/day/m ²	kWh/m ²	75%	114.0	92.8	164.0	123.0
2012	Gross total	GWh	77%	29.6	11.3	2.8	15.5
	Normalised degree/day			28.2	10.8	2.6	14.8
	Normalised degree/day/m ²	kWh/m ²	77%	111.0	105.0	133.0	112.0
2013	Gross total	GWh	87%	35.5	15.6	7.0	12.9
	Normalised degree/day			31.0	13.6	6.1	11.3
	Normalised degree/day/m ²	kWh/m ²	87%	110.0	128.0	92.2	103.0
Like for Like	2008-2013 Normalised degree/day at constant perimeter	%	51%	-19%	-29%	25%	1%
	2011-2013 Normalised degree/day at constant perimeter	%	64%	20%	41%	4%	1%
	2012-2013 Normalised degree/day at constant perimeter	%	66%	14%	25%	-36%	12%

The degree days for Belgium are calculated at the observatory in Uccle. The Axento building in Luxembourg is heated by a district heating scheme.



Objective

Befimmo is maintaining its commitment to cutting energy consumption (gas and electricity) in its buildings. The goal of cutting gas consumption by 2.5% in relation to the reference year 2011 was achieved and even exceeded in 2012 and 2013.

Based on this observation, Befimmo has raised its targets for the next three years and plans to

reduce gas consumption in the common areas of the Befimmo portfolio by 3% per year.

The data below represent the achievements and targets of reducing specific gas consumption (kWh/m²) from 2011 to 2016, weighted by degree days in relation to a reference period.

Plan 2011-2014	2011	2012	2013	Objective 2014
Objective gas	Reference period	-0.8%	-1.7%	-2.5%
Realised gas		-10.6%	-15.9%	-
Plan 2013-2016	2013	2014	2015	Objective 2016
Objective gas	Reference period	-3.0%	-6.0%	-9.0%

Electricity consumption (total consumption in GWh and specific consumption in kWh/m²) [G4-EN3 to EN7 | CRESS-CRE1]

The data presented in the table hereafter relate to electricity consumption purchased and produced by region.

Befimmo				Total of all assets	Belgium			Luxembourg
					Brussels	Wallonia	Flanders	
	Units	Perimeter						
2011	Total (including renewable)			39.34	27.62	0.46	10.17	1.09
	of which private	GWh	93%	16.84	11.81	0.26	4.77	0.00
	of which common			22.49	15.81	0.20	5.40	1.08
	of which renewable	MWh	n.a.	13.00	2.50	n.a.	n.a.	10.50
	Private / m ²	kWh/m ²	63%	51.42	50.10	21.32	58.88	n.a.
	Common / m ²		48.73	48.11	22.05	53.73	n.a.	
2012	Total (including renewable)			47.35	30.15	0.18	14.84	2.18
	of which private	GWh	94%	27.00	16.10	0.07	9.71	1.12
	of which common			20.31	14.02	0.11	5.12	1.06
	of which renewable	MWh	n.a.	43.11	30.24	n.a.	4.37	8.50
	Private / m ²	kWh/m ²	79%	65.71	60.97	32.91	74.00	83.00
	Common / m ²		42.61	42.42	56.73	39.09	78.66	
2013	Total (including renewable)			50.08	32.88	0.46	14.56	2.18
	of which private	GWh	98%	27.22	16.66	0.27	9.14	1.15
	of which common			22.78	16.18	0.18	5.40	1.02
	of which renewable	MWh	n.a.	85.39	46.01	n.a.	21.77	17.62
	Private / m ²	kWh/m ²	64%	61.68	61.97	29.47	61.08	85.15
	Common / m ²		39.82	40.95	19.65	35.81	75.75	
Like for Like	2008-2013 Common electricity at constant perimeter	%	32%	-35%	-36%	-28%	-33%	n.a.
	2011-2013 Common electricity at constant perimeter	%	44%	-25%	-24%	-11%	-29%	n.a.
	2012-2013 Common electricity at constant perimeter	%	63%	-7%	-9%	-28%	-2%	-4%

Fedimmo				Total of all assets	Belgium		
					Brussels	Wallonia	Flanders
	Units	Perimeter					
2011	Total (including renewable)			14.14	8.09	1.39	4.66
	of which private	GWh	82%	8.48	4.85	0.83	2.80
	of which common			5.65	3.23	0.56	1.87
	of which renewable	MWh	n.a.	9.50	9.50	n.a.	n.a.
	Private / m ²	kWh/m ²	82%	31.19	44.84	21.83	22.28
	Common / m ²		20.79	29.89	14.56	14.85	
2012	Total (including renewable)			14.49	8.38	1.42	4.69
	of which private	GWh	80%	7.91	4.25	0.85	2.81
	of which common			5.27	2.83	0.57	1.88
	of which renewable	MWh	n.a.	1 305.89	1 305.89	n.a.	n.a.
	Private / m ²	kWh/m ²	80%	29.68	41.34	22.26	22.41
	Common / m ²		19.79	27.56	14.84	14.94	
2013	Total (including renewable)			18.00	10.08	2.88	5.03
	of which private	GWh	97%	9.48	4.71	1.75	3.02
	of which common			6.29	3.14	1.13	2.01
	of which renewable	MWh	n.a.	2 233.16	2 233.16	n.a.	n.a.
	Private / m ²	kWh/m ²	97%	29.50	42.87	22.69	22.28
	Common / m ²		20.16	30.01	15.13	14.85	
Like for Like	2008-2013 Common electricity at constant perimeter	%	58%	12%	15%	60%	5%
	2011-2013 Common electricity at constant perimeter	%	78%	-1%	-3%	-4%	4%
	2012-2013 Common electricity at constant perimeter	%	76%	3%	5%	-6%	3%

The intensity indicators (kWh/m²) are calculated excluding renewable energy. Where global electricity consumption data are obtained (common and private areas combined), the assumption of a 40/60 split between common and private areas made in 2012 is confirmed and retained for 2013.



Objective

Befimmo is maintaining its commitment to cutting energy consumption (gas and electricity) in its buildings. The priority is to reduce consumption in common areas, although steps to reduce consumption in private areas are also systematically considered during renovations and/or commercial renegotiations. The goal of cutting gas consumption by 2.5% by 2014 in relation to the reference year 2011 was achieved and even exceeded in 2012 and 2013.

Based on this observation, Befimmo has reviewed its targets for the next three years and plans to cut electricity consumption in the common areas of the Befimmo portfolio by 2.5% per year.

At the same time, and for the first time, Befimmo has also set an ambitious goal of reducing the electricity consumption of private areas by 1% per year.

Befimmo is taking up this new challenge by introducing an environmental cooperation agreement and active awareness-raising among its tenants.

The data hereafter represent the achievements and targets of reducing specific electricity consumption (kWh/m²) from 2011 to 2016, for common and private areas in relation to a reference period.

Plan 2011-2014	2011	2012	2013	Objective 2014	
Realised common	Reference period	-12.6%	-18.3%	-	
Objective common		-0.8%	-1.7%	-2.5%	
Realised private		27.8%	20.0%	-	
Objective private		-	-	-	
Plan 2013-2016		2013	2014	2015	Objectives 2016
Objective common		Reference period	-2.5%	-5.0%	-7.5%
Objective private			-1.0%	-2.0%	-3.0%

Financial savings due to energy savings made during the 2013 fiscal year [G4-EN6]

The data presented in the table hereafter relate to the direct financial impact for Befimmo of the measures to cut energy consumption.

Although there is also a financial impact of cutting electricity consumption for private areas, it could not be measured.

	Perimeter	Consumption reduction (kWh)	Financial saving
Like for Like	Common electricity	63%	979 952
	Gas	74%	926 778
	Total impact of the evolution of the energy consumption		€ 135 066

Financial saving calculated on the basis of the cost per kWh in the energy supply contract. Where global electricity consumption data are obtained (common and private areas combined), the assumption of a 40/60 split between common and private areas made in 2012 is confirmed and retained for 2013.

Water consumption (m³) [G4-EN8-EN10 | CRESS-CRE2]

The data presented in the table hereafter refer to mains water withdrawn from the distribution network.

This consumption represents the bulk of the water consumption of the Befimmo/Fedimmo buildings. Several buildings have water recovery facilities, however, but this is not currently measured.

Befimmo undertakes to assess the suitability of fitting water recovery systems for any investment project and quickly installing meters on all existing and future installations. In 2014, there will be two groundwater extraction projects.

Management report

Befimmo		Perimeter	Total of all assets	Belgium			Luxembourg
				Brussels	Wallonia	Flanders	
2011	Total (m ³)	80%	91 329	66 389	1 697	23 243	n.a.
	m ³ /m ²	80%	0.22	0.23	0.17	0.19	n.a.
2012	Total (m ³)	92%	113 891	81 641	326	23 048	8 876
	m ³ /m ²	86%	0.26	0.27	0.16	0.18	0.66
2013	Total (m ³)	88%	174 304	130 689	6 498	26 991	10 126
	m ³ /m ²	76%	0.28	0.28	0.70	0.19	0.75
Like for Like	2008-2013 (m ³) at constant perimeter	46%	4%	9%	67%	-13%	n.a.
	2011-2013 (m ³) at constant perimeter	57%	5%	3%	-2%	12%	n.a.
	2012-2013 (m ³) at constant perimeter	68%	0.4%	-5%	4%	15%	14%

Fedimmo		Perimeter	Total of all assets	Belgium		
				Brussels	Wallonia	Flanders
2011	Total (m ³)	19%	9 149	1 020	n.a.	8 129
	m ³ /m ²	19%	0.15	0.06	n.a.	0.18
2012	Total (m ³)	22%	13 769	1 138	n.a.	12 631
	m ³ /m ²	22%	0.19	0.07	n.a.	0.22
2013	Total (m ³)	66%	53 792	24 857	11 328	17 607
	m ³ /m ²	66%	0.24	0.28	0.19	0.25
Like for Like	2008-2013 (m ³) at constant perimeter	n.a.	n.a.	n.a.	n.a.	n.a.
	2011-2013 (m ³) at constant perimeter	10%	-42%	n.a.	n.a.	-42%
	2012-2013 (m ³) at constant perimeter	13%	-44%	n.a.	n.a.	-44%

POLLUTION

MAIN ACHIEVEMENTS AND OBJECTIVES

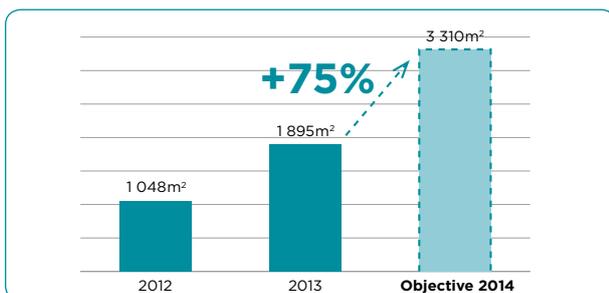


Greenhouse gas emissions (in carbon equivalent) and waste management.

Renewable energy production | Solar panels [G4-EN3]

Current total coverage with solar panels is around 1,895 m² compared with 1,048 m² at the end of 2012.

The target set in early 2013 of 15% more space was easily met and exceeded.



Objective

To increase to total coverage of 75% by the end of 2014.

Renewable energy production | Cogeneration [G4-EN3]

The feasibility studies in 2013 for five buildings confirmed the advantages of installing cogeneration in the View Building. The building has a fitness centre with a swimming pool. The long opening hours and heat requirements make the fitting of a cogeneration plant worthwhile in terms of the environment and cutting energy costs of common areas. The electricity generated by this installation will actually be fed directly back into the common areas of the building so as to substantially reduce its

dependence on the electricity grid. The plant is scheduled to be commissioned in late 2014.



Objective

New feasibility studies will be conducted during 2014 throughout the whole portfolio, including Fedimmo's.

REPORTING OF CONSUMPTION

Total waste (tonnes) by type [G4-EN23]

The data presented in the table hereafter relate to the quantities of waste by region, all categories

(paper, cardboard, plastic, glass, wood, earth, concrete, rubble, metals and other mixed waste).

Befimmo		Perimeter	Total of all assets	Belgium			Luxembourg
				Brussels	Wallonia	Flanders	
Total 2011		62%	1 901	885	0	958	59
Total 2012		68%	1 840	913	0	863	64
2013	Total		7 634	6 491	8	1 081	54
	of which operating waste						
	not dangerous (tonnes)	76%	1 714	1 048	8	604	54
	dangerous (tonnes)		0	0	0	0	0
	of which waste linked to works						
	not dangerous (tonnes)	100%	5 918	5 443	0	475	0
	dangerous (tonnes)		2.4	0.3	0	2.1	n.a.

Fedimmo		Perimeter	Total of all assets	Belgium		
				Brussels	Wallonia	Flanders
Total 2011		n.a.	n.a.	n.a.	n.a.	n.a.
Total 2012		n.a.	n.a.	n.a.	n.a.	n.a.
2013	Total		1 016	418	598	0
	of which operating waste					
	not dangerous (tonnes)	13%	90	13	78	n.a.
	dangerous (tonnes)		0	0	0	0
	of which waste linked to works					
	not dangerous (tonnes)	100%	667	147	520	0
	dangerous (tonnes)		259	258	0.5	n.a.

Building waste includes all waste related to building/renovation projects, 100% of which is reported. Dangerous waste is waste that presents a specific danger to man or the environment. It is identified and listed in regional regulations. The proportion of waste related to renovation/construction sites in 2013 is much higher than in previous years because previously this information was not systematically collected.

Waste processing [G4-EN23]

The data in the table below show the breakdown by region of total waste by type of treatment.

Befimmo	Perimeter	Total of all assets	Belgium			Luxembourg
			Brussels	Wallonia	Flanders	
Total of waste 2013 (tonnes)		7 634	6 491	8	1 081	54
Recycling	72.1%	78.3%	81.3%	n.a.	64.1%	11.0%
Reutilisation	7.4%	0.4%	0.5%	n.a.	0.2%	n.a.
Composting	10.0%	0.1%	0.0%	n.a.	0.4%	n.a.
Incineration	70.5%	14.7%	10.5%	100.0%	35.3%	89.0%
Landfill / dump	5.5%	6.6%	7.7%	n.a.	n.a.	n.a.

Fedimmo	Perimeter	Total of all assets	Belgium		
			Brussels	Wallonia	Flanders
Total of waste 2013 (tonnes)		1 016	418	598	n.a.
Recycling	13.3%	66.4%	36.6%	87.1%	n.a.
Reutilisation	0.0%	n.a.	n.a.	n.a.	n.a.
Composting	0.0%	n.a.	n.a.	n.a.	n.a.
Incineration	12.7%	8.2%	1.6%	12.9%	n.a.
Landfill / dump	1.0%	25.4%	61.8%	n.a.	n.a.

The percentage for each treatment is quantified according to the collector, type and category of the waste.

Greenhouse gas (GHG) emissions related to energy (tonnes CO₂e)
[G4-EN15 to EN19 | CRESS-CRE3]

The data presented in the table hereafter relate to greenhouse gas emissions associated with energy consumption in Befimmo/Fedimmo buildings (electricity, gas and oil).

The significant reductions in CO₂e emissions recorded in the calculation at constant floor area (like-for-like) can be explained mainly by (i) a significant reduction between 2009 and 2013

of emission levels associated with the use of non-renewable electricity (see CO₂e emission factors in the methodology in Appendix V on page 246), (ii) the complete elimination of oil-fired heating systems from the Befimmo portfolio, and (iii) adjustments to the data after obtaining information relating to green electricity supply contracts for major private accounts.

Befimmo		Total of all assets	Belgium			Luxembourg
			Brussels	Wallonia	Flanders	
2011	Total 2011	11 362	7 850	480	2 652	379
	kg CO ₂ e/m ² 2011	32.6	33.1	28.7	20.0	n.a.
2012	Total 2012	11 368	7 956	73	2 700	639
	kg CO ₂ e/m ² 2012	20.9	24.0	3.6	13.1	40.9
2013	Total 2013	9 745	5 874	274	3 222	376
	of which electricity emissions (2013) buildings	1 372	136	38	908	290
	of which electricity emissions (2013) Befimmo Corporate		0	n.a.	n.a.	n.a.
	of which gas emissions (2013)	8 373	5 737	235	2 313	87
	of which gas emissions (2013) Befimmo Corporate		18	n.a.	n.a.	n.a.
	of which heating oil emissions (2013)		n.a.	n.a.	n.a.	n.a.
	kg CO ₂ e/m ² 2013	12.1	12.9	17.9	11.1	n.a.
Like for Like	2008-2013 at constant perimeter	-64%	-64%	-46%	-62%	n.a.
	2011-2013 at constant perimeter	-41%	-47%	-12%	-37%	-1%
	2012-2013 at constant perimeter	-24%	-28%	-29%	-6%	-41%

Fedimmo		Total of all assets	Belgium		
			Brussels	Wallonia	Flanders
2011	Total 2011	7 273	2 979	799	3 494
	kg CO ₂ e/m ² 2011	23.4	27.1	13.0	25.4
2012	Total 2012	8 284	3 508	804	3 971
	kg CO ₂ e/m ² 2012	26.6	32.4	13.3	28.9
2013	Total 2013	6 967	2 930	1 603	2 434
	of which electricity emissions (2013) buildings	12	0	12	0
	of which electricity emissions (2013) Befimmo Corporate	n.a.	n.a.	n.a.	n.a.
	of which gas emissions (2013)	6 679	2 930	1 322	2 427
	of which gas emissions (2013) Befimmo Corporate	n.a.	n.a.	n.a.	n.a.
	of which heating oil emissions (2013)	275	n.a.	268	7
	kg CO ₂ e/m ² 2013	38.4	26.3	49.4	18.3
Like for Like	2008-2013 at constant perimeter	-37%	-45%	10%	-21%
	2011-2013 at constant perimeter	-4%	-2%	-7%	-5%
	2012-2013 at constant perimeter	-15%	-17%	-12%	-12%

The reporting perimeters including constant floor areas correspond to the specific perimeters previously calculated separately for each energy type. The CO₂e emission factors are based on the energy type and energy mix of the region. CO₂e emissions related to Befimmo corporate transport and supplies are excluded and treated separately.

CO₂e emissions related to Befimmo corporate use of paper (tonnes CO₂e) [G4-EN17]



The conversion factor used to calculate CO₂e emissions related to the paper consumption is 1.3157 kgCO₂e/kg paper.

MOBILITY

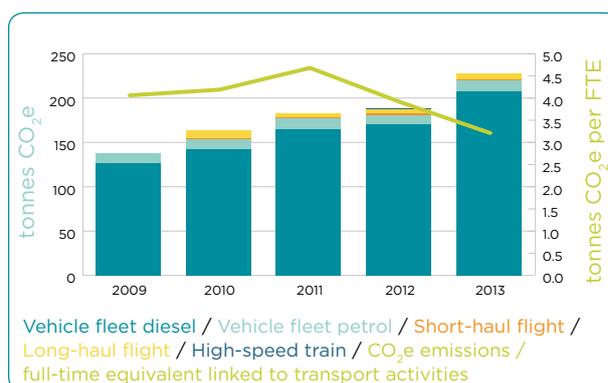
MAIN ACHIEVEMENTS AND OBJECTIVES



Accessibility of buildings and business and private travel policy.

CO₂e emissions related to Befimmo corporate transport (tonnes CO₂e) [G4-EN15-EN30]

The objective for 2013 of reducing CO₂e by 3% in the Befimmo vehicle fleet was achieved and even exceeded. This cut in the overall average emission rate per vehicle by 8.5% in 2013 compared with 2012 is the result of applying the car policy in 2012 to new and replacement vehicles.



CO₂e emissions related to the fuel consumed by corporate vehicles include the upstream emissions required to produce and transport the fuel.

Electric vehicle

After various tests, Befimmo chose to include a pooled electric vehicle in its fleet. The objective is to test the usefulness of such a vehicle over a short period (12 months) for short trips by the team.

By mid-2014, a general analysis of Befimmo's mobility opportunities will be conducted with the help of external consultants.



Objective

Befimmo intends to pursue its policy of awareness-raising in the team. It aims to develop a mobility plan to encourage sustainable mobility (use of carpooling, public transport or, for the more energetic, cycling, etc.).

CERTIFICATION

MAIN ACHIEVEMENTS AND OBJECTIVES

Environmental Management System, ISO 14001 certified [G4-PR3]

Since 2010, Befimmo has established an Environmental Management System based on ISO 14001. It ensures a systematic approach to the environmental aspects of its activities and also contributes to the sustainable ongoing implementation and monitoring of its commitments.

In late 2013, after the first three years, the Environmental Management System (EMS) was audited to update the certification. The audit confirmed that the requirements of ISO 14001 were being applied in the processes and activities audited.



Audit of the management of the business's environmental impact (methodology, communication, transparency) by an external certification body.



Objectives

Befimmo will nevertheless continue in 2014 to address the two challenges it identified in 2012, namely:

- ▶ To complete the integration of the property management business;
- ▶ To simplify the EMS by further improving the level of environmental performance.

BREEAM Design at Befimmo and Fedimmo [G4-PR3]

Portfolio	Building	City	Region	Type of project	Date	BREEAM performance level		
						Acquisition of certificat	Design	Post Construction
Befimmo	Ikaros 17-19	Zaventem	Flanders	Renovation	2012		Very Good	Pending
	Ocean House	Zaventem	Flanders	Renovation	2012		Good	Pending
	Triomphe I + II		Brussels	Renovation	2014		Very Good	Pending
	Brederode 13		Brussels	Renovation	2014		Very Good	Pending
	Brederode 9		Brussels	Renovation	2015		Very Good	Pending
	Noord-Building		Brussels	Construction	2014		Excellent	Pending
Fedimmo	Science-Montoyer	Brussels	Brussels	Renovation	2010/2011		Excellent	Excellent
	Froissart	Brussels	Brussels	Renovation	2010/2011		Excellent	Very Good
	Paradis	Liège	Wallonia	Construction	2014		Excellent	Pending
	WTC IV	Brussels	Bruxelles	Construction			Outstanding	Pending

BREEAM In-Use at Befimmo (number of assets) [G4-PR3]

BEFIMMO PORTFOLIO | BREEAM IN-USE [ASSET] (number of assets)

As at 1 January 2014, taking account of sales and acquisitions, 50% of the Befimmo certified portfolio was rated Good for Asset level.



Objective

The aim is to continue along this path of improving the rating (Pass => Good) for 20 new buildings over 2014. The improvement in the rating of the remaining 15 buildings is planned by the end of 2015. The rating of the buildings undergoing renovation is reviewed as appropriate in each case after completion of the work.

BEFIMMO PORTFOLIO | BREEAM IN-USE [MANAGEMENT] (number of assets)

On 1 January 2014, the BREEAM Management rating status was adjusted to take account of the acquisition of the Blue Tower building which was rated "Very Good". In 2014, only the certificate for the recently renovated Ikaros 17-19 building will be integrated and taken into account.



Objective

After the property management business has been fully integrated in 2014, Befimmo will assess the added value of the improved BREEAM Management rating of its portfolio. New targets will be set if appropriate.

FEDIMMO PORTFOLIO | BREEAM IN-USE [ASSET AND MANAGEMENT]

The BREEAM status of the Fedimmo buildings remains unchanged. In 2013, only one Fedimmo building out of 56 had undergone BREEAM Asset and Management certification. After a full renovation, the Froissart building was rated "Very Good" in each of these two certifications.

The team

The involvement of the Befimmo team in Social Responsibility is crucial to the success of its global strategy. Staff awareness of and participation in conceptual work as well as their day-to-day contribution, is an essential element for achieving the objectives set. By providing a pleasant working environment, Befimmo helps to stimulate creativity and motivation in the team and enhances its commitment to the Company.

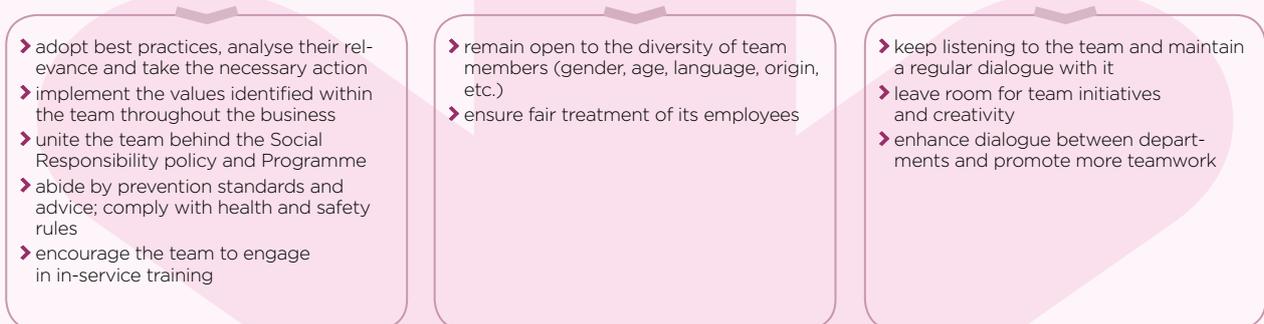
the CSR Manager, for raising awareness of the whole team of CSR topics, dealing with the follow-up of initiatives introduced and continuing to develop the strong corporate culture that exists within Befimmo. The main priorities identified in consultation with stakeholders related to this topic are **well-being, ethics and dialogue.**

Since 2012, one person in the human resources department has been responsible, in cooperation with

Main relevant topics raised by stakeholders



Befimmo undertakes to



Key indicators



Social indicators [G4-LA1-LA2-LA6]

As at 31 December 2013, there were 70 staff in the team (56% men and 44% women). With the exception of the CEO, all team members enjoy an employee status and all, but one, are employed on a permanent contract.

Befimmo also occasionally takes on temporary staff.

On the same date, 90% of Befimmo employees worked full-time and 10% part-time (including time credits). All staff working part-time have the same fringe benefits. Currently, these 10% are all women.

More than half the team have a university degree and 43% of those graduates also have a post-graduate diploma.

The average age of the Befimmo team (not including the Board of Directors) is 41.

During the 2013 fiscal year, Befimmo welcomed 25 new employees (including 14 through the integration of the property management business) and there were 2 departures.

Over the year, there were two accidents on the way to work but no cases of occupational disease. Absenteeism⁽¹⁾ amounted to 2.4% of the total number of hours worked, which is in line with the average rate of 2.4%⁽²⁾ recorded for all Belgian companies across all sectors.

Befimmo is subject to the Joint National Auxiliary Committee for White-Collar Workers, also known as Joint Committee 218, which covers all team members.

The remuneration paid by Befimmo is in line with market rates and substantially higher than the relevant minimum scales. Under Befimmo's salary package, employees are covered by a non-statutory pension scheme that guarantees a replacement income that is proportional to the salary earned at the time of retirement (defined-benefits scheme) and their length of service in the Company. In addition, employees receive full health care coverage.

➡ More detailed information can be found in the note "Employee benefits" on page 197 of this Annual Financial Report [G4-EC3].

(1) Absenteeism rate: ratio of the number of hours of short-term sickness (< 30 days) to the total hours worked.

(2) Source: "Absenteeism 2012, management and figures", SDWorx.

WELL-BEING

MAIN ACHIEVEMENTS AND OBJECTIVES



Work/Life balance, staff health and safety, working environment and atmosphere.

Befimmo attaches particular importance to the well-being of its employees, ensuring that they are involved in the life of the Company. It intends to continue its efforts to make continuous improvements on the topics mentioned before.

Values

Three core values have been identified through various surveys of Befimmo's team and Board of Directors. These values that mould Befimmo's identity are:

- › **Commitment** | this word reflects the high level of involvement of the team in the Company and its business, its sense of responsibility and its strong ties to the Company.
- › **Team spirit** | this expression denotes the cooperation between the various members of the team when carrying out their business, giving one another mutual support when needed.
- › **Professionalism** | this means the strict discipline applied when doing business.



Objective

Befimmo feels the need to integrate these values further to ensure that they are genuinely experienced within the Company, so that everyone can relate to them, and also so that they are recognised outside. To that end, in 2014 Befimmo will hold workshops on these values so that the team can take part in developing them.

Efficiency and well-being

In 2013, Befimmo integrated the property management business into the existing structure. As part of that process, 14 employees, former staff of AG Real Estate Property Management, joined the team on 1 May 2013. The existing team members were made aware of their role in ensuring the success of this integration and the new colleagues were all welcomed into the group. Thanks to the mentoring system introduced and the involvement of everyone in the process, Befimmo was pleased with the success of this operation.

In November 2013, Befimmo conducted a satisfaction survey of the team, which focused on general topics such as communication, working environment, training, culture and entrepreneurship, human resources, mobility, CSR and the Befimmo values. This survey - in the form of an online

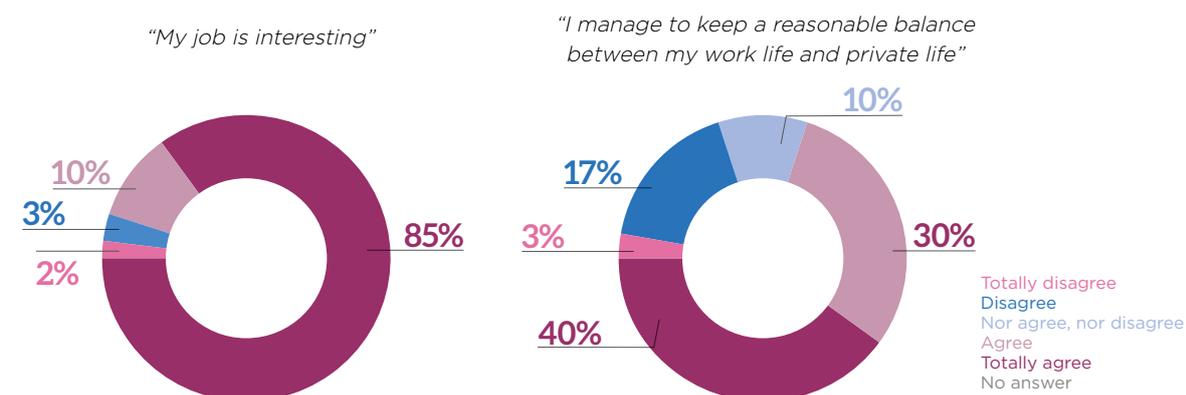
questionnaire - was anonymous and voluntary. The participation rate was very high, at 92%.

The survey was able to gauge the climate within the Company. Since it was the first one, it will serve as a reference for regular surveys (every two years) to assess how much the staff know and understand about the strategy, to measure the level of commitment and the changing attitude of staff towards CSR and, more generally, about their experiences within the Company.

It will enable Befimmo to map out priorities in terms of measures for the well-being and effectiveness of the team, in order to meet the specific needs of its employees rather than merely abiding by the relevant legal requirements.

Extract from the results of the staff satisfaction survey

(2013)



It emerges from the 2013 survey that the staff are motivated and interested in their own jobs, and 95% of them are proud to work for Befimmo. However, some areas for improvement were identified, notably work/life balance. In response to these points to be addressed, Befimmo has undertaken to implement specific measures, such as an analysis of new work organisation practices.



Objective

To follow-up the specific measures implemented as a result of the satisfaction survey and to conduct a new satisfaction survey at least every two years.

Comité B+ and social actions

Comité B+, set up in 2011 at the initiative of the staff and with the support of the executive officers, has continued its efforts to organise sporting, cultural, festive, charity and family activities.

In 2013, Comité B+ continued its voluntary work on the partnership begun in 2011 with the Red Cross (Auderghem local unit).

Following the success in 2012, the Committee organised two blood donations at its premises in the Goemaere building, and other tenants in the building were able to take part. It plans to continue organising blood donations in future years. Several staff members also took part in the Red Cross fortnight, which takes place every spring, and helped to sell adhesive plasters for the Auderghem local unit in aid of the "Holidays for all" programme, a camp for vulnerable children.



Objective

Comité B+ intends to continue its social outreach in 2014. The participants are keen to repeat most of the above operations. For its part, the Company will continue to support Comité B+ initiatives by proposing philanthropic activities to the team.

The more athletic members took part in the 20 km of Brussels for the Ligue Braille team. Finally, just before the Christmas period, staff were asked to

donate food packages which were distributed by the Red Cross to the homeless in Auderghem.

Appraisal and training [G4-LA9-LA10-LA11]

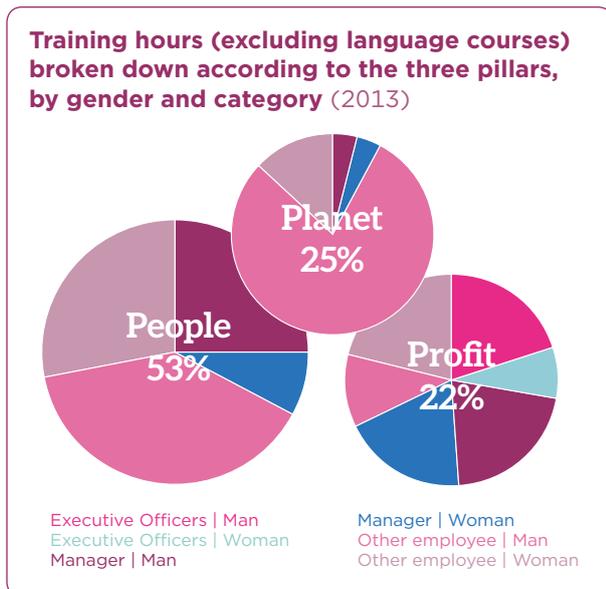
Befimmo is convinced that the development of its employees enhances their desire to advance their careers and deploy their skills, and so continued its policy in this area in 2013.

In addition to language training and individual courses, Befimmo provided training on communication to all staff. Staff had the opportunity to improve their skills in interpersonal communication and within a team, to identify their own mode of communication and that of others, and to learn how to structure their message to make it more effective. The leadership skills development programme for serving managers also continued and ended in 2013. Training on the ISO 14001 standard was also offered to all staff. Finally, mindful of the physical well-being of the staff, Befimmo organised ergonomics training in cooperation with the occupational medicine service, to raise staff awareness of the risks of working on screen and to teach them how to limit those risks.

Despite this, the results of the staff survey show that there is still room for improvement in access to training at Befimmo. To achieve this, it was decided to improve centralisation of information about training, which should then be passed on to managers.

Befimmo also decided to review its annual appraisal process already in place for all Company employees. Appraisal will be more closely linked to the Company’s values, which are deployed in a number of generic skills. A larger and more detailed part of the appraisal will focus on the staff development plan, with the aim of maintaining their level of motivation and well-being.

Over the past fiscal year, Befimmo imparted an average⁽¹⁾ of 53 hours’ training per staff member, more than half of which related to language courses.



(1) This average is calculated based on the full-time equivalents



Objectives

- › To review the appraisal process and introduce a development plan.
- › To centralise information about training, improve communication with managers on existing training courses and inform the team of the procedure in place.

ETHICS



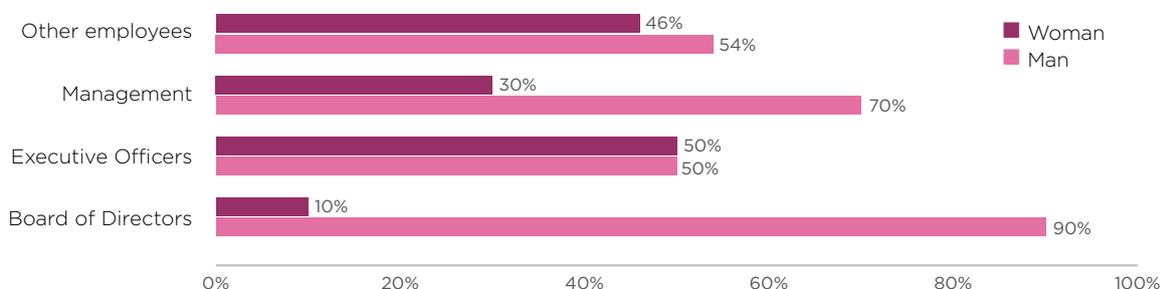
Ethical practices in human resource management and recruitment.

Befimmo describes itself as a Company open to diversity, respecting everyone's identity.

During the 2013 fiscal year, no complaints were lodged about employment [G4-LA16].

SOCIAL INDICATORS AND OBJECTIVES

Composition of governance bodies and breakdown of employees by gender (at 31 December 2013) [G4-LA12]



Composition of governance bodies and breakdown of employees by age (at 31 December 2013) [G4 - LA12]



Objective

In 2014, Befimmo intends to commit to a diversity plan under the diversity label of the Brussels Capital Region.

DIALOGUE



Maintaining a regular dialogue with the team.

In 2013 the dialogue with the team, an internal stakeholder of the Company, took place mainly through the staff satisfaction survey, part of which has contributed to the Company's material-

ity matrix. Training courses were also offered on communication. Befimmo continued its efforts to improve and diversify the communication flows within the team.

MAIN ACHIEVEMENTS AND OBJECTIVES

Awareness-raising in the team

The intranet has continued to be a key facilitator of communication. It proved popular as a useful tool in the Company for the staff survey. Given the importance of its role in communicating information, its content and its technical features will be reviewed and improved in 2014.

However, the survey also revealed that employees would like to have more communication on all subjects.

To achieve this, Befimmo intends to step up the flow of information, in particular by organising in-house "breakfast presentations" by team members or departments on a variety of topics highlighting certain areas of the Company's business. Recognising the potential of its team, Befimmo will also take

every opportunity to put their creativity to good use on specific topics, elicit suggestions and invite dialogue. Finally, inter-departmental working sessions or workshops will be organised to ensure optimum flow of communication and cooperation.

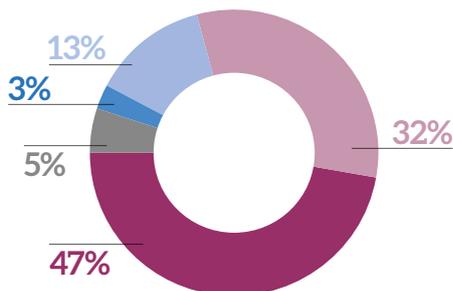


Objectives

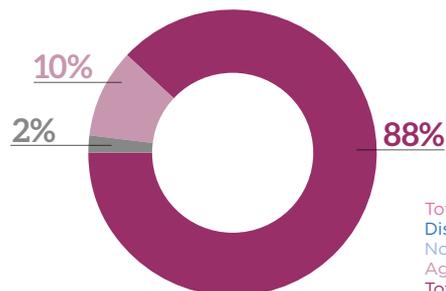
- › To improve internal communication
- › To facilitate in-house relationships and transmission of information
- › To improve creativity and team participation

Extract from the results of the staff satisfaction survey (2013)

"I get the chance to make suggestions at Befimmo"



"The intranet is a useful tool within the Company"



Totally disagree
Disagree
Nor agree, nor disagree
Agree
Totally agree
No answer

The tenants

Befimmo attaches great importance to the occupants and users of its property portfolio. It endeavours to retain its tenants by providing quality spaces that are easily accessible, with good environmental management and affordable.

Befimmo has a team of motivated professionals (commercial and technical staff, managers, etc.), reporting to the Chief Operating Officer (COO), whose goal is to improve the quality of "customer service". Indeed, tenants' satisfaction, the **dialogue between the landlord and tenant as well as the safety and health of the tenants** are priorities for Befimmo and are essential in the eyes of all its stakeholders. Against that background, Befimmo

has specific measures that it plans to implement, such as a new help desk, building a communication platform focused on tenants, etc. It has also decided to release additional financial resources to recruit two new employees with the task of achieving those goals.

Furthermore, the integration in May 2013 of the property management business enabled Befimmo to have a more direct relationship with its tenants, allowing it to better anticipate their needs and to be more proactive in its efforts to raise their awareness of environmental issues. As a result of this integration, it has become the tenant's everyday point of contact.

Main relevant topics raised by stakeholders



Befimmo undertakes to

- develop an approach focused on "rental customers"
- educate its tenants on aspects of Social Responsibility
- improve dialogue with tenants and follow up their requests and implement specific measures

- ensure the safety of its tenants in the buildings, with a focus on construction sites in occupied buildings
- ensure good air quality in the buildings in the portfolio
- use good quality and durable materials

Key indicators

Portfolio
occupancy rate

95%

Weighted average
duration maintained at

9 years

42 interviews

conducted
with tenants
since December 2013
in the context
of ISO 14001

DIALOGUE

MAIN ACHIEVEMENTS AND OBJECTIVES



Maintain a regular dialogue with tenants (existing and potential).

Provision of an environmental cooperation agreement [G4-EN27]

Associated with each lease, Befimmo offers its tenants an environmental cooperation agreement (formerly known as the green lease). This agreement encourages the landlord and tenant to strive to improve the environmental performance of the building and let spaces (reducing consumption of resources, waste production, carbon emissions, etc.). The agreement is intended for new tenants but will also gradually be brought in for all existing tenants.



Objective

Befimmo's objective for 2014 is to identify the 10 highest private electricity consumers, educate the tenants concerned through the environmental cooperation agreement, support and advise them in seeking and finding solutions to cut their consumption and then help to check the impact of the measures taken. This objective is therefore linked to the one for cutting electricity consumption in private areas by 1% a year for 3 years. The document, drafted in cooperation with the Environmental Technical Team, will be sent by the property management to the new tenants and existing tenants alike.

Provision of a Building User Guide (BUG) [G4-EN27]

The code of conduct mentioned in the previous report has evolved into a document called the BUG. It is a guide for occupants of the building to the proper operation of the installations and for limiting the environmental footprint. Currently, the BUG has so far been prepared for one building.



Objective

The objective for 2014 is to produce and implement new BUGs for a prioritised list of buildings. Property management will send this document to new and existing tenants alike.

Provision of a help desk [G4-EN27]

Following the integration of the property management business, Befimmo set up a help desk and a quality Customer Relationship Management (CRM) system, which will subsequently be linked to an extranet dedicated to tenants.



Objective

To provide an efficient 24/7 help desk for tenants of the Befimmo and Fedimmo portfolios by June 2014, linked to an extranet. This tool will enable tenants easily to track their requests.

Creation and provision of an extranet [G4-EN27]

Befimmo intends to improve the dialogue with its tenants by providing them with an extranet for publishing documents from property management, environmental documents, access to monitoring for each building, the BUG, the environmental cooperation agreement, etc.



Objective

The objective is to improve transparency and dialogue with rental customers and provide them with a platform where they can find general information about their building. Since the extranet will also be linked to the help desk, it will also serve as a platform for exchanging confidential information.

HEALTH & SAFETY

MAIN ACHIEVEMENTS AND OBJECTIVES



Responsible for the health
and safety of tenants.

Befimmo is of course continuing to monitor compliance with safety regulations on building sites, and to provide healthy buildings with impeccable safety. Befimmo also checks that all statutory

controls are properly implemented and that any observations and/or infringements arising from reports by inspectors on its portfolio are remedied.

Incidents [G4-PR2-PR9-EN24]

However, during the 2013 fiscal year, a complaint was lodged with the IBGE by a tenant about pollution of the air inside the Brederode I building. The pollution was caused by a burner malfunction and incorrect evacuation of burnt gas from the boilers which re-entered a fresh-air intake on the roof. This led to a report by the authorities, a temporary stoppage of the plant and payment of an administrative fine of €300, later recovered from the maintenance company.

Furthermore, in October 2013 the View Building had to be completely evacuated due to the tenant's incorrect handling of chemicals used to treat the water in the private sports complex located on the ground floor. This incident and the gas given off by this mixture led to the temporary closure of the fitness facilities and a report by the IBGE.

In both of the above cases, Befimmo communicated all the required information quickly and transparently to the authorities and to the occupants. Corrective and preventive measures were also taken with the maintenance companies and tenants concerned.



Objective

Befimmo has taken the decision to release the necessary resources to recruit a Risk & Quality Manager in 2014, whose main responsibilities will include quality control of maintenance and tenant comfort in occupied premises.

Governance

Befimmo abides by the applicable legal requirements on governance and has devised a code of ethics setting out the values that are to govern relations with its stakeholders.

In terms of governance, Befimmo applies the Belgian Corporate Governance Code, which is its reference code, and pays particular attention to developments in this area.

For the prevention of conflicts of interest and market abuse, Befimmo is governed by the legal provisions applicable as a listed company and Sicafo, and by the additional rules it has laid down in its charter of corporate governance. Befimmo therefore imposes stricter requirements than the legislation where it deems appropriate.

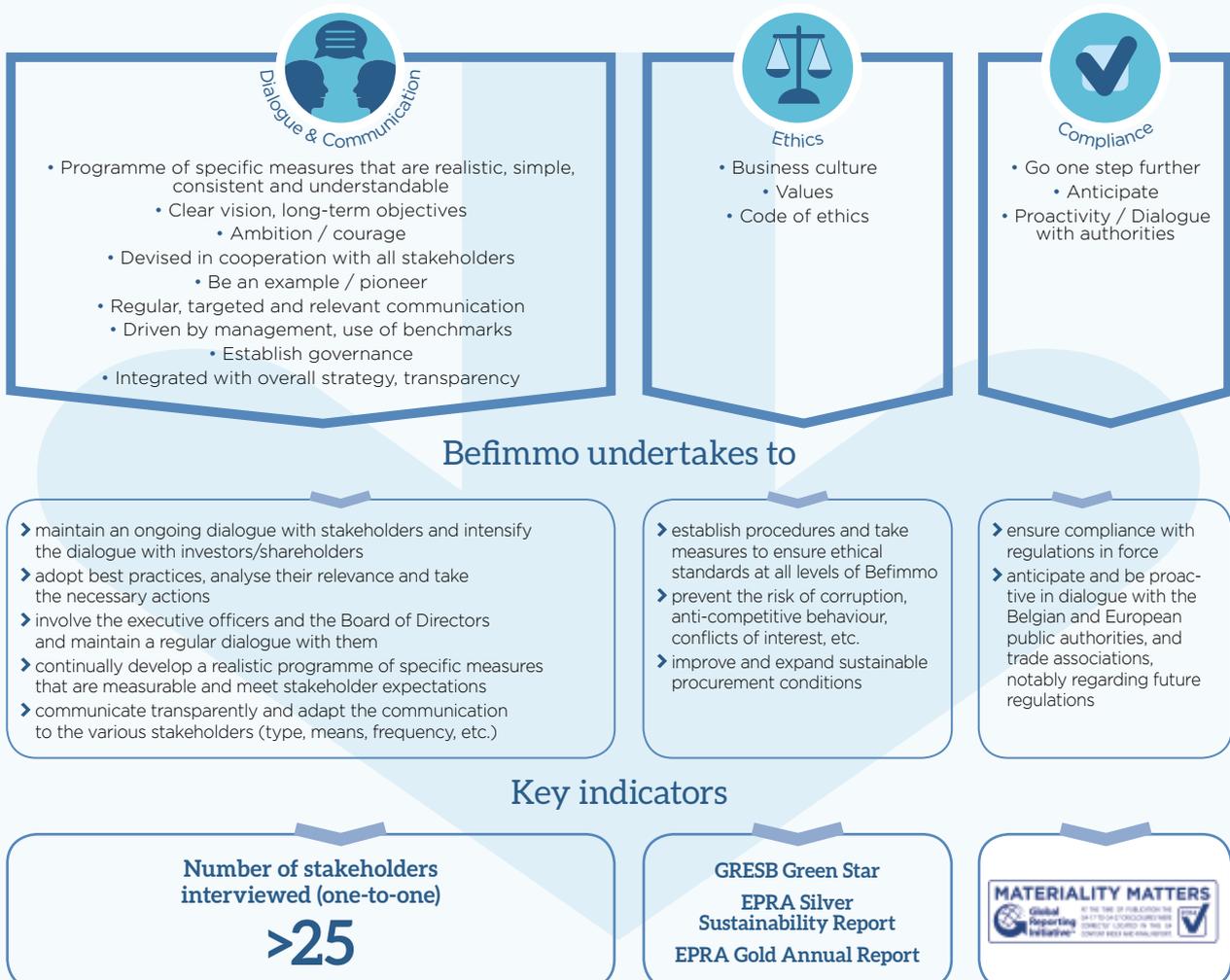
The General Counsel & Secretary General (member of the Executive Officer Committee) is responsible for updating and compliance with the code of ethics and the charter of corporate governance. She also holds the position of Compliance Officer and, in that capacity, ensures compliance with internal rules and procedures to prevent the risk of market abuse.

☛ Befimmo's Governance Statement is on page 108 of this Annual Financial Report.

Befimmo also pays particular attention to the reliability of the reporting process and rigorous, accurate and transparent financial and non-financial communications.

The main priorities related to this topic are **dialogue and communication with stakeholders, ethics and compliance.**

Main relevant topics raised by stakeholders



DIALOGUE AND COMMUNICATION

MAIN ACHIEVEMENTS AND OBJECTIVES



Maintain a dialogue with the individuals and entities affected by the Company's business and communicate transparently on initiatives taken, and on their follow-up.

Dialogue [G4-26]

As detailed before, in late 2013, in a process of continuous improvement of its Social Responsibility policy, Befimmo conducted a materiality study and initiated a process of regular dialogue with all its stakeholders (employees, tenants, investors, public authorities, suppliers, Directors, etc.).



Objective

Befimmo's objective is to continually improve the regular dialogue with all its stakeholders, enhancing the communication tools, adapting them to each stakeholder (website for investors, intranet for the team, presentations, reports, future extranet available to tenants, etc.) but also to continue responding to the CDP, GRESB and other questionnaires published by institutional investors.

Transparent communication [G4-PR7]

Befimmo also pays particular attention to the reliability of the reporting process and rigorous, accurate and transparent financial and non-financial communications.

In recent years, Befimmo has followed the trend towards standardisation of financial reporting and also reporting on Social Responsibility by subscribing to the indicators published by **EPRA**, the **GRI** guidelines and those for the real-estate sector, **GRI-CRESS**. This year, Befimmo decided to comply with the new version of **GRI**, "**G4**" for the whole of its report ("In accordance" - Core).



Objective

To pursue and continually improve communication in line with the reference standards.

CSR Manager

In 2013, Befimmo released the necessary resources in order to create a function of a CSR Manager who has a role that is both strategic (developing CSR strategy, managing relationships with stakeholders) and operational (coordinating CSR projects, acting as in-house consultant for other departments).

ETHICS

MAIN ACHIEVEMENTS AND OBJECTIVES



Prevention of the risks of corruption, anti-competitive behaviour, conflicts of interests, risk to reputation and raising awareness of ethics and compliance with the law.

Sustainable procurement policy

[G4-SO10-LA14-LA15-EN32-EN33-HR10-HR11]

Befimmo aims to improve and update the existing sustainable procurement conditions, communicate them to suppliers as soon as possible and ensure monitoring and compliance. At a second stage, Befimmo will produce a sustainable procurement charter and make an inventory of suppliers.



Objective

The improvement and update will be completed by the end of 2014. However, the charter should be prepared during 2015. The objective is to continue the general discussion of the introduction of electronic invoices across the board by adding a supplier assessment component including from the perspective of respect for the environment, human rights, impact on society and employment practices.

Code of ethics, dealing code and governance charter [G4-SO4]

The code of ethics, dealing code and governance charter will be updated during the first half of 2014. This update will be followed by a briefing session for the team about the content of these documents. They must then be approved and signed by each employee.



Objective

The updates and information sessions will be carried out in December 2014 by the General Counsel.

Raising awareness in maintenance companies [G4-EN27]



Objective

To provide training for all maintenance companies working for Befimmo and to add a sustainable development addendum to their contracts.

COMPLIANCE

MAIN ACHIEVEMENTS AND OBJECTIVES



Compliance with legislation in force and a proactive attitude towards the authorities.

Energy Performance Certificates (EPB) [G4-EN29]

The Befimmo portfolio complies with the EPB regulations and each building in Brussels (except for those on leasehold) has had an energy performance certificate since 2011.

The majority of the buildings in the Fedimmo portfolio are occupied by public bodies that display energy performance certificates for the buildings they occupy. Befimmo is gradually collecting and mapping this information.



Objective

When major works are carried out, Befimmo ensures that the certificates are updated, as was previously the case following renovations in various buildings. Although theoretical, the data on the certificates are also compared with the actual specific consumption figures.

Risk & Quality Manager



Objective

As mentioned above, Befimmo took the decision to release the necessary resources to recruit, in 2014, a Risk & Quality Manager who will be responsible for regular monitoring of quality and risks related to the operational, technical, budgetary and administrative management of the buildings and any renovation projects and improvements carried out.

INTERNAL ORGANISATION [G4-17]

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.

At **strategic level**, the Social Responsibility Team (SRT) consists of five people including three executive officers: the **Chief Executive Officer (CEO)**, the **Chief Financial Officer (CFO)**, the **Chief Operating Officer (COO)**, the Chief Technical Officer (CTO) and the CSR Manager (CSRM). The CEO decided to join the team in September 2013 to become more involved in decision-making on Social Responsibility and in the implementation of the action plan. This team is responsible for developing and monitoring the CSR Programme, releasing sufficient human resources, and conducting the annual management review. The team meets every 6 to 8 weeks. The **Directors of Befimmo** also take part in defining, approving budgets and taking major decisions on Social Responsibility, especially at the strategy meetings held each year and at the meetings scheduled every quarter when the results are published.

At **operational level**, the Environmental Technical Team (ETT) – which meets regularly – is responsible for regularly assessing the implementation of the Environmental Management System and the CSR Programme.

As mentioned above, in September 2013, a new position of CSR Manager was created within the team, whose role is both **strategic** (developing CSR strategy, managing relationships with stakeholders) and **operational** (coordinating CSR projects, in-house consultancy for other departments). The CSR Manager is a member of the Social Responsibility team and reports directly to the CEO.

Regarding **human resources**, the Human Resources Officer (HRO) is responsible for educating all members of the team to take more account of Social Responsibility, to follow up initiatives put in place and to develop further the strong corporate culture that exists within Befimmo. The HRO works with the CSR Manager and reports to the Social Responsibility team.

Other staff members also have responsibilities specifically defined in the EMS: Legal Manager, General Counsel, Chief Commercial Officer, Property Manager, Investment Officer, Internal Auditor, Project Managers, etc.

Befimmo took the decision to release the necessary resources to recruit two new employees in 2014: a Risk & Quality Manager and a Green Advisor who will also be involved in Social Responsibility strategy.



RECOGNITION

For reporting, the following prizes were awarded during the 2013 fiscal year:

- › Befimmo was awarded the "EPRA Gold Annual Report" for its Annual Financial Report 2012.
- › Befimmo was awarded the "EPRA Silver Sustainability Report" for the corporate Social Responsibility report integrated in its Annual Financial Report 2012.

- › Befimmo was awarded a GRESB "Green Star".
- › Befimmo doubled its score with the CDP to 81% for the CDP 2013 questionnaire, exceeding the average for the real-estate sector.
- › For its Social Responsibility report, integrated in its Annual Financial Report 2012, Befimmo was awarded the GRI "Application Level Check" B+.

GENERAL INFORMATION

Contact person & Further information	<p>Emilie Delacroix - CSR Manager e.delacroix@befimmo.be +32 2 679 38 63</p> <p>Social Responsibility FAQs Since Befimmo joined the BEL 20 index, the Company has noticed growing interest by external stakeholders in its sustainable development approach. In order to give answers that are as clear as possible and to provide this information to all stakeholders at the same time, Befimmo has prepared frequently asked questions (FAQs) on Social Responsibility. This document is available on the Befimmo website at www.befimmo.be/en/faq and important new data and the main issues raised by stakeholders are being added.</p>
Reference to external standards	<p>In recent years, Befimmo has followed the trend towards standardisation of financial reporting and also reporting on integrated Social Responsibility by subscribing to the indicators published by EPRA, the GRI guidelines and those for the real-estate sector GRI-CRESS. This year, Befimmo decided to comply with the new version of GRI "G4", for the whole of its report ("In accordance" - Core).</p> <p>The GRI content index and the summary table of key EPRA indicators are in Appendix VII (page 266) and Appendix VIII (page 272) respectively of this Report.</p>
Reporting period	<p>This report covers activities over the 2013 fiscal year. It follows the annual report issued in 2013. The perimeter is set at 31 December 2013.</p>
Reporting perimeter and changes since 1 January 2013 [G4-22 G4-23]	<p>The floor area of the Company's portfolio was changed during fiscal year 2013 by the following events:</p> <ul style="list-style-type: none"> › the sale of the Mons I building in February 2013 and the Triomphe III building in December 2013; › the acquisition in April 2013 of Blue Tower Louise SA, owner of the Blue Tower building; › the integration of the property management business in May 2013; › the acquisition of the AMCA building, in July 2013, by way of a contribution in kind from AXA Belgium. <p>The reporting perimeter for sustainable development activities covers the activities of Befimmo SA and its subsidiaries, Fedimmo SA, Meirfree SA, Vitalfree SA and Axento SA. Befimmo's commitments to sustainable development apply to its whole portfolio. We would point out, however, that the policy implemented by Befimmo at operational level cannot yet be fully applied to the Fedimmo portfolio. The agreement with the Buildings Agency stipulates that most of the recurring work is its responsibility, so Befimmo does not have absolute control over these activities. Nevertheless, the environmental performance of the buildings is gradually being improved through dialogue and regular consultation with the Buildings Agency and Fedesco.</p> <p>The Environmental Management System (EMS) covers the activities under Befimmo's direct control. Initially, the operational aspects of the EMS are deployed for the common areas of the buildings.</p> <p>This does not preclude the implementation of activities for aspects over which Befimmo has less direct influence, notably tenants' management of private areas.</p>
External review	<p>In the context of the GRI reporting of its sustainable development indicators, every other year Befimmo calls upon an external consultant to carry out a limited assurance review of the non-financial data. Since this limited assurance was conducted on 2012 data, the next exercise should relate to 2014 data.</p> <p>However, since Befimmo has complied for the first time with GRI-G4, it has called upon an external consultant to assist with the preparation of its reporting and had a "Materiality Matters Check" carried out by the GRI.</p>
Methodology	<p>The reporting methodology is described in Appendix V (page 246).</p>

FURTHER INFORMATION

Befimmo's website (www.befimmo.be/en/corporate-social-responsability-policy) provides additional information that may be a helpful supplement to the Social Responsibility chapter of this Annual Financial Report. This information covers:

- › Social Responsibility policy (March 2014);
- › The "Social Responsibility" chapter in previous Annual Financial Reports, as well as this one;
- › Previous Annual Financial Reports;
- › The ISO 14001 certificate;
- › The BREEAM certificates;
- › The Environmental passports;
- › The Social Responsibility Programme;
- › External stakeholders' answers to questionnaires;
- › Questionnaire for external stakeholders.

☛ A glossary is provided on page 228 of this Report to facilitate the reading of this chapter by explaining a number of terms used.

