

Befimmo

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Sector: Financial Services - Real Estate

Information rate: N/A (sector average: N/A %)
Company cooperation level: Proactive *

Companies in sector panel: 84

General information

Befimmo is a real-estate operator specialising in office buildings, meeting centres and coworking spaces. The Company's property portfolio focuses on investments in office buildings located in Belgium and Luxembourg. Befimmo was founded in 1995 and is based in Brussels, Belgium. In 2018, the Company acquired Silversquare a Belgian coworking centre and Arts 56 building.

Main Economic Segment	Turnover 2018
Property & Related Activities	100 %

Selected financial data

Key data	Rental income	EBIT	Employees
2018	EUR 144.1m	EUR 110.7m	86
2017	EUR 143.2m	EUR 152.3m	81
2016	EUR 137.8m	EUR 134m	70
2015	EUR 140.1m	EUR 127m	72
2014	EUR 138.7m	EUR 113m	69

Main shareholders	2019
AXA Belgium SA	9.7 %
Ageas and affiliated companies	9.4 %

Geographical breakdown	Rental income 2018	Employees 2018
Belgium	95.4 %	N/A
Luxembourg	4.6 %	N/A

Selected ESG Indicators

	2019	2018
Non-executive Board member(s) responsible for CSR issues	No	No
Executive remuneration linked to CSR performance	No	No
3 -year energy consumption trend (normalised to the surface area)	N/A	N/A
Ratio of payments to employees vs. shareholders (3-year trend)	N/A	↗
Percentage of independent Board members	50	50
Percentage of women on Board	33	30
Percentage of women in Executive team	50	50
Percentage of women in workforce	N/A	50
Transparency on lobbying budget	N/A	No
Percentage of employees covered by collective agreements on working conditions	N/A	100
3 year trend for safety at work	N/A	→
Involvement in armament	N/A	No
Transparency on payment of tax	N/A	Full
Management of social risks in supply chain	N/A	Robust

Company inclusion in Vigeo Indices*** : NO

* On a 4-level scale: proactive, responsive, partially responsive, not responsive
N/A means that the data is not available

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Environment

Environmental strategy and responsible property investment (score: 72)

ENV1.1

Visibility of commitment to environmental issues

The company has issued a formalised commitment to manage the environmental impact of its properties and sets specific targets in this regard. The company has set the following targets on energy and water consumption to be achieved by 2030:

- Befimmo undertakes to achieve an average level of CO₂eq emissions per m² of its entire portfolio equal to 18.7 kgCO₂eq/m², which represents a 33% reduction compared with 2016;
- Befimmo aims to reduce the water consumption of its portfolio by 15% as compared to 2016 levels by 2030.

Relevance of the company's environmental strategy:

The company commits to some of its responsibilities in terms of management of the environmental impact of its properties:

- Integrate environmental considerations in investment processes
 - Integrate environmental considerations in management processes
 - Protection of biodiversity
 - Improve the energy efficiency of buildings
 - Cooperate with tenants on the reduction of environmental impacts from the use of buildings
- integrate environmental considerations in investment processes: the company wants its buildings to achieve an environmental performance that surpasses the regulatory requirements and to do so it commits to taking into account environmental considerations also in the investment and construction phases;
- integrate environmental considerations in management processes: the company states that its investment strategy systematically incorporates environmental matters in managing its daily operations;
- improve the energy efficiency of buildings: the company aims to decouple value-creation from energy and carbon intensity and it has set the target of reducing energy consumption by 33% as compared to 2016 levels by 2030;
- cooperate with tenants on the reduction of environmental impacts from the use of buildings: the company commits to supporting its tenants to reduce their overall environmental impact.

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, there is a dedicated structure responsible for this issue.

At strategic level, the Social Responsibility (CRS) team consists of five people including three Executive Officers: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), the Head of Environmental Management (HEM) and the Head of CSR & Innovation (HCSR&I).

Means allocated to environmental management

The company has allocated comprehensive resources to environmental management.

- Environmental manual specifying procedures and responsibilities
 - Internal audits that assess the effectiveness of the EMS
 - Management review of the EMS (at Executive Level)
 - Environmental performance measured against targets
 - External verification of reporting on environmental performance
- Befimmo is ISO 14001-certified which includes internal audits that assess the effectiveness of the EMS and environmental manual specifying procedures and responsibilities:
- Environmental performance measured against targets: the company measures its carbon emissions and water consumption against targets on yearly basis;
 - external verification of reporting on environmental performance: E&Y has provided external limited assurance on the company's environmental performance.

Coverage of certified environmental management systems

Between 33% and 65% of the company's portfolio have obtained an EMS.

Coverage of green building certifications

More than 60% of the company's portfolio obtained green building certifications

The company reports that 74 buildings either already in operation or in construction have received the BREEAM certification.

Means and processes to integrate environmental considerations in the investment strategy.

The company has developed a comprehensive methodology to assess environmental risks in its due diligence process for all new acquisitions and/or developments.

The company has developed a comprehensive methodology to assess environmental risks in its due diligence process for all new acquisitions and developments. The company reports that all new developments are BREEAM certified.

Means and processes allocated to integrate environmental considerations in the property management strategy

The company has allocated comprehensive measures to integrate environmental considerations in its property management strategy:

- Environmental guidelines / checklist for property management (energy efficiency, water efficiency, waste reduction and management, etc.)
 - System to monitor and collect environmental data of buildings / action plans
 - Life cycle assessments
 - Certified Environmental Management System of management processes
 - Regular training of employees / managers
 - Manager remuneration linked to environmental performances
- system to monitor and collect environmental data of buildings / action plans: the company systematically monitors environmental data and all available energy-consumption data and information are obtained via utility companies and energy suppliers, maintenance companies, telemonitoring of consumption and the in-house manager;*
- certified Environmental Management System of management processes: Befimmo applies the BREEAM and BREEAM In-Use certification; in addition, Befimmo has in place a ISO 14001-certified Environmental Management System;*
- regular training of employees / managers: Presentation on sustainable construction is provided to the whole Befimmo team. In-house training for new employees on the Company's Social Responsibility policy and ISO 14001 certification are also provided;*
- manager remuneration linked to environmental performances: Monetary rewards incentives provided to managers are based on environmental indicators. For instance for the company's COO and CFO, the performance indicators include identification of climate change issues and integration in the risk management. For the CSR manager's monetary award, the performance indicators include also meeting emissions reduction targets.*

Protection of biodiversity (deactivated)

ENV1.4

This sustainability driver is deactivated for companies not operating in property development activities. Therefore, it is deactivated for Befimmo.

Energy efficiency of buildings (score: 78)

ENV2.2

Relevance of the commitment to improve the energy efficiency of the property portfolio

The company has set quantified targets in terms of energy consumption / energy efficiency of its portfolio, covering the whole portfolio.

Befimmo's targets by 2030 are the following:

- 50% reduction in CO2eq emissions from heating as compared to 2016 levels for the entire portfolio;*
- 17% reduction in CO2eq emissions related to direct electricity consumption by common facilities as compared to 2016 levels;*
- 17% reduction in CO2eq emissions related to indirect electricity consumption of tenant-occupied buildings as compared to 2016 levels.*

Means allocated to improve the energy efficiency of buildings

The company has set up monitoring systems for the energy consumption of its portfolio and it has adopted some energy efficient technologies to improve the energy efficiency of its properties. In addition, the company owns buildings considered outstanding in terms of energy efficiency.

- lighting retrofits
- energy efficient boilers
- efficient air conditioning
- use of renewable energy sources
- improvement of buildings isolation/ design of building isolation
- other energy efficient equipments

Some of the company's properties have received the BREAAAM certification with the rating "outstanding".

- *use of renewable energy sources: the company has installed geothermal and solar PV technologies in some of its properties;*
- *lighting retrofits: the company has replaced conventional lighting with LED lighting in some of its properties;*
- *other energy efficient equipment: the company reports to implement energy efficient technical installations (relighting, presence detector, optimisation HVAC regulation, etc.);*
- *improvement of building isolation & efficient air conditioning: the company reports to have invested in the fitting of new windows with high-insulation glazing units, roof insulation and heat exchangers for the ventilation units. In addition, to enhance the sustainability of the project's footprint, installations such as rainwater recovery systems to supply the toilets have been fitted and green roofs have been planted in many renovation projects.*

Coverage of the means

The company has taken such measures in at least 50% of its property's portfolio.

The company reports that such measures are in place in at least 90% of its property portfolio.

Energy intensity of the property portfolio (Scope 1 and 2 energy consumption)

The energy intensity of the company's property portfolio has decreased - but not continuously - over the past five years.

The company's energy intensity has decreased by 3% over the last three years, going from 109.14 kWh/m2 in 2014 to 105.80 kWh/m2 in 2018.

Carbon intensity of the property portfolio (Scope 1 and 2 emissions)

The company's carbon intensity has remained stable over the last two years at around 10 kgCO2eq/m2.

Cooperation with tenants on the reduction of environmental impacts from the use of buildings (score: 79)

ENV3.1

Relevance of commitments

The company has set quantified targets concerning its engagement with tenants to reduce the environmental impacts of buildings.

The company has set the following targets regarding its tenants to be achieved by 2030:

- *to reduce tenant-dependent carbon intensity by 17% as compared to 2016 levels;*
- *to reduce the water intensity of its property portfolio by 15% as compared to 2016 levels.*

Cooperation with tenants on the reduction of the environmental impacts from the use of buildings

The company provides evidence of comprehensive initiatives to reduce the environmental impacts from the use of its buildings with active cooperation with tenants:

- Awareness raising for tenants (e.g. Tenant Handbook)
- Green leases: general clauses (e.g. not negatively affect the environmental performance of buildings)
- Minimum environmental standards for new works*
- Training to tenants on green practices
- Sharing of utility data with separate metering facilities
- Involve tenants in the definition of environmental strategies for buildings (e.g. Building Management Committee)*
- Mutual environmental targets*

- *awareness raising for tenants: Befimmo has implemented a Tenants' Code of Conduct called the Building User Guide (BUG). It is a guide for occupants of buildings for the proper operation of installations and for limiting the environmental footprint;*
 - *green leases: many tenants have green electricity contracts. New tenants and also existing tenants are being offered an Environmental Cooperation Agreement (formerly known as a Green Lease) associated with each lease. This agreement encourages landlords and tenants to strive to improve the environmental performance of buildings and let spaces (reducing consumption of resources, waste production, carbon emissions, etc.);*
 - *training to tenants on green practices: Befimmo's tenants receive the company's training programmes to improve the energy performance of buildings;*
 - *sharing of utility data with separate metering facilities: the company reports that it shares utility data through monitoring systems.*

Coverage of the measures

There is no evidence that the company has taken such measures in a significant part of the property portfolio.

While telemonitoring covers 75% of the portfolio floor area, the waste management system covers 22.3% of the portfolio.

Normalized water consumption of property portfolio

The estimated water consumption of the company's portfolio, normalised to the surface area, has decreased over the past five years.

The company's water intensity has decreased by 21% over the last five years, going from 0.319 m3/m2 in 2014 to 0.251 m3/m2 in 2018.

Normalized waste production of property portfolio

The normalized waste generated by the company's portfolio, normalised to the surface area, has decreased but not continuously over the past five years.

The company's waste intensity has decreased by 20% over the last five years, going from 0.0468 m3/m2 in 2014 to 0.0374 m3/m2 in 2018.

Human Resources

Promotion of labour relations (score: 51)

HRS1.1

Visibility of commitment

The company does not disclose any commitment to promote labour relations.

Relevance of commitment

The company does not disclose any commitment to promote labour relations.

Of note, the company mentions that it regularly informs and consults with employee representatives during decision making processes but there is no evidence of any commitment regarding labour relations in the Code of Ethics.

Ownership of commitment

The company does not disclose any commitment to promotion of labour relations.

Coverage of employee representative bodies

Local employee representative bodies have been set up in the majority of company sites.

The size of Befimmo's team is relatively small, Befimmo is subject to the Joint National Auxiliary Committee for White-Collar Workers, also known as Joint Committee 200, which covers all team members. The company reported to Vigeo that given the small size of its team, this issue is considered as not applicable to Befimmo.

Subjects covered by collective bargaining

Collective bargaining between the company and employee representatives deals with subjects related to working conditions, including: health & safety; remuneration; working hours; training. The company reported to Vigeo that seeing the small size of its team, this issue is considered as not applicable to Befimmo.

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Coverage of collective agreements on working conditions

Collective agreements on working conditions cover more than 75% of its employees.

Collective agreements on working conditions cover 100% of Befimmo's operations.

Responsible management of reorganizations (score: 27)

HRS2.3

Befimmo does not report any information about any employees' layoffs which occurred during the period under review, and no information was found in the media about any restructurings carried out by the Company.

Relevance of commitment to manage reorganisations responsibly

The company does not disclose any commitment to manage reorganisations responsibly.

The company reported to VigeoEiris that given the small size of its team, this issue is considered as not relevant to Befimmo.

Involvement with employee representatives

The company does not disclose any commitment to inform and consult employee representatives on reorganisations.

Means allocated to prevent and manage reorganisations

Information obtained from company and public sources regarding measures allocated to prevent and manage reorganisations is insufficient.

- significant financial compensation*
- early retirement*
- reduction of labour time*
- internal mobility programme*
- outplacement services*
- individualised follow-up of employees*
- re-training*

Coverage

Information obtained from company and public sources regarding the percentage of sites where such measures are taken is insufficient.

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Result of the company's commitment to manage reorganisations responsibly

The company has been able to avoid redundancies or to maintain employment.
The company recruited cumulatively 23 new staff members in 2017 and 2018.

Career management and promotion of employability (score: 68)

HRS2.4

Visibility of commitment

The company makes some general statements promoting career management and training in its:
Annual Report.

Relevance of commitment

The company's commitment to promoting career management and training is general.

- Anticipate short and long-term employment needs and skill requirements*
- Adapt employees' skill sets to their career paths*
- Enable the progressive improvement in employees' qualification levels*
- Put in place a concerted career management framework, which is transparent and individualized*

Befimmo reports that it is convinced that the development of its employees enhances their desire to advance their careers and use their skills.

Ownership of commitment

The Head of HR is not part of the company's Board or Executive Committee. However line managers are evaluated on their performance in terms of HR management.

The Head of HR is not part of the company's Executive Committee; however, skills are assessed for line managers in terms of "lead & supervise" and "motivate & develop".

Career management systems

The company has set up an internal job opportunity marketplace and/or has formalised the skill requirements for the various job positions. Moreover employees have regular performance assessment interviews.

The human resources department ensures that the skills required for each position are defined and that the procedures are observed, notably for annual performance appraisal and pay review. The company reports that performance interviews are regularly conducted on a yearly basis. Further, internal mobility opportunities are regularly published.

Coverage of career management systems

These career management systems cover all the company's employees.
Annual appraisal processes are in place for all the company's employees.

Types of training provided to non-managers

The training programmes are aimed at adapting employees' skills to the requirements of their current position and also enable them to develop additional skills.

Apart from language training and courses organised on an individual basis, Befimmo offered to its entire staff trainings on work/life balance. A leadership skills development programme was also reorganised for new managers. In-house trainings for new employees on the Company's Social Responsibility Policy and ISO 14001 certification also continued.

Means allocated to training for all employees

The annual training budget per employee has increased by 2% over the three years, going from EUR 1,540/employee in 2016 to 1,575 EUR/employee in 2018.

Mobility / turnover

The company's turnover rate has decreased by 9.3 percentage points over the last five years, going from 12.80% in 2014 to 3.5% in 2018.

Training delivered during the year under review

All the company's employees received training during the year under review.

Improvement of health and safety conditions (score: 50)

HRS3.2

Visibility of health & safety commitments

The company has made a formalised commitment to health and safety issues in its:
Social Responsibility Policy.

Relevance of commitment

The company's commitment is general.

- ensure awareness about health and safety issues*
- reduce the number of work accidents and their severity*
- prevent occupational disease*
- reduce stress/promote well-being*
- improve ergonomics*

The company commits to ensuring that its buildings are healthy and safe.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.
The Recruitment and Talent Manager is in charge of supervising the H&S commitment.

Means allocated to health and safety

The company has allocated means to address health and safety issues, including:

- training/awareness raising programmes*
- internal monitoring*
- risk assessments*
- internal H&S audits*
- H&S competitions*
- remuneration based on H&S performance*
- ISO 45001 / OHSAS 18001 certifications*

- training/awareness raising programmes: the company regularly delivers presentations on programmes and benefits to increase employees' well-being and health and safety, including first-aid trainings;
- internal monitoring: the company regularly monitors and discloses H&S KPIs.

Coverage of health and safety system

The health and safety measures cover the majority of the company's employees.
All staff members have access to the whole package of information, presentations and programmes destined for them.

Means allocated to reduce stress at work

The company has allocated extensive means to address stress at work, including:

- monitoring of absenteeism/rate of occupational disease
- assessment of stress through analysis of internal H&S data
- monitoring of stress through opinion surveys
- awareness raising for employees
- identification of stress sources
- stress support instruments (hotline, counselling service, employee assistance programme, etc)
- training on stress for employees
- training on stress for managers
- measures to improve ergonomics/ ergonomic design of workplaces
- job redesign (work organisation)
- employee oriented flexibility (work/life balance)

- monitoring of absenteeism: the company regularly discloses the absenteeism rate;

- monitoring of stress through opinion surveys & identification of stress sources: the company conducts every two years staff surveys which regard, among others, stress causes;

- awareness raising for employees & stress support instruments: the company has in place an Employee Assistance Programme accessible to all employees that encompasses psychological and legal support and burn-out prevention;

- training on stress for employees & managers: the company regularly delivers workshops on stress prevention to both employees and managers;

- measures to improve ergonomics/ergonomic design of workplaces: the company has equipped its offices with ergonomic furniture and regularly provides workshops on ergonomics for its employees;

- job redesign & employee oriented flexibility: the company gives to all employees the opportunity to work from home or from the company's co-working space.

Coverage of means allocated to reduce stress at work

The measures allocated to address mental health cover the majority of the company's employees.

Accident frequency rate

It also discloses that its lost day rate and injury rate remained constant at 0.11% and 0% respectively of total worked hours in 2017 and 2018. It also reports that five occupational accidents occurred during 2018.

Other health and safety indicators

The company's absenteeism rate has remained stable over the last five years at around 2%.

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Human Rights

Respect for freedom of association and the right to collective bargaining (score: 38)

HRT2.1

Visibility of commitment

The company has made references to freedom of association and the right to collective bargaining in its engagement letter in the Global Compact, as the company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment generally addresses freedom of association and the right to collective bargaining.

- Respect and protection of freedom of association and the right to organize (ILO C87)*
- Respect of the right to collective bargaining (ILO C98)*
- Respect and protection of workers' representative (ILO C135)*
- Prevent workers' representative discrimination*
- Guarantee the effective exercise of the trade union rights in the workplace*

In its engagement letter to Global Compact, the company commits to respecting international labour rights consistently with UN standards, which encompass, among others, the respect of freedom of association and the right to collective bargaining.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

The company's Secretary General is in charge of supervising the commitment on freedom of association.

Monitoring

It is not clear what steps the company takes to ensure that freedom of association is respected throughout the company's operations (e.g.: through external verification, risk mapping, audits, etc.)

- occasional risk mapping*
- occasional internal audits*
- on-going monitoring of labour rights risks*
- regular internal audits*
- external audits/verification*
- external investigation of allegations*
- cooperation with unions: joint audits, joint grievance procedures etc.*

Promotion of collective bargaining

The company has provided resources to ensure that employees receive information on trade union rights (e.g.: dedicated intranet) and are able to exercise these (e.g.: infrastructure, time).

Following the Belgian Legislation, Befimmo organises trade union elections, which occur every four years and are published on the company's intranet.

Coverage

The company has not allocated significant resources to address labour rights issues.

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Non-discrimination (score: 45)

HRT2.4

Visibility of commitment

The company has issued a formalised commitment to non-discrimination in its Code of Ethics and Action Plan. The company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment to non-discrimination explicitly defines some of the categories at stake for the sector:

- gender
- race / ethnicity / nationality
- social background
- religion
- sexual orientation
- family responsibilities (including pregnancy)
- disabilities
- political opinion
- age
- sensitive medical conditions
- trade union membership or activities
- other (please define)
- Discrimination in working conditions (working hours / training / remuneration / social security)
- Discrimination in employment decisions (hiring / promoting / redundancies)

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

In particular, the HR department and the Secretary General are in charge of supervising the company's non-discrimination commitment.

Means allocated

The company has set up basic measures to prevent discrimination and promote diversity:

- awareness raising
 - training
 - monitoring
 - confidential reporting system / grievance procedures
 - disciplinary procedures / corrective measures
 - affirmative action programmes
 - flexitime initiatives
 - child care facilities/child care subsidies
 - career break opportunities
 - maternity pay (greater than the statutory requirement)
 - paternity pay (greater than the statutory requirement)
 - job sharing initiatives
 - monitoring of salary disparities
- awareness raising: the company reports that diversity measures are included in its HR policy, which is communicated to all employees;
 - monitoring: a survey for staff members, which covers also non-discrimination measures, is conducted every two years;
 - child care facilities/child care subsidies: under the Belgian system, the child allowance is linked to a family benefit fund;
 - maternity pay: maternity pay is ensured through the work incapacity insurance, which is provided and funded by Befimmo;
 - monitoring of salary disparities: the company regularly monitors and discloses wage gap data.

Coverage

The company has set up programmes to promote diversity (eg: training, awareness-raising, etc.) throughout the company.

The company reports that the measures adopted are in place in 100% of its operations.

Results in terms of gender diversity The share of women in management positions has increased continuously over the past three years.
The share of women in management has increased by six percentage points over the last three years, going from 25% to 31%.

Results in terms of ethnic origin / distribution Information disclosed on performance indicators such as the share of employees from ethnic minorities is insufficient to determine a trend.

Results in terms of employment of people with disabilities *The company reports that it does employ any disabled persons.*

Stakeholders' feedback *As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.*

Community Involvement

Promotion of the social and economic development (score: 30)

CIN1.1

Visibility of commitment The company makes references to promote local social and economic development in its corporate literature.

Relevance of commitment The company's commitment to promote local social and economic development is general.

- Promote community engagement*
- Give preference to local labor market*
- Promote social inclusion and economic development with specific programs*
- Contribute to re-development of marginalized urban areas*
- Promote spaces with a positive social impact on local communities*
- Implement a responsible tax strategy*

Befimmo aims to ensure that every building in its portfolio is harmoniously integrated into its local neighbourhood.

Ownership of commitment It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Means allocated

The company has allocated some means to address social and economic development, including:

- Social needs impact assessments for development/re-development projects*
- Guidelines to promote local employment / local suppliers*
- Contribution on local social and economic development (e.g. on learning, training, employability, support to small businesses)
- Investment in place-making facilities (e.g. public spaces, learning hub, co-working spaces)
- Monitoring the social and economic impacts of projects*
- Revitalization of marginalized urban areas*
- *contribution on local social and economic development: the company proactively contributes to organising events within multi-tenant buildings to promote links between members and tenants and to support the creation of business networks;*
- *investment in place-making facilities: the company has created a co-working space in one of its buildings.*

Geographical coverage

These means are allocated only in a limited number of the company's sites. *The company reports that the measures adopted are in place only in 27% of its operations.*

Performance trend

Information obtained from company and public sources regarding the quantitative outcomes of local social and economic development projects is insufficient to determine a trend.

Transparency of tax reporting

The Company reports significantly on taxes paid. Reporting covers:

- taxes paid in some countries of operations*
- taxes paid in some regions of operations*
- taxes paid in key regions of operations
- taxes paid in key countries of operations*
- sales per zone
- operating profit per zone
- number of employees per zone*
- ratio between tax paid and headline corporate tax rate per zone*
- explanation for significant differences between tax rate actually paid and expected tax rate*

Presence in IMF 'offshore financial centers' and/ or in jurisdictions considered by the OECD as not compliant enough with tax transparency rules

The Company does not operate in any location considered by the IMF as 'offshore financial centres' and/ or in jurisdictions considered by the OECD as not compliant enough on tax transparency rules

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Social accessibility of properties (score: 44)

CIN2.1

Visibility of commitment

The company refers to addressing the accessibility of its products/services in its *Annual Report.*

Relevance of commitment

The company's commitment addresses its main responsibilities in terms of accessibility of its buildings:

- Consider sites' connectivity in investment decisions (proximity and multi-modal transport) [FOR ALL]
- Promote connectivity of buildings through cooperation with stakeholders. [FOR ALL]
- Contribute to the development of social housing [RESIDENTIAL]
- Promote affordable housing [RESIDENTIAL]
- Promote safety of visitors and tenants [SHOPPING CENTERS/OFFICES]
- Promote inclusive design [SHOPPING CENTERS/OFFICES]
 - consider sites' connectivity in investment decisions: the investment strategy of Befimmo is driven by the creation of long-term value which includes also the consideration of the proximity of buildings to public transportation systems;
 - promote safety of visitors and tenants: Befimmo assumes accountability for the health and safety of tenants, with a focus on construction sites in occupied buildings;
 - promote inclusive design: Befimmo considers accessibility for people with reduced mobility in its investments.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

The Heads of Project Department, of Commercial Department and of Property Department are responsible for the implementation of this Policy. Further, a property manager works part-time as Risk Coordinator. His responsibilities include regular monitoring of risks related to the operational, technical and administrative management of buildings.

Measures to promote connectivity of properties

The company has allocated significant measures to promote connectivity of its property portfolio

- Inclusion of connectivity in guidelines for investment decisions
- Promotion of site connectivity through infrastructures
- Promotion of site connectivity through cooperation with local authorities and stakeholders
- Monitoring of connectivity and transport data
 - Inclusion of connectivity in guidelines for investment decisions: the project and investment teams integrate mobility criteria into their investment choices and renovation plans;
 - promote of site connectivity through infrastructures: the company has installed electric vehicle charging stations for tenants and their visitors;
 - promotion of site connectivity through cooperation with local authorities and stakeholders: the company promotes shared mobility solutions for its tenants.

Coverage

There is no evidence that these measures are allocated in the majority of the company's property portfolio.

Measures to promote a safe access for visitors and tenants

The company has allocated some measures to promote the safe access to buildings of tenants and visitors:

- Safety guidelines and awareness raising programs for tenants and staff
- Monitoring of safety indicators of visitors
- Risk assessment (e.g. indoor air quality, fire, violence, electromagnetic fields).
- Certified H&S management systems
- Promotion of inclusive design through internal strategies and guidelines
 - risk assessment: Befimmo 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. Indoor air quality is among the H&S issues treated.

Coverage

There is no evidence that these are allocated in the majority of the company portfolio.

Performance Trend Information obtained from company and public sources regarding the quantitative outcomes of the company's projects in terms of the societal impact of its products is insufficient to determine a trend.

Stakeholders' feedback As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Business Behaviour (C&S)

Responsible Customer Relations (score: 42)

C&S1.3

Visibility of commitment The company has issued a formalised commitment on responsible customer relations in its:
Code of Ethics.

Relevance of the commitment The company's commitment to responsible customer relations is general.

- Inform clients on their rights before signing a contract*
- Ensure transparent communication with clients during the property lifecycle process*
- Enhance customer satisfaction*
- Listen to customers' complaints*
- Cooperate with stakeholders to improve real estate services*

In its relations with its clients, Befimmo is careful to meet their expectations and the trust they have placed in the company. Befimmo aims to provide its clients with complete and accurate information and to provide them with quality buildings and services.

Ownership of commitment The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.
Befimmo has a team of professionals (commercial and technical staff, managers, etc.) reporting to the Chief Operating Officer (COO), whose goal is to improve the quality of customer service and relations.

Means allocated The company has set up few measures:

- Training of sales staff / project leaders*
- Sales evaluation based on client satisfaction indicators*
- Information on customer rights and/or company duties towards customers*
- measuring customer satisfaction and be acting on the results*
- cooperating with stakeholders on customers related topics*

- measuring customer satisfaction and be acting on the results: the Property Manager, responsible for the daily management of the majority of Befimmo's multi and single tenant buildings, conducts a satisfaction survey amongst tenants. The results are discussed with Befimmo, and an action plan is developed to adopt corrective actions;

- cooperating with stakeholders on customers related topics: Befimmo has conducted a materiality study and initiated a process of regular dialogue with all its stakeholders. This study was conducted in cooperation with management, the Board of Directors and the heads of the departments involved in the process. This materiality matrix has enabled Befimmo to take into account the expectations of its stakeholders and to focus its action on priority topics.

Complaints management system There is a formalised and accessible system to handle complaints.
The company has in place the Helpsite service, which allows all Befimmo's tenants to submit a complaint and monitor its status.

Coverage	The company has set up such systems throughout the company <i>All tenants can access the Helpsite complaint management service. Though, it is unclear whether the Helpsite service covers also business partners.</i>
Results	Information disclosed on performance indicators such as client satisfaction is insufficient.
Stakeholders' feedback	<i>As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.</i>

Integration of environmental factors in the supply chain (score: 43)

C&S2.3

Visibility of commitment	The company has made references to including environmental factors in supply chain management in its: <i>Responsible Procurement Charter.</i>
Relevance of commitment	The company's environmental requirements for suppliers only address some of the relevant issues in the sector: <ul style="list-style-type: none"> <input type="checkbox"/> <i>ISO 14001 certification of all suppliers</i> <input type="checkbox"/> <i>Ban of certain materials</i> <input type="checkbox"/> <i>Certification of products purchased</i> <input type="checkbox"/> <i>Minimum percentage of recyclable products</i> <input checked="" type="checkbox"/> <i>Materials with a reduced environmental impact</i> <ul style="list-style-type: none"> <i>- materials with a reduced environmental impact: the company encourages its suppliers to maximise the use of recycled materials in its products, works and services and to ensure that finished products can be easily recycled.</i>
Ownership of commitment	The commitment applies throughout the company, supported by senior management. <i>The Head of Environmental Department is in charge of supervising the Responsible Procurement Charter.</i>
Means allocated	The company has set up comprehensive systems to include environmental factors in supply chain management: <ul style="list-style-type: none"> <input checked="" type="checkbox"/> <i>integration of environmental issues into contractual clauses</i> <input type="checkbox"/> <i>supplier questionnaires</i> <input checked="" type="checkbox"/> <i>supplier support (training, technical assistance, etc.)</i> <input checked="" type="checkbox"/> <i>training/awareness raising of employees in charge of purchasing</i> <input checked="" type="checkbox"/> <i>non-compliance procedures for suppliers (re-auditing, re-training, eventual ending of contracts)</i> <input checked="" type="checkbox"/> <i>risk assessments for suppliers</i> <ul style="list-style-type: none"> <i>- Integration of environmental issues into contractual clauses: Befimmo has implemented and uses sustainable purchasing conditions and minimum technical criteria, derived from the BREEAM standards. Further, all contracts for general contractors specify that all environmental criteria specified in the ISO 14001 certification have to be respected;</i> <i>- supplier support: Befimmo intends to raise awareness in maintenance companies, by offering training to all maintenance companies working for Befimmo. Befimmo does so in order to include, among others, positive environmental performance criteria to existing contracts and to devise new environmental performance terms for new contracts;</i> <i>- non-compliance procedures for suppliers: if suppliers do not follow ISO 14001-compliant environmental criteria, Befimmo may fine them;</i> <i>- training/awareness raising of employees in charge of purchasing: employees in charge of purchasing materials (corporate or for building sites) are made aware of the importance of environmental aspects during the purchase process through awareness-raising presentations;</i> <i>- risk assessments for suppliers: Befimmo has an assessment tool to evaluate the suppliers internally so that other staff members can check scores for each supplier.</i>

Audits of suppliers/subcontractors	The company includes environmental aspects in its standard quality audits of suppliers/subcontractors. <i>Internal audits are conducted at least once a year. The international environmental management standard ISO 14001 defines the accepted requirements for suppliers' environmental management systems. Suppliers may have their environmental management systems certified according to ISO 14001 by independent auditors. General contractors have to commit to following all environmental regulations as well as Befimmo's responsible procurement conditions and the BREEAM conditions attached to the contract they receive, as well as all regulations related to waste, energy, air emissions and water. Fines are due if these regulations are not being respected.</i>
Coverage of the audits conducted	There is no evidence that such means are implemented throughout the company.
Share of corrective measures vs problems uncovered	Information disclosed on the share of environmental problems in the supply chain that were addressed by corrective measures is insufficient.
Stakeholders' feedback	<i>As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.</i>

Integration of social factors in the supply chain (score: 23)

C&S2.4

Visibility of commitment	The company has made references to including social factors in supply chain management in its: <i>Responsible Procurement Charter.</i>
Relevance of commitment	The company does not disclose any commitment to include social factors in supply chain management. <ul style="list-style-type: none"> <input type="checkbox"/> <i>Freedom of association and right to collective bargaining</i> <input checked="" type="checkbox"/> Abolition of child labour <input checked="" type="checkbox"/> Abolition of forced labour <input checked="" type="checkbox"/> Non-discrimination <input checked="" type="checkbox"/> Health and Safety <input checked="" type="checkbox"/> Decent wages <input checked="" type="checkbox"/> Working hours <input type="checkbox"/> <i>Other rights (e.g. prevention of cruel, degrading and inhuman behaviour, etc.)</i> <input checked="" type="checkbox"/> <i>Other rights (e.g. ban of labour under illegal conditions with focus on migrant workers, prevention of cruel, degrading and inhuman behaviour, etc.)</i>
Ownership of commitment	The commitment applies throughout the company, supported by senior management. <i>The Head of CSR and Innovation Department, together with the Head of the Environmental Department, is in charge of supervising compliance with the company's Responsible Procurement Charter.</i>

Means allocated	<p>The company has set few measure to include social factors in supply chain management:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> integration of social issues into contractual clauses <input type="checkbox"/> <i>supplier questionnaires</i> <input type="checkbox"/> <i>supplier support (training, technical assistance, etc.)</i> <input checked="" type="checkbox"/> training/awareness raising of employees in charge of purchasing <input checked="" type="checkbox"/> non-compliance procedures for suppliers (re-auditing, re-training, eventual ending of contracts) <input type="checkbox"/> <i>risk assessments for suppliers</i> <ul style="list-style-type: none"> - <i>integration of social issues into contractual clauses: all order forms are sent to suppliers together with the general conditions on supply chain and a the Charter of Responsible Procurement, which include also social aspects;</i> - <i>training/awareness raising of employees in charge of purchasing: employees in charge of purchasing materials (corporate or for building sites) are made aware of the importance of social aspects during the purchase process throug awareness-raising presentations;</i> - <i>non-compliance procedures for suppliers: Befimmo selects its suppliers based on environmental and social criteria. If there is an ethical non-compliance, Befimmo notifies the interested supplier and sets a deadline for becoming compliant. In the case the supplier in breach does not become compliant by the set deadline, the supplier is excluded from the company's suppliers network.</i>
Audits of suppliers/subcontractors	<p>Information obtained from company and public sources regarding social audits of suppliers/subcontractors is insufficient. <i>The company discloses that social audits of suppliers are undertaken by external auditors but audit procedural details are not disclosed.</i></p>
Coverage	<p>Information obtained from company and public sources regarding the percentage of the company's suppliers covered by such procedures is insufficient.</p>
Share of corrective measures / problems uncovered	<p>Information disclosed on the share of social problems in the supply chain that were addressed by corrective measures is insufficient.</p>
Stakeholders' feedback	<p><i>As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.</i></p>

Prevention of corruption and money laundering (score: 61)

C&S3.1

Visibility of commitment to corruption and money-laundering prevention	<p><i>The company has issued a formalised commitment to preventing corruption and money laundering in its Code of Ethics. The company is a signatory of the Global Compact and communicates on this principle.</i></p>
Relevance of commitment to corruption and money-laundering prevention	<p>The company's commitment to preventing corruption AND money laundering addresses its main responsibilities:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> giving / receiving bribes <input checked="" type="checkbox"/> gifts and invitations <input checked="" type="checkbox"/> extortion <input checked="" type="checkbox"/> fraud <input checked="" type="checkbox"/> embezzlement <input checked="" type="checkbox"/> money laundering <input checked="" type="checkbox"/> conflicts of interest <input checked="" type="checkbox"/> illegal financing of political parties <input checked="" type="checkbox"/> prohibition of facilitation payments <input checked="" type="checkbox"/> restriction of facilitation payments

Ownership of commitment The commitment applies throughout the company, supported by senior management.
The General Counsel & Secretary-General (member of the Executive Management Committee) is responsible for updating and compliance with the Code of Ethics and the Corporate Governance Charter, which include commitments related to anti-corruption.

Involvement of employees (corruption AND money laundering) The company has instituted a system to ensure that relevant employees are made personally responsible for preventing corruption.

- Training on corruption prevention covers contractors and suppliers*
The company has instituted formal training programmes for relevant employees on corruption and money laundering prevention. The company educates the team on compliance with ethical values in its relations with its rental customers, partners and shareholders. Befimmo abides by internal rules designed to limit the risks associated with money laundering and funding of terrorism. Befimmo edited the Dealing Code and its updated version must be approved and signed by each employee.

Means allocated to prevent corruption The company has set up reporting systems to prevent corruption that include:

- approval procedures for gifts, etc. by an independent department
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- a dedicated confidential hotline or email address
- internal audits (internal verification of compliance with the company's code of conduct etc.)
- external audits (by an independent, external specialised organisation)
- due diligence procedures for high-risk countries and/or operations
- risk assessment of company vulnerability
- due diligence in evaluating contracts/suppliers

- approval procedures for gifts: employees must not accept any payment or personal advantage (gifts, invitations, etc.), must not be part of the practice of giving Christmas gifts of little value, nor must they give these third parties or any member of a public authority any advantage of any kind (sums of money, gifts, etc.);

- possibility to report concerns directly and confidentially to internal audit, legal or compliance departments: any employee who has any questions about the application of anti-corruption principles or suspects or is aware of any breaches of them may confidentially contact the Compliance Officer;

- internal audits: internal verifications on compliance with the company's Code of Ethics and Dealing Code are conducted regularly.

Coverage of means on corruption prevention The measures implemented cover all significant parts of the company as well as sales agents.
All employees are made aware of and required to sign the Dealing Code and the Code of Ethics.

Means allocated to prevent money laundering The company has set up limited measures to prevent money laundering that include:

- measures to establish the identity of clients and customers whose circumstances warrant additional diligence
- procedures for identification and follow up of unusual or suspicious activities
- internal audits (internal verification of compliance with the company's code of conduct etc.)
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- external audits (by an independent, external specialised organisation)

- internal audits: internal verifications on compliance with the company's Code of Ethics and Dealing Code are conducted regularly.

Coverage of means on money laundering prevention The measures implemented cover all significant parts of the company as well as sales agents.

Reporting The company discloses quantitative data on the corruption AND/OR money laundering incidents reported internally:
The company discloses that in the last year no corruption cases were reported.

Stakeholders' feedback *As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.*

Transparency and integrity of influence strategies and practices (score: 15)

C&S3.3

Visibility of commitment The company resorts to specialists organisations (think-tanks, lobbyists, trade associations), but does not disclose any commitment to ensuring transparency and integrity of lobbying practices, which might raise concerns.
The company discloses its involvement in various interest groups, such as UPSI, RICS, The Shift, Generation T, CSTC, EPRA, FEB, B-REIT Association.

Relevance of commitment The company does not disclose any commitment to ensuring transparency and integrity of lobbying practices.

- to prevent any contrast with public international conventions (UN, ILO, OECD)*
- not obtain or try to obtain information, or any decision, dishonestly*
- not to misrepresent themselves to mislead third parties and/or staff of public authorities*
- openly declare the company's business interests*
- ensure that information provided is up-to-date, complete and not misleading*
- not induce staff of PA to contravene rules of behaviour applicable to them*
- if the company employs former staff of PA, to respect their obligation of confidentiality*
- to be transparent on the amounts of donations to political parties/organisations*

Ownership of commitment The company does not disclose any commitment to ensuring transparency and integrity of lobbying practices.

Involvement of employees Information regarding the involvement of employees in ensuring transparency and integrity of lobbying practices is insufficient.

Means allocated The company appears to allocate some measures to ensure transparency and integrity of lobbying practices:

- publication of detailed information on lobbying activities*
- approval procedures for gifts, travel or other privilege by an independent department*
- a dedicated confidential hotline or email address*
- internal monitoring for lobbying budget*
- internal audits for lobbying activities*
- independent party for monitoring lobbying budget/external audit*
- external investigations of allegations*
- disclosure of the company's lobbying position as regards key sector issues*

Befimmo is not directly involved in lobbying practices. Befimmo takes part of several trade associations which defends public listed real estate companies in terms of regulations, such as the European Public Real Estate Association (EPRA) and the Union professionnelle du Secteur Immobilier (UPSI).

Coverage of the means The company has not set up significant measures to ensure transparency and integrity of lobbying practices.

Reporting The company does not disclose the budget directly and indirectly dedicated to lobbying practices.

Stakeholders' feedback As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.

Corporate Governance

Board of Directors (score: 56)

CGV1.1

[LISTED COMPANIES] Existence and independence of Nomination Committee All members are non-executive directors and the majority, including the committee's chairman, are independent.
Two members of the three-member Appointment and Remuneration Committee are considered independent.

Independence of the Board Chairman The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues There is a CSR committee that is part of the Board. In addition the Head of CSR department makes regular reports to the committee.
There is a CSR Committee that is part of the management. The Social Responsibility Team consists of five people including three Executive Officers: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), the Head of Environmental Management and the Head of CSR & Innovation. The Head of CSR & Innovation reports directly to the CEO.

Share of independent shareholder-elected Board members [LISTED COMPANIES] The Board is between 34 and 50% independent, which is less than the recommended level.
Five members of the 10-member Board are considered independent.

Diversity of the skills and backgrounds of the Board The Board of Directors diversity appears to be robust:

- At least 30% of directors are women
- At least 40% of directors are women
- Employee representative(s) sitting on the Board
- Board members with demonstrated professional experience in the company's sector of activities
- Board members with demonstrated expertise on CSR issues
 - at least 30% of directors are women: three directors out of 10 are women;
 - employee representative sitting on the Board: the company discloses that one of the Board members also is in charge of representing employees interests at the Board level;
 - Board members with demonstrated professional experience in the company's sector of activities: the majority of Board members has gained experienced in finance, real estate asset management and business management.

Training and expertise provided to board members Training is provided upon joining the Board.
New Directors shall ensure that they receive adequate initial training to enable them quickly to make an effective contribution to the work of the Board of Directors. However, it is not specified what are the topics covered by trainings.

Regular election of Board members

[LISTED COMPANIES] Board members are elected every four years or more.
Board members are eligible for re-election following 4-year terms.

Evaluation of Board's functioning and performance

Performance is evaluated regularly, with disclosure on the results.
The Board of Directors conducted a new self-assessment in 2018 led by its Chairman. The Directors completed a detailed questionnaire and assessed the implementation of the areas for improvement that they had identified during the last assessment, carried out in 2015. The key findings of this assessment can be summarised as follows:

- the composition of the Board and of the specialist Committees, the skills of their members and the role they perform comply with the applicable corporate governance provisions;
- the Board is satisfied with its operations, the information provided by management, and contacts with it and with the Board's two specialist Committees;
- the Chairman of the Board of Directors carries out his duties in a professional manner and decisions are usually taken by consensus;
- the Directors made suggestions regarding the conduct of meetings and areas to which the Board could pay more attention.

Review of CSR issues at Board meeting

The company reports to Vigeo Eiris that the following CSR topics have been discussed during Board meetings in 2018: business ethics, responsible customer relations, non-discrimination, climate change, cooperation with tenants, environmental and social standards in supply chain management and human resources management.

Regularity of and attendance at Board meetings

Regular meetings are held, and attendance rates are disclosed, but these are below 90%.
20 Board meetings were held during 2018 and the attendance rate was 86.5%.

Name of Board member	Role	Executive	Non executive	Employee representative	Nomination	Audit	Remuneration	Former executive	>9 years on Board	Stock options	Paid > 1/2 executive salary	Represent > 3% company's shares	Other	Independence
A. Devos	Chairman of the Board		X		X		X		X					
B. De Blicq		X											CEO	
W. Aourousseau			X											
A.M. Baeyaert			X											X
K. De Schepper			X									X		
E. Dewulf	Chairman of Nomination and Remuneration		X		X		X							X
S. Goblet	Chairman of Audit		X			X								X
B. Godts			X			X						X		
S. Malarme-Lecloux			X			X								X
V. Querton			X		X		X							X

Audit & Internal Controls (score: 60)

CGV2.1

[LISTED COMPANIES] Existence and independence of Audit Committee

All members are non-executive directors, and the majority, including the committee's chair, are independent.
Two members of the 3-member Audit Committee are considered independent.

Skills and backgrounds of Audit Committee members

Members appear to have financial and/or audit experience and relevant operational experience.
Members appear to have financial and audit experience and relevant operational experience.

Operational and CSR risks covered by the company's internal controls system

The internal control system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers some of the CSR risks inherent to the company's business operations.

- Energy efficiency
- Corruption and money laundering
- Safety
- Relations with local communities
- Environmental and social standards in supply chain
- Climate change

- Energy efficiency: the company's internal control system covers also environmental risks related to the pollution of soil, water and air (high CO2 emissions) and also noise pollution.

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a comprehensive role that includes:

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

Management of the CSR risks

Relevant processes dedicated to management of CSR risks are in place:

- Balanced scorecard
- Risk-related training
- Monitoring of key risk indicators
- Reporting system to the Board
- Risk mapping/materiality assessment
- A Board Risk Committee with no executive part of it

- monitoring of key risk indicators: risks associated with the operation of buildings are systematically monitored and included in a database;
- materiality assessment: Befimmo has produced a materiality matrix to identify and prioritise its environmental, economic and social priorities, taking account of the expectations of its stakeholders, to fine-tune its Social Responsibility strategy and to focus its action on priority topics.

Independence of the firm's external auditors

The audit firm receives non-audit fees, but these represent 50% or less of total fees (although more than 25%).
Non-audit fees represented 32% of total fees paid to Ernst & Young in 2018.

Inclusion of CSR issues in the company's reporting

The company publishes significant CSR reporting on key material issues, with an independent third party assessment of the reliability of key performance indicators, with limited/moderate level of the assurance.
The limited assurance assessment of the company's CSR reporting is conducted by Deloitte.

Stakeholders' feedback *As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.*

Shareholders (score: 70)

CGV3.1

Nonexistence of voting rights restrictions The company respects the "one share - one vote" principle.

Nonexistence of anti-takeover devices Anti-takeover devices have been identified.
The Board of Directors of Befimmo SA has certain powers concerning the right to issue or purchase shares (authorised capital clause and authorisation for the purchase and disposal of treasury shares).

Ability to add items to the agenda of the AGM and to convene an EGM Major restrictions have been identified to convene an EGM.
In Belgium, 5% of total shares are needed to propose an AGM. An extraordinary general meeting (EGM) must be convened at the request of shareholders jointly holding at least 20% of the share capital.

Access to voting at General Meetings There are no major restrictions on shareholders' ability to vote, and it is possible to vote using online services.
The Company facilitates participation in General Meetings through the availability of proxy voting forms or correspondence forms on its website.

Ability to vote on relevant issues in separate resolutions at AGM All major items are voted upon in separate resolutions, in accordance with standards advocated by Vigeo Eiris.

Presentation of CSR strategy to shareholders and investors The company has presented to shareholders and investors its CSR strategy and this covers some of the most relevant CSR issues.

- Energy efficiency / Climate change
- Human capital / Diversity
- Economic and social development

- Energy efficiency & Human capital & Economic and social development: the company reports that its CSR strategy is regularly disclosed to investors during roadshow presentations.

Stakeholders' feedback *As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver.*

Executive Remuneration (score: 38)

CGV4.1

[LISTED COMPANIES] Existence and independence of Remuneration Committee All members are non-executive directors, and the majority, including the committee's chair, are independent.
Two members of the three-member Nomination and Remuneration Committee are considered independent.

Disclosure of senior executives' individual remuneration [LISTED COMPANIES] Executive remuneration is disclosed, but on a collective rather than on an individual basis.
Executive remuneration is disclosed, but on a collective rather than on an individual basis.

Link between Short Term Incentive Plans and the performance of the company

Bonuses are linked to predetermined and disclosed economic and/or operational performance indicators. However the actual quantified targets are not disclosed.

In March 2018, the CEO's performance was assessed based on the following weighting:

- net current result per share (30%);
- operating margin (15%);
- occupancy rate of properties (15%);
- financing costs (20%);
- human-resource management (20%).

Link between the main Long Term Incentive Plan and the performance of the company

Long-term incentives are linked to performance conditions, but quantified targets are not disclosed.

Link between variable remuneration and CSR performance of the company

There is no disclosure on the links between variable remuneration of executive and the CSR performance of the company.

- Energy efficiency of buildings
- Social and economic development / Accessibility of buildings
- Social standards in supply chain
- Customer satisfaction
- Human resources development

Severance pay for senior executives

Severance pay may exceed 1 year's, but not 2 years', base salary.

Evolution of CEO-to-employee compensation ratio

The ratio of CEO compensation vs. average employee salary has been stable, or has decreased.

The ratio of CEO-to-average employee compensation has remained stable over the last five years, between 10.62:1 and 10.11:1 in 2014 and 2018 respectively.

Stakeholders' feedback

As of 06/2019, Befimmo did not appear to be involved in any controversy related to this sustainability driver

Allegations and controversies

Domain Sustainability driver

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Contacts

Analyst : Dario Mangilli • dario.mangilli@vigeo-eiris.com
Sector Lead: Imane Lamine • imane.lamine@vigeo-eiris.com

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