

**Module: Introduction****Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

Befimmo SA is a public B-REIT (SIR/GVV) incorporated under Belgian law, listed on NYSE Euronext Brussels. Befimmo has a pure-player strategy, specialising in investments in quality office buildings located mainly in city centres, in Belgium. Its portfolio is worth some €2.5 bn and comprises ±100 office buildings with space totaling over 850,000m<sup>2</sup>. Income from these buildings is recurring and relatively predictable; 65% comes from public institutions, under long-term leases (±10 yrs). Befimmo's portfolio has an occupancy rate around 95%.

Befimmo offers a full service (property management, project management, environmental support, facility management), and provides optimum facilities in its properties (flexible meeting rooms, restaurant, catering, nursery, fitness centre, etc.) to facilitate the everyday lives of its tenants. Befimmo works proactively in its portfolio and gives priority to keeping its properties at a high level of quality to keep them attractive to their occupants over the long term: every year, a specific investment program is devoted to renovation to improve their performances and ensure lasting appeal on the market. Over the years, Befimmo has put together a technical team to manage every aspect of the construction of new buildings or renovation of existing buildings. This ongoing renovation and construction strategy goes hand-in-hand with a proactive environmental and sustainable-development policy: all passive design criteria are taken into account and anticipated where possible. The property management business enables Befimmo to control the last link in the real-estate investment business, thereby cementing even closer relationships with its tenants. By managing directly and promptly any problem related to the occupation of a building, Befimmo offers them an improved comfort and is more proactive in responding to their expectations.

Befimmo has integrated the principles of corporate social responsibility (including the climate change issues) into its strategy, and these are reflected in the environmental, economic and social aspects of its day-to-day operation. Since it is in the real-estate business, the main focus of Befimmo's action in this area relates to the environment. For several years, it has built energy performance and sustainable development into its renovation, acquisition and construction projects.

Befimmo is aware that the value of a building is also measured in terms of sustainability. Accordingly, the Company has wasted no opportunity to demonstrate the efforts it has been making in recent years: its environmental management system has been ISO 14001 certified (2010 & recertified in 2013 and 2016), it uses several recognised tools such as the BREEAM environment-performance certificate, and since 2011 it adopted quantitative criteria that can be measured objectively year by year.

Befimmo is now ready and convinced of the advantages of supplementing and enhancing its Environmental Management System using an effective and credible energy-management tool. From 2017, it will adapt and develop its existing procedures in accordance with the structure of ISO 50001.

Moreover, since investment in improving the energy performance of its buildings is an integral part of the optimal and sustainable management of its portfolio, the sustainable development team – mainly composed of Executive Officers – informs and involves the Board of Directors in all major decisions on the subject.

Meanwhile, Befimmo continues to develop its in-house environmental policy to reduce the impact of its own activities: management of emissions from its vehicle fleet, of waste, of natural resources, of electricity, etc., and continuously expands the scope of these measures over its supply chain. Befimmo's impact on society is a driver for its CSR on the economic level as well. Befimmo abides by the applicable laws in this regard. It has also devised a code of ethics setting out the values that are to govern its relations with its customers, management team, partners and shareholders. Befimmo abides by in-house rules in the framework of the code of ethics and the dealing code designed to limit the risks associated with money laundering and funding of terrorism. Moreover, it takes account of its social responsibility. Finally, since 2013, Befimmo has initiated a process of recurring dialogue with all its stakeholders. This allows to better identify and prioritize its environmental, economic and social challenges. In 2017 Befimmo will begin a comprehensive study on the redefinition of new long term targets for reducing greenhouse gas emissions (in accordance with the recommendations of IPCC scientists), thus making its contribution to limiting the global rise in average temperatures to below 2°C, in line with the decision of COP21.

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## CC0.2

### Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

#### Enter Periods that will be disclosed

Fri 01 Jan 2016 - Sat 31 Dec 2016

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## CC0.3

### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Belgium

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#### CC0.4

##### Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

EUR(€)

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#### CC0.6

##### Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

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#### Further Information

Befimmo continues to implement the measures that it believes are needed to reduce the environmental impact of the activities it controls and influences directly. Generally speaking, the following points remain systemic priorities: (1) compliance with legislation; (2) education and training of employees and external stakeholders (especially tenants); (3) audits on property managers and other players working for Befimmo; (4) energy performance: improving the energy performance of the property portfolio via a gradual approach that includes investment in renewable energy, more energy-efficient technical installations, etc. and (5) raising awareness among all Company staff of corporate social responsibility. The environmental priorities linked to Befimmo's activities are: (a) energy management; (b) natural resource management; (c) waste management; (d) water management. While the concept of corporate social responsibility covers environmental as well as social and economic issues, Befimmo's main impact is on the environmental level. Most of the management activities currently focus on

this aspect. For the social and economic aspects, a number of KPIs are being monitored and reported. Note that the policy implemented by Befimmo at operational level cannot yet be fully applied to the Fedimmo portfolio (portfolio rented to the public sector). The agreement with the Federal 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 performances of the buildings are gradually being improved through dialogue and consultation with the Buildings Agency. Please find enclosed (1) Befimmo's Financial Annual Report 2016, which includes the CSR report (see pages 77-115) as well as the Corporate Governance Statement (see pages 117-144), (2) Befimmo's CSR Policy (last update March 2016), (3) Analysis of stakeholders' expectations, (4) Communication with External & Internal stakeholders and (5) 2016 CSR Action Plan.

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## Attachments

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/Politique RSE Vfinale \(UK\).pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/Politique%20RSE%20Vfinale%20(UK).pdf)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/analysis\\_of\\_expectations\\_final\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/analysis_of_expectations_final_2017.pdf)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/communication\\_stakeholders\\_final\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/communication_stakeholders_final_2017.pdf)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/Materiality exercise.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/Materiality%20exercise.pdf)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/action\\_plan\\_final\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/action_plan_final_2017.pdf)

## Module: Management

### Page: CC1. Governance

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#### CC1.1

**Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

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#### CC1.1a

**Please identify the position of the individual or name of the committee with this responsibility**

Befimmo's Social Responsibility is now fully integrated into its day-to-day management. All Befimmo staff are involved in this approach, 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 Corporate Social Responsibility (CSR) team consists of five people including three members of the Management Committee: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), the Head of Environmental Management (HEM) and the Corporate

Social Responsibility Manager (CSR Manager). This team, which meets quarterly, is responsible for developing and monitoring the CSR Action Plan, releasing sufficient resources, and actively participates in the annual Management Review of the ISO 14001 Environmental Management System. The Directors of Befimmo also take part in defining and approving budgets and taking major decisions on Social Responsibility, especially at strategy meetings and at the meetings scheduled every quarter when the results are published.

At operational level, the Environmental Technical Team (ETE) consists of five specialists with the task of improving the environmental performance of the portfolio. It meets regularly and its responsibilities include implementing the CSR Action Plan. These specialists include the Green Adviser who plays an important role monitoring the effectiveness of energy investments on the ground while ensuring a high level of comfort for tenants.

The CSR Manager, a member of the Social Responsibility Team, reports directly to the CEO. Her role is both strategic (developing CSR strategy, managing relations with stakeholders) and operational (coordinating and running CSR projects, managing the CSR Action Plan, acting as in-house consultant for other departments and encouraging staff to embrace change).

For human resources the Human Resources Officer (HRO) is responsible for educating all members of the team to take more account of Social Responsibility, for following up initiatives put in place and for continuing to develop the strong corporate culture that exists within Befimmo. This person works with the CSR Manager and interacts with the Social Responsibility Team.

Other staff also have specific responsibilities defined in the Environmental Management System: General Counsel, Legal Manager, Chief Commercial Officer, Property Managers, Chief Investment Officer, internal audit, Project Managers, etc.

**CC1.2**

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

**CC1.2a**

**Please provide further details on the incentives provided for the management of climate change issues**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Environment/Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target	Meeting emission reduction targets, identification of climate change issues and integration in the risk management.

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
All employees	Recognition (non-monetary)	Energy reduction project Energy reduction target Behavior change related indicator	Raising awareness, concern, participate actively in environmental (including climate change issues) of Befimmo.
Chief Financial Officer (CFO)	Monetary reward	Other: Risks Management	Managing risks, identification of climate change issues and integration in the risk management.
Chief Operating Officer (COO)	Monetary reward	Other: Risks Management	Managing risks, identification of climate change issues and integration in the risk management.
Energy managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target	Main objectives of the Green Adviser

#### Further Information

Please find enclosed the Befimmo's CSR Organisation Chart.

#### Attachments

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC1.Governance/CSR Organisation Chart\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC1.Governance/CSR Organisation Chart_2017.pdf)

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**CC2.1**

**Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

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**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Belgium. The same geographical area where Befimmo buildings are located	> 6 years	

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**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

Befimmo has identified risks and opportunities that could result indirectly from climate change. These risks are integrated in the main risks identified by Befimmo regarding its business and are described in the chapter "Risk factors" of the Annual Financial Report 2016. This chapter also describes the measures taken by the Company to anticipate, to control and limit the potential impact of each of the risks identified .

The risks related to reputation, subcontractors & suppliers, regulatory constraints and/or insurance coverage are assessed at the corporate level. These risks and opportunities and their consequences include for example higher operational costs or reputational risks.

Physical and weather-related impacts from climate change implying a deterioration of buildings are assessed at the asset level by the Technical & Environmental teams, and then analysed and supervised at the corporate level. Befimmo is in charge of the technical control of the portfolio that the property team directly manages. The assessment of the environmental risks is partially covered by the implementation of the ISO 14001 procedures.

Befimmo has organised the management of internal control and corporate risks by defining its control environment (general framework), identifying and classifying the main risks to which it is exposed, analysing its level of control of these risks and organising a "control of the control". The Board of Directors has set up two internal committees with board members (the Audit Committee and the Appointments and Remunerations Committee). These committees report to the Board of Directors on that matter. The CFO is in charge of organising the risk management process and reports to the Audit Committee which informs the Board of Directors. The Audit Committee meets at least 4 times a year (every quarter).

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**CC2.1c****How do you prioritize the risks and opportunities identified?**

Befimmo is convinced that 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 recognizes 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, 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 a dialogue and constructive consultation with them. Befimmo regards Social Responsibility as a part of its strategy, taking opportunities to improve its performances and create value in the long term for its stakeholders. Befimmo strives to differentiate itself and also to become a benchmark for Social Responsibility. As a responsible asset manager, it must constantly strive to limit its impact on society while being able to develop economically and improve its dialogue with its stakeholders. In a process of continuous improvement, Befimmo has conducted a materiality study and initiated a process of regular dialogue with all its stakeholders.

Risk analysis & control activities: This analysis is based on an update of a study to classify the Company's major risks, in order of importance and estimated frequency of occurrence, and to determine the extent to which it controls these risks. During 2013, an external consultant was commissioned to produce a new version of the risk matrix, and the extent to which they are under control, through interviews with managers. The findings of this study provide the framework for the work of the internal audit service, reviewed annually as part of a three-year plan by the Audit Committee.

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**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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**CC2.2**

## Is climate change integrated into your business strategy?

Yes

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### CC2.2a

#### Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

(i) INFLUENCE: Befimmo has integrated the principles of corporate social responsibility (including the identification of the climate change issues) into its long-term strategy, and these are reflected in the environmental, economic and social aspects of its day-to-day operation. Since it is in the real-estate business, the main focus of Befimmo's action in this area relates to the environment. For several years, it has built energy performances and sustainable development into its renovation, acquisition and construction projects allowing a reduction of 64% of the portfolio's CO2 emissions since 2008. Like all market players, Befimmo is aware that the value of a building is also measured in terms of sustainability.

(ii) ASPECTS: The aspects of climate change that have influenced the strategy comes mainly from the new regulation on the energy performance (including climate change) of buildings decided by the European Commission and Belgian authorities. Befimmo will keep one step ahead of the regulations and gradually improve the energy performance of its buildings. Communication between the Executive Officers and the Board of Directors on the one hand and with staff on the other, as well as the involvement of every member of the Company, will be stepped up as much as possible.

Accordingly, the Company has wasted no opportunity to demonstrate the efforts it has been making in recent years on short and long term.

(iii) SHORT TERM STRATEGY: Befimmo continues to implement measures that it believes are needed to reduce the environmental impact (CO2 emissions) of the activities it controls and influences directly. The following points remain systemic priorities: (1) compliance with legislation; (2) education and training of employees and external stakeholders (especially tenants with Building User Guide and environmental cooperation agreement); (3) audits on property managers and other players working for Befimmo; (4) improving the energy performance of the property portfolio via a gradual approach that includes investment in renewable energy, more energy-efficient technical installations, etc. (5) raising awareness among all Company staff of corporate social responsibility. Moreover, since investment in improving the energy performance of its buildings is an integral part of the optimal and sustainable management of its portfolio, the sustainable development team – mainly composed of Executive Officers – informs and involves the Board of Directors in all major decisions on the subject. Meanwhile, Befimmo continues to develop its in-house environmental policy to reduce the impact of its own activities: management of emissions from its vehicle fleet, of waste, of natural resources, of electricity, etc., and plans to further expand the scope of these measures.

(iii) LONG TERM STRATEGY: Befimmo is striving for EXCELLENCE, positioning itself as a responsible company and landlord, anticipating economic, social and environmental trends, while innovating to create value for all its stakeholders: (1) Being a responsible landlord, proactively managing its high-quality office portfolio, innovating to best meet the needs of its rental customers by anticipating changes in the world of work. (2) Being a responsible company, beyond its own activities, endeavoring to raise awareness and inspire all its stakeholders to achieve its qualitative and quantitative targets. (3) Being a responsible employer, concerned about the well-being of its team while respecting and developing the three core values of the Company: Professionalism, Commitment and Team spirit. (4) Pursuing profitable growth based on sound foundations, while creating long-term value for its stakeholders. Befimmo seeks to strike a balance between the expectations of its stakeholders and the challenges it regularly faces. Accordingly, it has identified and prioritised environmental, economic and social challenges grouped into four major themes: the environment, the team, the tenants and governance. For each of these challenges, Befimmo undertakes to act on important initiatives both in its

own interests and for the society in which it operates. The response to these challenges takes the form of specific measures, long-term objectives described in detail in the Social Responsibility programme prepared in cooperation with the management and the team (published on Befimmo's website). The environmental priorities linked to Befimmo's activities are: (a) energy management- (b) natural resource management – (c) waste management and (d) water management. Some examples: (1) its Environmental Management System has been ISO 14001 certified since 2010 (recertified in 2013 and 2016), (2) it uses several recognized tools such as the BREEAM environmental-performance certificate, (3) since 2011 it adopted short and medium and long-term quantitative targets that can be measured objectively year by year, and (4) it identifies sustainable and climate change risks & opportunities.

In 2017, Befimmo plans to go even further in terms of its social responsibility policy and reporting, by (i) moving from GRI-G4 to GRI Standards, which involves updating its materiality matrix and a thorough review its CSR policy, (ii) considering the possibility of following an approach that enables Befimmo to set long-term targets, up to 2030, for cutting greenhouse gas emissions (as recommended by IPCC, scientists), thereby making its own contribution to limiting the rise in global average temperature to below 2°C, in line with the decision of COP21.

(v) STRATEGIC ADVANTAGE: Thanks to this strategy, Befimmo offers to the market and makes available to its potential tenants more energy efficient buildings. Befimmo is also closer to its tenants and can influence positively and help them to reduce their energy consumptions, reduce their waste production, etc. and therefore have a competitive advantage.

(vi) BUSINESS DECISIONS: For example: Befimmo is seeking its tenants and try to convince them to subscribe to green electricity supply contracts for their private parts (private consumptions).

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#### CC2.2b

Please explain why climate change is not integrated into your business strategy

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#### CC2.2c

**Does your company use an internal price on carbon?**

No, but we anticipate doing so in the next 2 years

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#### CC2.2d

Please provide details and examples of how your company uses an internal price on carbon

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**CC2.3**

**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations

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**CC2.3a**

**On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Certification	Support	To transpose the international BREEAM certification (compatible Sustainable Building benchmark) towards a national certification, namely setting up a "Breeam.be" certification.	At this stage, no proposed legislative solution.
Adaptation resiliency	Support with major exceptions	Brussels Code on Air, Climate and Energy Management (COBRACE)	Order of 2 MAY 2013 on Cobrace.

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**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

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**CC2.3c**

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
UPSI Professional Union of Real-Estate sector	Consistent	The Professional Union of the Real Estate Sector (www.upsi.be) – which brings together Belgian developers, real-estate investors and other actors related to real estate - is studying the Belgian real estate market as well as the factors that affect this market (incl. environmental factors). UPSI wants to promote and support all legislative and administrative measures favourable to the real-estate sector, as well as the Environmental improvements linked to this sector. (Ex.: labelling & certification of sustainable buildings). This Union represents its members at the federal and regional authorities, working with public bodies and advising them.	Befimmo maintains a strong commitment to its relationship with UPSI. UPSI and Befimmo actively cooperated again in 2016 via working groups to incorporate federal and regional real-estate requirements. During the 2016 fiscal year, the following main topics were dealt with: Cobat, CoBRACE, PLAGE, RRU, management of polluted soil, the reform of property taxation, BE-REITs, prevention of fire and explosion in car parks, the measurement code, etc. The CEO is a member of the UPSI board of directors. The CFO also participates in the UPSI Taxation Committee: exchange within the real-estate sector on the impact of (new) taxation regulations, adopting the sector's stance on these matters. Since early 2017, the COO and the CFO have been co-chairing the UPSI Investors Committee which deals with issues of specific interest to investor members.
RICS (Royal Institution of Chartered Surveyors)	Mixed	RICS is an independent non-profit body with nearly 100,000 qualified members in some 140 countries. RICS establishes high standards of competence and integrity, organises training and specific studies, and helps its members to fine-tune their sustainable development strategies.	The CEO is a fellow member of RICS.
EPRA (European Public Real Estate Association)	Mixed	European Public Real Estate Association. With over 200 active members, EPRA is the voice of European listed real-estate companies and represents €250 billion of real-estate assets. EPRA establishes good practice in accounting, information and corporate governance. It provides quality information to investors and publishes financial and environmental reporting standards which Befimmo meets every year.	The Secretary-General and the CFO are members of the Tax & Regulatory Committee, a working party on regulatory issues. It discusses European regulations in preparation, and defends the sector's position in relation to draft regulations. In early 2017, the CFO joined the Reporting & Accounting Committee, a working group that handles particular aspects of the standardisation of financial performance indicators and accounting issues. In late 2016, Befimmo received the "EPRA Gold Award Financial Reporting" and the "EPRA Gold Award Sustainability Reporting" for its Annual Financial Report 2015.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
The Shift	Consistent	A Belgian network of sustainable development. The Shift was founded in June 2015 by former networks of sustainable development KAURI and Business & Society Belgium	As an active member, Befimmo regularly attends information meetings and working groups organised by The Shift.
GRESB	Consistent	The 200 members of GRESB are institutional investors, 58 of which are pension funds. In the past fiscal year, Befimmo answered the GRESB questionnaire.	Thanks to the action taken in recent years, Befimmo improved its score and made progress on the shortcomings identified at the beginning, namely the involvement of management in the CSR strategy and social factors. It also achieved the status of "Green Star" (70%) in 2012, which it has maintained in subsequent years, achieving a score of 82% in 2016, well in excess of the average for the real-estate sector. While Befimmo has achieved a higher level than its competitors, it still has matters requiring attention, such as analysing the value chain, performance indicators and stakeholder commitment. Befimmo is an official member of GRESB, which will allow it to access more information, attend training events and be eligible to serve on committees and take part in working groups.
UNGC (UN Global Compact)	Consistent	The United Nations Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment and anti-corruption. Under the Global Compact, companies are brought together with UN agencies, labour groups and civil society	A few months after the signing of the Paris agreement on limiting global warming at COP21, Befimmo also joined the Global Compact and thus supports the initiatives launched by the United Nations in the respect of human rights, international labour standards, environmental protection and combating corruption.

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

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**CC2.3e**

Please provide details of the other engagement activities that you undertake

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**CC2.3f**

**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

These are the same people within Befimmo who are involved in the implementation of the overall and the climate change strategy and who are managing the direct and indirect activities that influence policy.

Although, at strategic level, the Social Responsibility Team consists of five people including three executive officers: the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Senior Environmental Manager and the CSR Manager (CSRM). Since September 2013, the CEO decided to join the team to become more involved in decision-making on Social Responsibility and in the implementation of the action plan. This team is responsible for establishing the climate change strategy (in collaboration with the Board of Directors), developing and monitoring the Social Responsibility Program (including the environmental aspects), releasing sufficient human resources, and conducting the annual management review.

Since September 2013, a CSR Manager has been appointed, whose role is both strategic (developing CSR strategy, managing relationships with stakeholders) and operational (coordinating CSR projects, in-house consultancy for other departments). And so, the CSR Manager - together with the Management - ensures consistency between direct and indirect activities and the overall climate change strategy.

In 2017, Befimmo plans to go even further in terms of its social responsibility policy and reporting, by (i) moving from GRI-G4 to GRI Standards, which involves updating its materiality matrix and a thorough review its CSR policy, (ii) considering the possibility of following an approach that enables Befimmo to set long-term targets, up to 2030, for cutting greenhouse gas emissions (as recommended by IPCC, scientists), thereby making its own contribution to limiting the rise in global average temperature to below 2°C, in line with the decision of COP21.

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**CC2.3g**

Please explain why you do not engage with policy makers

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**Further Information**

Further information to answer of question C.C.2.1.c: Befimmo's Materiality Matrix (see documents attached): As a responsible company and owner, Befimmo must constantly strive to limit its impact on society while being able to develop economically and improve its dialogue with its stakeholders. 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: (1) definition of key topics for Befimmo in accordance with acknowledged standards such as ISO 26000, GRI, etc. (2) Identification of stakeholders to be interviewed in cooperation with the management and heads of departments. (3) Consultation of identified stakeholders by means of around 30 interviews, surveys, etc. (4) Analysis of the expectations gathered from stakeholders. (5) Prioritization of themes. (6) Production of the Befimmo materiality matrix, analyzed and validated by management and the Board of Directors. This materiality matrix 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) the importance of the topics to the external and internal stakeholders and (ii) the strategic importance level of the topics for Befimmo's management and Board of Directors. Accordingly, the top right-hand box of the matrix 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 analyzed and implemented in the medium and/or long term. In 2017, Befimmo plans to go even further in terms of its social responsibility policy and reporting, by moving from GRI-G4 to GRI Standards, which involves updating its materiality matrix and a thorough review its CSR policy,

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## Attachments

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Control and risk management\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Control%20and%20risk%20management_2017.pdf)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Befimmo Materiality Matrix 2015.PNG](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Befimmo%20Materiality%20Matrix%202015.PNG)

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Materiality exercise.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Materiality%20exercise.pdf)

## Page: CC3. Targets and Initiatives

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### CC3.1

**Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?**

Absolute target

Intensity target

Renewable energy consumption and/or production target

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### CC3.1a

**Please provide details of your absolute target**

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	7%	50%	2014	545	2018	No, but we anticipate setting one in the next 2 years	The percentage of emissions of 7% is applied to the base year 2014 for which the total emissions Scope 3 represent CO2 7 326 tCO2e. Befimmo is seeking its tenants and try to convince them to subscribe to green electricity supply contracts for their private parts. This awareness is a significant potential for reducing CO2 emissions. On the other hand, Befimmo has set a quantitative goal for self-generation of renewable energy (photovoltaic panels and cogenerations), which is to cover 2% of the electricity needs, at constant perimeter [LfL], of common areas in the Befimmo portfolio by the end of 2017, compared with the reference period of 2014.
Abs2	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	80.48%	2%	2015	6355	2016	No, but we anticipate setting one in the next 2 years	The percentage of emissions of 80,63% is applied to the base year 2015 for which the total emissions Scope 3 represent CO2 7 895 T.This is a short term absolute target to reduce direct normalized energy consumption by 2% per year at constant scope (Like for Like).
Abs3	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	44%	12%	2013	4571	2020	No, but we anticipate setting one in the next 2 years	The target is a decrease of our emissions related to electricity (location-based) of 12% between 2013 and 2020

### CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	79.03%	9%	Metric tonnes CO2e per square meter*	2013	0.0152	2016	No, but we anticipate setting one in the next 2 years	The percentage of emissions of 79.03% is applied to the base year 2013 for which the total emissions Scope 3 represent CO2 10,485 T. The intensity target is to reduce specific direct common consumption (kWh / m <sup>2</sup> / year) and CO2 emissions by 9% over 3 years with 2013 as the base year.
Int2	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	20.97%	3%	Metric tonnes CO2e per square meter*	2013	0.004	2016	No, but we anticipate setting one in the next 2 years	The percentage of emissions of 20.97% is applied to the base year 2013 for which the total emissions Scope 3 represents 10,485 T of CO2. The intensity target is to reduce the indirect private specific consumption (kWh / m <sup>2</sup> / year) and therefore, CO2 emissions by 3% over 3 years with 2013 as the base year.
Int3	Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)	6.78%	5%	Metric tonnes CO2e per square meter*	2015	0.0009	2016	No, but we anticipate setting one in the next 2 years	The percentage of emissions of 6.78% is applied to the base year 2015 for which the total emissions Scope 3 represents 7,895 T of CO2. If 100% of tenants who do not have a green electricity supply contract adhere to environmental convention set up by Befimmo and if the target of 5% reduction of their private specific electricity consumption is achieved then the reduction of the CO2e emissions will be 27 T or 5% of total emissions from non-green electricity (534T)

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	No change	0	Decrease	20.19	20% decrease in the scope 3 emission is a minimum expected in 2016 in view of other objectives, including the "Abs 3" emission reduction target related to private non green electricity contracts. This target may be exceeded by the number of private supply green electricity contracts subscribed by tenants. Befimmo educates them but the final decision is made by the tenant. This objective has been achieved with a decrease of 8.2 %.
Int2	No change	0	Decrease	11.04	The reduction target of 3% of private electricity consumption represents 11% decrease in absolute scope 3 emissions
Int3	No change	0	Decrease	27.53	The reduction target of 5% of non green private specific electricity consumption represents 28% decrease in absolute scope 3 emissions

### CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
RE1	Electricity production	2015	325	1.49%	2017	2%	In view of ongoing and planned renovation and construction projects, the total area of solar panels will be further increased in line with progress on

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
							worksites. By 2020 the total area of the photovoltaic panels should achieve 2500 m <sup>2</sup> . The start of full production (solar and cogenerations) at some sites still under construction in 2016 are expected to give reasonable coverage of 2% of electricity needs of the common areas in the Befimmo portfolio (excluding Fedimmo) by the end of 2017.

### CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	50%	11%	The target of increasing the overall percentage of green energy used in the Befimmo portfolio, at constant perimeter [LfL], from 94% to 97% between 2015 and 2016, with a focus on supplying green electricity for private areas was not achieved. Awareness-raising measures for the tenants concerned will nevertheless continue in 2017. The target of reducing specific electricity consumption (kWh/m <sup>2</sup> ) at constant perimeter [LfL] by -5% over one year in the individual private areas in Befimmo's portfolio of tenants who register and actively participate in the Environmental Cooperation agreement project, will also be maintained. The transition project to green electricity for one main building of Befimmo's portfolio is in theory expected in the course of 2017 which would allow to decrease the emissions by +/- 50% as announced.
Abs2	100%	100%	The target of reducing by 2% absolute emissions (Like for like) from direct energy (normalized) was achieved and exceeded. This objective was very cautious seeing the result. Using a science-based target approach, as we intend to in 2017, will allow us a more realistic, yet ambitious new target.
Abs3	43%	47%	The target of reducing by 12% absolute emissions from electricity is underway.
Int1	100%	100%	The reduction target of 9% in specific consumption has been achieved thanks to a closer follow up of consumptions. Telemonitoring now covers 93% of the buildings in the Befimmo portfolio and a small proportion of the buildings in the

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
			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 take the necessary corrective action, and to assess the energy performance of each building and identify priority future investments to be considered. Also in 2016, Befimmo has been systematically using statistical models to refine the detection of abnormal electricity, water and gas consumption. These models for predicting future consumption are based on the energy signature of the building and working hours. More relevant than generic alarms triggered when a maximum threshold is exceeded, these models can detect very slight overconsumption in relation to total consumption.
Int2	100%	100%	The target of 3% reduction of private consumption (in kWh/m <sup>2</sup> ) was achieved as we realised a reduction of 26%. Translated into CO <sub>2</sub> , this was further achieved as most tenants went for green electricity supply contracts. This target will be reviewed in 2017, as part of the new CSR strategy.
Int3	100%	89%	The ambitious target of 5% reduction of specific private electricity consumption (like-for-like) was almost achieved. This short term target will be updated during the strategic review planned in 2017, and most likely be reset in a science-based approach.

**CC3.1f**

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

**CC3.2**

Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?

Yes

**CC3.2a**

Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Company-wide	Green electricity produced thanks to the installation of solar panels	Avoided emissions	Other: no CO2 emissions on the electricity production by solar panels			The current total coverage of photovoltaic panels for the Befimmo portfolios is at the end of 2016 equal to 3 837 m <sup>2</sup> . In view of ongoing and planned renovation and construction projects, the total area of solar panels will be further increased in line with progress on worksites. In 2016 electricity production of the solar panels generated around 371 000 kWh, fully benefitting to the tenants in direct deduction of their expenses.
Company-wide	Less energy intensive installations (relighting, presence detector, optimisation HVAC regulation, etc)	Avoided emissions	Other: studies, energy audits and simulations by specialized consulting firms			Befimmo strives to keep its buildings attractive to tenants, thereby maintaining as high an occupancy rate as possible in its portfolio, by continually carrying out renovation and redevelopment in its properties or improving their energy and environmental performance, to upgrade them or maintain them at a high level of quality and performance. Moreover, providing more energy efficient buildings will enable tenants to potentially reduce their carbon emissions linked to building use. Through incorporation of a carbon efficient design in the major renovation projects (application of BREEAM Design) and the efficient management and operation of our portfolio (application of BREEAM In-Use) supports the partial prevention of these emissions. These emissions can be avoided immediately upon occupation and can last for the length of building lifetime. Otherwise Befimmo is implementing a specific multi-annual investment

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
						plan designed to carry out work to optimise the sustainable performance of the operational buildings (replacement of old technical installations by energy-saving equipment, installation of new equipment management technologies, installation of water-recovery systems, improved insulation, installation of photovoltaic panels, etc.) and generally to improve the BREEAM In-Use certification of the buildings. In 2016, the budget for this work was around €1.75 million. As for major renovations, part of the overall renovation budget is allocated to sustainable optimisation and anticipating new regulations on the improvement of the environmental performance of buildings.
Company-wide	More green electricity contracts for tenants	Avoided emissions				Befimmo is seeking its tenants and try to convince them to subscribe to green electricity supply contracts for their private parts. This awareness is a significant potential for reducing CO2 emissions.
Company-wide	Installation of cogeneration system, etc	Avoided emissions	Other: studies, energy audits and simulations by specialized consulting firms			

### CC3.3

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

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**CC3.3a**

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	6	87
To be implemented*	25	373
Implementation commenced*	7	188
Implemented*	28	469
Not to be implemented	7	2

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**CC3.3b**

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Processes	Energy investments / improvements in order to obtain energy-efficient buildings (scope 3) A total of 22 projects have been implemented in 2016.	454.3	Scope 3	Voluntary	97683	2354000	21-25 years	16-20 years	Many changes or studies have been made to improve the energy performance of the buildings, such as roof insulation, heat exchangers for ventilation units, placement of a cogeneration and new condensing boilers and boiler régulations & optimizations, variable flow pumps, installation of 'economic lighting, energy audits, study for heat pumps... In 2016, IPMVP has been systematized on all significant energy related projects. This allowed to gain in accuracy and compare real vs theoretical savings.
Low carbon energy installation	Relighting A total of 2 projects have been implemented in 2016.	7.5	Scope 3	Voluntary	3774	19177	4-10 years	6-10 years	
Low carbon energy installation	Renewable energy (solar panel, cogeneration) One project has been implemented in 2016.	8	Scope 3	Voluntary	3800	24763	4-10 years	11-15 years	

**What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	Alignment with legislation and anticipating forthcoming legislation. Befimmo will keep one step ahead of the regulations and gradually improve the energy performance of its buildings.
Dedicated budget for energy efficiency	Eager to meet the needs of its tenants, keep its properties attractive and at a high level of quality, and to ensure the highest possible occupancy rate in the portfolio, Befimmo continually invests in its buildings (in line with its Social Responsibility strategy) by renovating them, redeveloping them or improving their energy performance. Over the 2016 fiscal year, Befimmo invested €31.5 million overall in works in its buildings. During the fiscal year, other investments amounted to €17.5 million. The Company continued its multi-annual investment programme to improve the energy performance of its operational buildings (Befimmo's portfolio excluding Fedimmo). Furthermore, in the context of changing ways of working and in order to offer a better user experience to tenants, Befimmo is gradually equipping its buildings with shared meeting rooms, restaurants, spaces for nurseries, a fitness centre, etc., taking into account the specific characteristics of the buildings (rental situation, location, etc.). In Befimmo invested a total of €1.75 million over the fiscal year. The work carried out consisted mainly of the replacement of old boilers, replacement of glazing units, fitting of photovoltaic panels and various sustainable-development measures.
Employee engagement	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. Befimmo is convinced that the development of its employees enhances their desire to advance their careers and deploy their skills, and so continued its appraisal and training policy in this area. In-house training for new employees on the Company's Social Responsibility policy and ISO 14001 certification also continued these last years.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

**Further Information**

**Page: CC4. Communication**

CC4.1

Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) in accordance with the CDSB Framework	Complete	See index of GRI content	<a href="https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/RA 2016 EN.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/RA 2016 EN.pdf</a>	Befimmo pays particular attention to the reliability of the reporting process, and rigorous, accurate and transparent financial and non-financial communication. For some years now, throughout its Report, Befimmo has been following the trend towards standardisation not only of financial reporting but also of reporting on Social Responsibility, by subscribing to the indicators published by EPRA, the GRI-G4 (“Compliance” - Essential criteria) guidelines and those for the real-estate sector, GRI-CRESS.
In voluntary communications	Complete	p. 3 & 14	<a href="https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Press Release_Annual results 2016.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Press Release_Annual results 2016.pdf</a>	Befimmo pays particular attention to the reliability of the reporting process, and rigorous, accurate and transparent financial and non-financial communication.
In voluntary communications	Complete	Full document	<a href="https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Lettre UN GLOBAL COMPACT - Befimmo 29 04.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Lettre UN GLOBAL COMPACT - Befimmo 29 04.pdf</a>	Befimmo also joined the Global Compact and thus supports the initiatives launched by the United Nations in the respect of human rights, international labour standards, environmental protection and combating corruption. The letter of engagement is published on the company Website.
In voluntary communications	Complete	Full document	<a href="https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Lettre COP21 signée (Befimmo).pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC4.1/Lettre COP21 signée (Befimmo).pdf</a>	Befimmo made a public commitment in regards to the COP21. This letter is published on the company's website

Further Information

Befimmo 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. 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.). 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.). 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 standardization 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. Since three years, Befimmo decided to comply with the new version of GRI-G4 for the whole of its report ("In accordance" - Essential Criteria). For reporting, the following acknowledgements and prizes were awarded during the 2014, 2015 and 2016 fiscal years: (i) Befimmo was awarded the Best Belgian Sustainability Report prize by the Institut des Réviseurs d'Entreprises (Institute of Company Auditors) for its 2013 report; (ii) Befimmo was awarded the "EPRA Gold Annual Report" for its Annual Financial Report and the "EPRA Gold Sustainability Report" for its Social Responsibility report and (iii) Befimmo achieved a score of 82%, equivalent to GRESB "Green Star" status. A few months after the signing of the Paris agreement on limiting global warming at COP21, Befimmo also joined the Global Compact and thus supports the initiatives launched by the United Nations in the respect of human rights, international labour standards, environmental protection and combating corruption. Meanwhile, Befimmo has aligned its Action Plan with 6 of the 17 Sustainable Development Goals published by the United Nations "to transform our world". In 2017, Befimmo plans to go even further in terms of its social responsibility policy and reporting, by (i) moving from GRI-G4 to GRI Standards, which involves updating its materiality matrix and a thorough review its CSR policy, (ii) considering the possibility of following an approach that enables Befimmo to set long-term targets, up to 2030, for cutting greenhouse gas emissions (as recommended by IPCC scientists), thereby making its own contribution to limiting the rise in global average temperature to below 2°C, in line with the decision of COP21.

## **Module: Risks and Opportunities**

### **Page: CC5. Climate Change Risks**

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#### **CC5.1**

**Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

Risks driven by changes in regulation  
Risks driven by changes in physical climate parameters  
Risks driven by changes in other climate-related developments

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#### **CC5.1a**

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	The Company is exposed to the risk of infringing increasingly numerous and complex and constantly changing regulations, and of possible changes in their interpretation or application by the authorities or the courts, notably environmental and fire-safety regulations, urban development & mobility regulations, environmental risks related to property purchase or ownership, and the risk of refusal or non-renewal of permits. The Company is exposed to the risk that new	Increased capital cost	3 to 6 years	Direct	Likely	Medium	Regulatory changes could - for example - increase capital costs due to the requirements for new investments to meet the new regulatory standards. These costs increase are not (yet) reflected in rents increase. Befimmo is implementing a specific multi-annual investment plan designed to carry out work to optimize the sustainable performance (including proactive environmental measures) of the operational buildings (replacement of old technical installations by	MITIGATION AND CONTROL MEASURES: The Company has a legal team with the necessary skills to ensure strict compliance with regulations and proactively anticipate changes in the law (regulatory monitoring). It also regularly calls upon external consultants. However, the Company has put in place procedures published in the Environmental Management System (ISO 14001 certified) to avoid this risk (e.g. risk of missing installations in the permit, non-respect of	The cost associated with this update of the legislative register amounts around 6.000 EUR/year

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>constraints might limit the possibility of operating and/or letting certain buildings or impose more stringent obligations upon it, notably in terms of environmental performance. Main negative impacts: (1) to miss interesting value-creating investment opportunities, (2) decrease of global occupancy rate of Befimmo portfolio and thus decrease of revenues.</p>						<p>energy-saving equipment, installation of new equipment management technologies, installation of water-recovery systems, improved insulation, installation of photovoltaic panels, etc.) and generally to improve the BREEAM In-Use certification of the buildings. In 2016, the budget for this work was of the order of €1.75 million. As for major renovations, part of the overall renovation budget is allocated to sustainable optimization and anticipating new regulations on the improvement of the environmental</p>	<p>operating conditions). The update of the legislative register is outsourced by a specialized legal service but then checked and controlled by our in-house legal counsel. This helps follow the fast changing legislation regarding energy performance of buildings.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							performance of buildings.		
General environmental regulations, including planning	The Company is exposed to the risk of infringing increasingly numerous and complex and constantly changing regulations, and of possible changes in their interpretation or application by the authorities or the courts, notably environmental and fire-safety regulations, urban development & mobility regulations, environmental risks related to property purchase or ownership, and the risk of refusal or non-renewal of permits. The Company is exposed to the risk that new	Reduced demand for goods/services	3 to 6 years	Indirect (Client)	Likely	Medium	One of the consequences of the regulatory changes could also be a decrease of Befimmo portfolio occupancy rate and thus a decrease of its annual global revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. rental income. On an annual basis as at 31 December 2016, a 1% fluctuation in the occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, €0.08 on the net	MITIGATION AND CONTROL MEASURES: The Company has a legal team with the necessary skills to ensure strict compliance with regulations and proactively anticipate changes in the law (regulatory monitoring). It also regularly calls upon external consultants. However, the Company has put in place procedures published in the Environmental Management System (ISO 14001 certified) to avoid this risk (e.g. risk of missing installations in the permit, non-respect of	The cost associated with this update of the legislative register amounts around 6.000 EUR/year.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	constraints might limit the possibility of operating and/or letting certain buildings or impose more stringent obligations upon it, notably in terms of environmental performance. Main negative impacts: (1) to miss interesting value-creating investment opportunities, (2) decrease of global occupancy rate of Befimmo portfolio and thus decrease of revenues.						asset value per share and 0.08% on the debt ratio. The direct costs related to rental vacancy, namely charges and taxes on unlet properties, were estimated at - €4.05 million on an annual basis, or about 2.94% of total rental income. The Company may also be exposed to higher expenses in connection with the marketing of properties available for lease.	operating conditions). The update of the legislative register is outsourced by a specialized legal service but then checked and controlled by our in-house legal counsel. This helps follow the fast changing legislation regarding energy performance of buildings.	
Uncertainty surrounding new regulation	We are anticipating the development of more stringent regulations for the real estate sector, and are convinced that integrating a proactive approach	Increased capital cost	>6 years	Direct	Likely	Medium	Regulatory changes could - for example - increase capital costs due to the requirements for new investments to meet the new regulatory standards. These	MITIGATION AND CONTROL MEASURES: The Company has a legal team with the necessary skills to ensure strict compliance with regulations and proactively	The cost associated with this update of the legislative register amounts around 6.000 EUR/year.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>into our business strategy, will be beneficial, as generally speaking, retro-fitting measures are more costly</p>						<p>costs increase are not (yet) reflected in rents increase. Befimmo is implementing a specific multi-annual investment plan designed to carry out work to optimize the sustainable performance (including proactive environmental measures) of the operational buildings (replacement of old technical installations by energy-saving equipment, installation of new equipment management technologies, installation of water-recovery systems, improved insulation, installation of photovoltaic</p>	<p>anticipate changes in the law (regulatory monitoring). It also regularly calls upon external consultants. However, the Company has put in place procedures published in the Environmental Management System (ISO 14001 certified) to avoid this risk (e.g. risk of missing installations in the permit, non-respect of operating conditions). The update of the legislative register is outsourced by a specialized legal service but then checked and controlled by our in-house legal counsel. This helps follow the</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							panels, etc.) and generally to improve the BREEAM In-Use certification of the buildings. In 2016, the budget for this work was of the order of €1.75 million. As for major renovations, part of the overall renovation budget is allocated to sustainable optimization and anticipating new regulations on the improvement of the environmental performance of buildings.	fast changing legislation regarding energy performance of buildings.	
Uncertainty surrounding new regulation	We are anticipating the development of more stringent regulations for the real estate sector, and are convinced that integrating a proactive approach into our business	Reduced demand for goods/services	>6 years	Indirect (Client)	Likely	Medium	One of the consequences of the regulatory changes could also be a decrease of Befimmo portfolio occupancy rate and thus a decrease of its annual global	MITIGATION AND CONTROL MEASURES: The Company has a legal team with the necessary skills to ensure strict compliance with regulations and proactively anticipate	The cost associated with this update of the legislative register amounts around 6.000 EUR/year.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	strategy, will be beneficial, as generally speaking, retro-fitting measures are more costly.						<p>revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. rental income. On an annual basis as at 31 December 2016, a 1% fluctuation in the occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, €0.08 on the net asset value per share and 0.08% on the debt ratio. The direct costs related to rental vacancy, namely charges and taxes on unlet properties, were estimated at - €4.05 million on an annual basis, or about 2.94% of total rental</p>	<p>changes in the law (regulatory monitoring). It also regularly calls upon external consultants. However, the Company has put in place procedures published in the Environmental Management System (ISO 14001 certified) to avoid this risk (e.g. risk of missing installations in the permit, non-respect of operating conditions). The update of the legislative register is outsourced by a specialized legal service but then checked and controlled by our in-house legal counsel. This helps follow the fast changing</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							income. The Company may also be exposed to higher expenses in connection with the marketing of properties available for lease.	legislation regarding energy performance of buildings.	

**CC5.1b**

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate drivers	Risk of inadequate insurance coverage during natural disaster: The Company is exposed to the risk of major losses in its buildings.	Increased capital cost	1 to 3 years	Direct	Exceptionally unlikely	High	A loss in a property entails the costs of repairing the damage. A major loss where the premises can no longer be occupied may lead to the	All buildings in Befimmo's consolidated portfolio are covered by a number of insurance policies (covering loss of rent during reconstruction, fire, storm, water damage, etc.) for a total value of €2	The cost associated to Befimmo insurance policies. The annual cost for insurance premiums regarding the whole Befimmo's consolidated portfolio (including the coverage for natural disasters) is

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							termination of a lease	208.9 million (as of 31 December 2016).	approximately €375,000/year.

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	The Company is exposed to the risk of damaging its reputation. By not acknowledging, understanding and appropriately addressing climate change issues, there is a risk of damage to reputation.	Reduction in capital availability	>6 years	Direct	Likely	Medium	One of the consequences of the regulatory changes could also be a decrease of Befimmo portfolio occupancy rate and thus a decrease of its annual global revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. On an annual basis as at 31 December 2015, a 1% fluctuation in the	One of the methods to manage this reputation risk, could be that Befimmo proactive and very transparent is in its communication; in order to avoid the announcement of unexpected bad news. Befimmo won the first prize for the Best Belgian Corporate Social Responsibility report in 2014	There are no additional costs compared to recurring costs dedicated to communication.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, of €0.09 on the net asset value per share and of 0.09% on the debt ratio. The direct costs related to rental vacancy, namely charges and taxes on unlet properties, were estimated at -€4.36 million a year, or about 3.11% of total rental income. The Company could also be exposed to higher expenses as part of the commercialization of the properties available for lease.		
Reputation	The Company is exposed to the risk of damaging its reputation. By not acknowledging, understanding and appropriately	Reduced stock price (market valuation)	>6 years	Direct	Likely	Medium	One of the consequences of the regulatory changes could also be a decrease of Befimmo portfolio occupancy rate and thus a decrease of its annual global	One of the methods to manage this reputation risk, could be that Befimmo proactive and very transparent is in its	There are no additional costs compared to recurring costs dedicated to communication.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	addressing climate change issues, there is a risk of damage to reputation.						<p>revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. rental income. On an annual basis as at 31 December 2016, a 1% fluctuation in the occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, €0.08 on the net asset value per share and 0.08% on the debt ratio. The direct costs related to rental vacancy, namely charges and taxes on unlet properties, were estimated at -€4.05 million on an annual basis, or about 2.94% of total rental income. The Company may also be exposed to higher expenses in connection with the</p>	<p>communication; in order to avoid the announcement of unexpected bad news. Befimmo communicates transparently and adapts the communication to the various stakeholders (type, means, frequency, etc.). For example, if an environmental concern occurred in one of its buildings, Befimmo could proactively notify the tenants of the building and explain how she intends to solve the problem. If the concern is important, Befimmo could proactively inform the market (shareholders) via a press release.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							marketing of properties available for lease.		
Changing consumer behavior	For some of our tenants, demand has progressively shifted to occupy buildings which address sustainability & climate change issues. To not address these issues would be detrimental to the marketability of the assets to existing and future tenants.	Reduced demand for goods/services	>6 years	Indirect (Client)	Likely	Medium	One of the consequences of the regulatory changes could also be a decrease of Befimmo portfolio occupancy rate and thus a decrease of its annual global revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. rental income. On an annual basis as at 31 December 2016, a 1% fluctuation in the occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, €0.08 on the net asset value per share and 0.08% on the debt ratio. The direct costs	One of the methods to manage this consumer behaviour risk is to educate its tenants (its consumers), telling them what Befimmo is doing in terms of its various approaches to sustainability and environment. For example, Befimmo is encouraging all its tenants to shift to green electricity contracts.	Befimmo is putting in place a multi-annual investment plan to schedule and carry out work to optimize the sustainable performances of the properties in use as well as to raise awareness of its tenants and educate them. In 2016, the annual global budget for this was €1.75 million.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							related to rental vacancy, namely charges and taxes on unlet properties, were estimated at - €4.05 million on an annual basis, or about 2.94% of total rental income. The Company may also be exposed to higher expenses in connection with the marketing of properties available for lease.		

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CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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#### Further Information

Further information Q5.1b: Befimmo's assets are located in regions that are currently not substantially directly affected by physical climate parameters. However, as described above, Befimmo has identified risks and opportunities that could result indirectly from climate change. Physical and weather-related impacts from climate change imply namely deterioration of buildings. The Company is exposed to the risk of depreciation of its buildings as a result of wear and tear, and the risk of obsolescence associated with the growing (legislative and societal) demands mainly in terms of sustainable development (energy performance, etc.). POTENTIAL IMPACT: This obsolescence increases the risk of rental vacancy and requires investment to bring the building into compliance with regulatory requirements and tenants' expectations. MITIGATION MEASURES: Befimmo strives to maintain its properties in good working order and upgrade them in terms of energy performance, technical installations, etc. by drawing up an inventory of the preventive and corrective maintenance work required and devising a programme of works. Befimmo is also keen to have most of its buildings covered by "total guarantee" maintenance contracts (70%). A maintenance contract with a total guarantee facility covers all preventive and corrective maintenance activities to be carried out over the duration of the contract and sets a price cap which protects the owner against major unforeseen investments. True to one of the key principles of sustainable development, "reduction at source", Befimmo is closely monitoring the development of existing legislation, anticipating forthcoming legislation and analysing the sector studies in order to incorporate new management technologies and tools into its renovation projects as quickly as possible. Moreover, The Company is exposed to environmental risks especially in terms of soil, water, air (high CO<sub>2</sub>e emissions) and also noise pollution. POTENTIAL IMPACT: In view of its real-estate activity in the broad sense, such risks could damage the environment and also entail significant costs for Befimmo and adversely impact its image. MITIGATION MEASURES: Befimmo adopts a responsible approach under which it has, for many years, aimed to take the necessary measures to reduce the environmental impact of the activities it controls and directly influences, such as its site checks for renovation and/or building projects (referred to above) and compliance with the environmental permits for the operational portfolio. Furthermore, the implementation of its Environmental Management System (EMS), which is ISO 14001 compliant, allows it to better anticipate environmental risks at both strategic level (acquisitions, major renovations, etc.) and operational level (building maintenance, use of buildings, etc.). Please find attached the chapter Risk Factors published in Befimmo's Annual Report 2016.

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#### Attachments

**Page: CC6. Climate Change Opportunities**

**CC6.1**

**Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Opportunities driven by changes in regulation
- Opportunities driven by changes in other climate-related developments

**CC6.1a**

**Please describe your inherent opportunities that are driven by changes in regulation**

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	"Environmental Liability 2015": In the Brussels Region, since 2015, the environmental liability standard (also called "passive standard") is applicable to all new construction	New products/business services	>6 years	Indirect (Client)	Very likely	Medium	Regulatory changes could - for example - increase capital costs due to the requirements for new investments to meet the new regulatory standards.	By implementing new regulations, Befimmo anticipates the evolution through a sustainable approach of its portfolio that will ultimately lead to improved	For major renovations, part of the over-all renovation budget (between 5 to 10%) is allocated to sustainable optimisation of the building. During the

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	and major renovations.						<p>These costs increase are not (yet) reflected in rents increase. Befimmo is implementing a specific multi-annual investment plan designed to carry out work to optimize the sustainable performance (including proactive environmental measures) of the operational buildings (replacement of old technical installations</p>	<p>marketability or occupancy rate, lower energy consumption figures, improved building valuation, longer useful lifecycles. Depending on the project, part of the overall renovation budget (between 5 to 10%) is allocated to sustainable optimization and anticipating new regulations on the improvement of the environmental performance of buildings. This policy aims at respecting current and anticipated regulations</p>	<p>fiscal year, other investments amounted to €17.5 million. The Company continued its multi-annual investment programme to improve the energy performance of its operational buildings (Befimmo's portfolio excluding Fedimmo). Furthermore, in the context of changing ways of working and in order to offer a better user experience to tenants, Befimmo is gradually equipping its buildings with shared meeting rooms,</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								and at meeting tenants', investors' and shareholders' expectations.	restaurants, spaces for nurseries, a fitness centre, etc., taking into account the specific characteristics of the buildings (rental situation, location, etc.).
International agreements	EPB (energy performance of buildings) certificates. This index, based on EU Directive 2002/91/EC, expresses the amount of energy needed to meet the various needs of a building in normal use. It is calculated on the basis of the various factors influencing energy demand (insulation,	Investment opportunities		Indirect (Client)	Very likely	Medium	Regulatory changes - in this case Environmental Certification obligation - increase capital and operational costs due to the requirements for new investments to meet the new regulatory standards but allows maintaining a high level, high quality buildings and	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 and also assisting the achievement of the EPB certification. Befimmo is aware of the importance of checking proper	For major renovations, part of the over-all renovation budget (between 5 to 10%) is allocated to sustainable optimisation of the building. During the fiscal year, other investments amounted to €17.5 million. The Company continued its multi-annual investment

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	ventilation, solar and internal gains, heating system, etc.).						so high occupancy rate. The goal is to transform a risk into an opportunity, so, prevent the realization of a risk and in this below mentioned case, prevent a reduction in Befimmo occupancy rate and therefore a loss of revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. On an annual basis as at 31 December 2016, a 1% fluctuation in the	implementation in the field of its investments in the environmental and energy performance of its buildings. Since 2014, the Green Adviser monitors energy consumption by telemonitoring and optimising it while ensuring a high level of comfort for tenants. Depending on the project, part of the overall renovation budget (between 5 to 10%) is allocated to sustainable optimization and anticipating new regulations on	programme to improve the energy performance of its operational buildings (Befimmo's portfolio excluding Fedimmo). Furthermore, in the context of changing ways of working and in order to offer a better user experience to tenants, Befimmo is gradually equipping its buildings with shared meeting rooms, restaurants, spaces for nurseries, a fitness centre, etc., taking into account the specific characteristics of the

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result. The direct costs related to rental vacancy, namely charges and taxes on unlet properties, were estimated at - €4.05 million a year, or about 2.94% of total rental income.	the improvement of the environmental performance of buildings. This policy aims at respecting current and anticipated regulations and at meeting tenants', investors' and shareholders' expectations.	buildings (rental situation, location, etc.).
Voluntary agreements	Befimmo is developing with all its stakeholders, namely its tenants a continuous dialogue, through (i) the Environmental	Reduced operational costs	>6 years	Direct	Very likely	Low-medium	Befimmo is pursuing its ambitious target of cutting specific electricity consumption (kWh/m2) in private areas	The Building User Guide is a guide for the tenants of the building to the proper operation of the installations and for limiting	Nihil, no associated costs.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Cooperation Agreement and (ii) the Building User Guide (BUG), in order to reduce the environmental impact of its portfolio.</p>						<p>by -1% a year during 3 years, or -3.0% by the end of 2016. Befimmo plans, among other things, to take up this challenge through this agreement &amp; the BUG to active awareness-raising among its tenants and encourage them reducing their energy consumption and so their charges linked to this consumption.</p>	<p>its environmental footprint. The Building User Guide has currently been drafted and distributed for some 10 buildings. A list of priority buildings has been drawn up for further Building User Guides to be drafted and distributed to tenants. OBJECTIVE FOR 2017-2019 The objective is to finalise and distribute Building User Guides for all Befimmo buildings managed by Property Management. There are 49 buildings in total. Eighteen Building User Guides will be</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								drafted and distributed in 2017, 19 in 2018 and the remainder in 2019. This document will be handed over by the property management to new tenants as well as to the existing tenants.	

**CC6.1b**

Please describe your inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management

**CC6.1c**

Please describe your inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Investing in changes in climate-related developments, could really improve the Company reputation	Increase in capital availability	>6 years	Direct	Likely	Medium	It's difficult to estimate potential financial implications of this reputation opportunity. However, being able to outperform the real-estate offices market in terms of managing climate change issues, could be a major competitive advantage compared to Befimmo's peers, etc. This implies, higher attractiveness of the buildings, thus higher occupancy rate and an increase of the global revenues.	One of the methods used by Befimmo is the proactivity, listening to tenants (through regular events organized by Befimmo's Commercial Department - one to two times per year OR through a satisfaction survey (planned for 2017)) ; understand their needs in terms of reducing their CO2 emissions. Befimmo invests in transparency through its reports and stakeholders dialogue.	The cost isn't yet defined.
Reputation	Investing in changes in climate-related developments, could really improve the Company reputation	Increased stock price (market valuation)		Direct	Likely	Medium	It's difficult to estimate potential financial implications of this reputation opportunity. However, being able to outperform the real-estate offices market in	One of the methods used by Befimmo is the proactivity, listening to tenants (through regular events organized by Befimmo's Commercial	The cost isn't yet defined.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							terms of managing climate change issues, could be a major competitive advantage compare to Befimmo's peers, etc. This implies, higher attractiveness of the buildings, thus higher occupancy rate and an increase of the global revenues.	Department - one to two times per year); understand their needs in terms of reducing their CO2 emissions. Moreover Befimmo intend to organise current 2017 its first satisfaction survey of its tenants.	
Reputation	Investing in changes in climate-related developments, could really improves the Company reputation.	Premium price opportunities	>6 years	Direct	Likely	Medium	It's difficult to estimate potential financial implications of this reputation opportunity. However, being able to outperform the real-estate offices market in terms of managing climate change issues, could be a major competitive advantage compare to Befimmo's peers, etc. This implies, higher attractiveness of the buildings, thus	One of the methods used by Befimmo is the proactivity, listening to tenants (through regular events organized by Befimmo's Commercial Department - one to two times per year); understand their needs in terms of reducing their CO2 emissions. Moreover Befimmo intend to organise current 2017 its	The cost isn't yet defined.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							higher occupancy rate and an increase of the global revenues.	first satisfaction survey of its tenants.	
Changing consumer behavior	Investing in changes in climate-related developments, could raise the awareness and/or educate the potential tenants in terms of reducing their carbon emissions.	Increased demand for existing products/services	>6 years	Indirect (Client)	Likely	Medium	Investing in changes in climate-related developments, could raise the awareness and/or educate the potential tenants in terms of reducing their CO2 emissions. This opportunity implies, higher attractiveness of the buildings, thus higher occupancy rate and increase of the global revenues etc. Befimmo's goal is to transform a potential risk into an opportunity, so, prevent the realization of a risk and in this below mentioned case, prevent a reduction in Befimmo occupancy rate and therefore a	One of the methods used by Befimmo is the proactivity, listening to tenants (through regular events organized by Befimmo's Commercial Department - one to two times per year); understand their needs in terms of reducing their CO2 emissions. Moreover Befimmo intend to organise current 2017 its first satisfaction survey of its tenants.	The cost isn't yet defined.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							loss of revenues. The realization of this risk could lead to a decline in occupancy rates and a reduction in the operating result of the portfolio. On an annual basis as at 31 December 2016, a 1% fluctuation in the occupancy rate of the Company's portfolio would have an impact of some €2.1 million on the property operating result, €0.08 on the net asset value per share and 0.08% on the debt ratio.		

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**CC6.1e**

**Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure**

So far, as Befimmo's assets are located in Belgium (temperated temperatures), outside flood are, we have considered that the climate change would not substantially affect our portfolio.

According to our strong risk and opportunities identification process, we don't feel that the market is such that changes in the physical climate parameters in the region in which we operate (Belgium) drive significant opportunities.

However, recent studies (GreenPeace / JP Van Ypersele) have shown a potential impact of climate change on Belgian's weather conditions (highest temperatures variations, more frequent heavy rains). As these have a potential impact on our building management and design, we will consider these factors in our new CSR strategy definition, based on the UN SDGs.

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**CC6.1f**

**Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure**

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**Further Information**

Befimmo offers its tenants an environmental cooperation agreement linked to each lease (see examples in attachment). After visiting private areas, the Environmental Technical Team (CTE) suggests measures to the occupants for improving environmental performance of their private installations in line with the BREEAM standards followed by Befimmo. On the basis of a detailed analysis of consumption in private areas and internal benchmarking, the CTE also suggests measures for reducing power consumption and waste production. It also offers support, a telemonitoring and detailed reporting of environmental data for the rented premises. The environmental cooperation agreement is offered to new tenants and to all existing tenants on a gradual basis. In 2017, Befimmo plans to meet, dialogue with and educate all its tenants through the environmental cooperation agreement. It also plans to measure the positive impact of the process by inventorising savings and improvements brought about through close cooperation with tenants. It will continue to approach a number of existing tenants with the highest private electricity consumption and offer to help them reduce it. Meanwhile it will offer its cooperation and services to new tenants.

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**Attachments**

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/BUG\\_Froissart\\_AN\\_web.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/BUG_Froissart_AN_web.pdf)  
[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CCE\\_Int. Bus. Wales - Convention collab. envir \(ENG\).docx](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CCE_Int.Bus.Wales-%20Convention%20collab.%20envir%20(ENG).docx)

**Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading****Page: CC7. Emissions Methodology**

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**CC7.1**

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jan 2013 - Tue 31 Dec 2013	216.74
Scope 2 (location-based)	Tue 01 Jan 2013 - Tue 31 Dec 2013	35.18
Scope 2 (market-based)	Tue 01 Jan 2013 - Tue 31 Dec 2013	0

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**CC7.2**

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

**Please select the published methodologies that you use**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Bilan Carbone

**CC7.2a**

**If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

In terms of inventorying and reporting Befimmo started to apply "Bilan Carbone®" method and then gradually implements the GHG Protocol. This implies that the methodology has been reviewed in 2012 and that the perimeters of scope 1, scope 2 and 3 have changed: (1) The emissions of all operations over which Befimmo has operational control, all owned facilities that the Company occupies and vehicles the Company operates, are included in the environmental data based on measurements and/or calculation. Those emissions are integrated in scope 1 and scope 2. Further, (2) the emissions of the buildings leased to the tenants are now integrated in scope 3 instead of scope 1 and scope 2; This wasn't the case the previous years. Please note that, for the current 2017 CDP reporting (year 2016), the years 2009, 2010, 2011, and 2012 have been modified based on this methodology.

**CC7.3**

**Please give the source for the global warming potentials you have used**

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)

**CC7.4**

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	188	kg CO2e per MWh	comes from the Natural gas provider
Motor gasoline	2.264	kg CO2 per liter	ADEME, Carbon balance
Diesel/Gas oil	2.511	kg CO2 per liter	ADEME, Carbon balance
Other: Green Electricity	0	kg CO2e per MWh	ADEME, Carbon balance
Electricity	199	kg CO2e per MWh	IEA (international Energy Agency)

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#### Further Information

The reporting methodology in 2016 has not fundamentally changed in relation to 2015. Some additional historical data, complete or partial, obtained after the publication of the last Annual Financial Report were, after verification, integrated with previously published data. Other minor adjustments were also made to the data with a view to improving the quality and accuracy of the consolidated data of non-financial reporting, notably: > Global Lettable Area (GLA) was updated where assets were re-surveyed; > the conversion factors needed to calculate the CO2e were verified and updated ; > the accuracy and updating of tariff data were verified for energy supply contracts used to calculate the financial savings from energy saving; > the data related to the self-generation of energy (electricity) were integrated into the data related to the absolute and specific electricity consumption of common areas. Please find attached Befimmo's 2016 reporting methodology.

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#### Attachments

[https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Befimmo\\_methodology\\_2017.pdf](https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Befimmo_methodology_2017.pdf)

**Page: CC8. Emissions Data - (1 Jan 2016 - 31 Dec 2016)**

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#### CC8.1

**Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Operational control

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**CC8.2**

**Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e**

265.02

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**CC8.3**

**Please describe your approach to reporting Scope 2 emissions**

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	

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**CC8.3a**

**Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e**

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
42.15	0	

**CC8.4**

**Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

**CC8.4a**

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

**CC8.5**

**Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations**

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	Less than or equal to 2%	No Sources of Uncertainty	In terms of inventorying and reporting Befimmo started to apply "Bilan Carbone®" method and then gradually implements the GHG Protocol. This implies that the methodology has been reviewed in 2012 and that the perimeters of scope 1, scope 2 and 3 have changed: (1) The emissions of all operations over which Befimmo has operational control, all owned facilities that the Company occupies and vehicles the Company operates, are included in the environmental data based on measurements and/or calculation. Those emissions are integrated in scope 1 and scope 2. Further, (2) the emissions of the buildings leased to the tenants are now integrated in scope 3 instead of scope 1 and scope 2; This wasn't the case the previous years. Please note that, for the current 2017 CDP reporting (year 2016), the years 2013, 2014, and 2015 have been modified based on this new methodology. At this stage there is no sources of uncertainty
Scope 2 (location-based)	Less than or equal to 2%	No Sources of Uncertainty	In terms of inventorying and reporting Befimmo started to apply "Bilan Carbone®" method and then gradually implements the GHG Protocol. This implies that the methodology has been reviewed in 2012 and that the perimeters of scope 1, scope 2 and 3 have changed: (1) The emissions of all operations over which Befimmo has operational control, all owned facilities that the Company occupies and vehicles the Company operates, are included in the environmental data based on measurements and/or calculation. Those emissions are integrated in scope 1 and scope 2. Further, (2) the emissions of the buildings leased to the tenants are now integrated in scope 3 instead of scope 1 and scope 2; This wasn't the case the previous years. Please note that, for the current 2017 CDP reporting (year 2016), the years 2013, 2014, and 2015 have been modified based on this new methodology. At this stage there is no sources of uncertainty
Scope 2 (market-based)	Less than or equal to 2%	No Sources of Uncertainty	In terms of inventorying and reporting Befimmo started to apply "Bilan Carbone®" method and then gradually implements the GHG Protocol. This implies that the methodology has been reviewed in 2012 and that the perimeters of scope 1, scope 2 and 3 have changed: (1) The emissions of all operations over which Befimmo has operational control, all owned facilities that the Company occupies and vehicles the Company operates, are included in the environmental data based on measurements and/or calculation. Those emissions are integrated in scope 1 and scope 2. Further, (2) the emissions of the buildings leased to the tenants are now integrated in scope 3 instead of scope 1 and scope 2; This wasn't the case the previous years. Please note that, for the current 2017 CDP reporting (year 2016), the years 2013, 2014, and 2015 have been modified based on this new methodology. At this stage there is no sources of uncertainty

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

**CC8.6a**

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC8.6a/Befimmo_Limited Assurance_2017_Full.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC8.6a/Befimmo_Limited Assurance_2017_Full.pdf</a>	Full document	ISAE3000	100

**CC8.6b**

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission
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**CC8.7**

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

**CC8.7a**

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/CC8.7a/Befimmo_Limited%20Assurance_2017_Full.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Befimmo_Limited Assurance_2017_Full.pdf</a>	Full document	ISAE3000	100
Market-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/CC8.7a/Befimmo_Limited%20Assurance_2017_Full.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Befimmo_Limited Assurance_2017_Full.pdf</a>	Full document	ISAE3000	100

**CC8.8**

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	

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**CC8.9**

**Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

No

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**CC8.9a**

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

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**Further Information**

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)**

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**CC9.1**

**Do you have Scope 1 emissions sources in more than one country?**

No

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**CC9.1a**

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
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**CC9.2**

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

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**CC9.2a**

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
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**CC9.2b**

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
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**CC9.2c**

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
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**CC9.2d**

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
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**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)**

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**CC10.1**

**Do you have Scope 2 emissions sources in more than one country?**

No

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**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)

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**CC10.2**

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

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**CC10.2a**

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)

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**CC10.2b**

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
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**CC10.2c**

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
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**Further Information**

**Page: CC11. Energy**

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**CC11.1**

**What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

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**CC11.2**

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Heat	0
Steam	0
Cooling	0

---

**CC11.3**

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

1129

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**CC11.3a**

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	896
Diesel/Gas oil	233
Natural gas	182

---

**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Emissions factor (in units of metric tonnes CO2e per MWh)	Comment
Energy attribute certificates, Guarantees of Origin	211.81	0	"Green electricity contracts excluding the production of Befimmo's photovoltaic panels (renewable energy). "
Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company	11.54	0	Due to installation of solar panels on the building roof.

#### CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
223	212	12	12	12	The current total coverage of photovoltaic panels for the Befimmo portfolio is at the end of 2016 equal to 3,837 m <sup>2</sup> . In view of ongoing and planned renovation and construction projects, the total area of solar panels will be further increased in line with progress on worksites. In 2016 electricity production of the solar panels generated around 19,000€ Fully economy for the benefit of tenants in deduction of their expenses. More or less 400m <sup>2</sup> of photovoltaic solar panels are installed on the roof of the multi-tenant building occupied by Befimmo corporate for its own activities. 20% of

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
					the production of these installations is directly consumed by Befimmo corporate while the remaining production is returned in the common areas for the benefit of the tenants.

**Further Information**

**Page: CC12. Emissions Performance**

**CC12.1**

**How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?**

Increased

**CC12.1a**

**Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year**

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities			

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions	0.35	Increase	In 2016, when refurbishing the “corporate” premises as part of the SWOW project, special attention was paid to the new electrical installations to keep consumption as low as possible and to maintain the benefit and experience of the good environmental practice that it is developing. When carrying out this major work, which lasted several months, Befimmo temporarily moved its team into one of its buildings. This slight increase of 0.35% was a remarkable achievement as the two buildings were occupied simultaneously.
Unidentified			
Other			

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### CC12.1b

**Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

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### CC12.2

**Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue**

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.00000224	metric tonnes CO2e	137037000	Market-based	7	Increase	The increase is mainly due to the exceptional increase in Corporate emissions due to the temporary move to another building during the refurbishment of the Corporate office.

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
4.28	metric tonnes CO2e	full time equivalent (FTE) employee	72	Market-based	1	Increase	"In 2016, when refurbishing the "corporate" premises as part of the SWOW project, special attention was paid to the new electrical installations to keep consumption as low as possible and to maintain the benefit and experience of the good environmental practice that it is developing. When carrying out this major work, which lasted several months, Befimmo temporarily moved its team into one of its buildings. Its energy consumptions in 2016 is therefore spread over two sites, one of which also includes the electrical power (2.6 MWh) needed for carrying out the work. Net of the latter, the reduction in total electricity consumption is -3.4% in 2016 (185.7

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
							MWh) in relation to 2015 (192.3 MWh). This further explains the increase of heating as both buildings consumption were considered. Befimmo reduced the overall rate of average emissions per vehicle (CO2e/km) of its fleet by -1.62% in 2016 in relation to 2015. This decrease is the result of applying an updated car policy to vehicles purchased new or replaced. The absolute reduction in vehicle-related CO2e emissions from 246 tonnes in 2015 to 231 tonnes in 2016 (-6%) was due mainly to a decrease in emissions from fleet vehicles."

#### Further Information

"In 2016, when refurbishing the "corporate" premises as part of the SWOW project, special attention was paid to the new electrical installations to keep consumption as low as possible and to maintain the benefit and experience of the good environmental practice that it is developing. When carrying out this major work, which lasted several months, Befimmo temporarily moved its team into one of its buildings. Its energy consumptions in 2016 is therefore spread over two sites, one of which also includes the electrical power (2.6 MWh) needed for carrying out the work. Net of the latter, the reduction in total electricity consumption is -3.4% in 2016 (185.7 MWh) in relation to 2015 (192.3 MWh). This further explains the increase of heating as both buildings consumption were considered. Befimmo reduced the overall rate of average emissions per vehicle (CO2e/km) of its fleet by -1.62% in 2016 in relation to 2015. This decrease is the result of applying an updated car policy to vehicles purchased new or replaced. The absolute reduction in vehicle-related CO2e emissions from 246 tonnes in 2015 to 231 tonnes in 2016 (-6%) was due mainly to a decrease in emissions from fleet vehicles.

#### Page: CC13. Emissions Trading

##### CC13.1

**Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

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**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

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**CC13.1b**

What is your strategy for complying with the schemes in which you participate or anticipate participating?

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**CC13.2**

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

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**CC13.2a**

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits canceled	Purpose, e.g. compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated		The methodology used to calculate the GHG emissions related to "Purchase of services and consumables" is based on the Economic Input-Output Life Cycle Assessment (EIO-LCA). This method estimates the materials and energy resources required for, and the environmental emissions resulting from, activities in the economy. It is one technique for performing a life cycle assessment, an evaluation of the environmental impacts of a product or process over its entire life cycle. The method uses information about industry transactions - purchases of materials by one industry from other industries, and the information about direct environmental emissions of industries, to estimate the total emissions throughout the supply chain. This methodology provides monetary emission factors per economy sector. To each expense category from Befimmo	0.00%	100% of the purchased goods and services have been taken into account. This represents more than 80 different purchases categories."

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			amounts, a monetary emission factor from the EIO-LCA model has been assigned.		
Capital goods	Relevant, not yet calculated		Percentage of emissions calculated using data obtained from suppliers or value chain partners		Befimmo has sixty buildings and plans to make that assessment in the near future
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	7609	In terms of inventorying and reporting Befimmo started to apply "Bilan Carbone®" method and then gradually implements the GHG Protocol.	0%	
Upstream transportation and distribution	Not relevant, explanation provided				Not applicable for Befimmo's Business
Waste generated in operations	Relevant, calculated	314	This amount refers to the emissions from the renovation projects and buildings in use. The emission factors of ADEME have been used and multiplied by the amount of waste per type and treatment. Befimmo takes great care to manage waste from its sites and usually exceeds the applicable regulations. Even before construction sites it systematically organises campaigns for dismantling building materials that could be reused for other projects. Furthermore, its building contracts, and the level of BREEAM certification it aims to obtain, require its contractors to be very rigorous in the management and traceability of waste produced by its building sites. Manual workers and all stakeholders involved in the project are involved and educated in waste sorting. Waste management plans are drawn up by specialist	100.00%	"Explanation: In 2014, Befimmo awarded a management contract to an external consultant for waste produced by its operational buildings and of which it handles the operational management itself. Under this contract, the service provider has undertaken to optimise waste treatment costs, notably by facilitating the transfer to reclamation systems of the portion of recyclable waste present in unsorted waste. In 2016, the contract covered 21% of the area of the Befimmo portfolio and helped keep the waste recycling rate at constant perimeter [LfL] to 59%, notably by continuing to raise awareness among tenants and cleaning companies of the common and private areas."

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			consultancies while environmental coordinators are also appointed in addition to the BREEAM coordinator to ensure proper waste management. Accurate reporting is also put in place for each site.		
Business travel	Not relevant, calculated	70	These are CO2 emissions generated by business travels by air or rail made in the reporting year by Befimmo employees. "	0%	Befimmo provides and calculates this information but since the business travel are very limited / nearly insignificant, it's not relevant to provide this information. It has increased due to more long haul flights in 2016.
Employee commuting	Relevant, not yet calculated				Since Befimmo has a small team and that most of the employees has a company car (scope 1), this source hasn't yet been calculated.
Upstream leased assets	Not relevant, explanation provided				Not applicable for Befimmo's Business
Downstream transportation and distribution	Not relevant, explanation provided				Not applicable for Befimmo's Business
Processing of sold products	Not relevant, explanation provided				Not applicable for Befimmo's Business
Use of sold products	Not relevant, explanation provided				Not applicable for Befimmo's Business
End of life treatment of sold products	Not relevant, explanation provided				Not applicable for Befimmo's Business

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Downstream leased assets	Not relevant, explanation provided				Not applicable for Befimmo's Business
Franchises	Not relevant, explanation provided				Not applicable for Befimmo's Business
Investments	Not relevant, explanation provided				Not applicable for Befimmo's Business
Other (upstream)	Not relevant, explanation provided				Not applicable for Befimmo's Business
Other (downstream)					Not applicable for Befimmo's Business

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**CC14.2**

**Please indicate the verification/assurance status that applies to your reported Scope 3 emissions**

Third party verification or assurance process in place

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**CC14.2a**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/60/31360/Climate%20Change%202017/Shared%20Documents/Attachments/CC14.2a/Befimmo_Limited%20Assurance_2017_Full.pdf">https://www.cdp.net/sites/2017/60/31360/Climate Change 2017/Shared Documents/Attachments/CC14.2a/Befimmo_Limited Assurance_2017_Full.pdf</a>	Full document	ISAE3000	100

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**CC14.3**

**Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?**

Yes

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**CC14.3a**

**Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year**

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	3	Decrease	Reduction was achieved at all levels: gas, electricity for common and private areas. This is the result of investments, regulations and follow up by the environmental management department.
Business travel	Change in methodology	536	Increase	The increase is due to 1) new international business opportunities 2) the consideration of business class emission factor in the footprint calculation
Waste generated in operations	Change in methodology			

#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

- Yes, our suppliers
- Yes, our customers
- Yes, other partners in the value chain

#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

(1) **METHOD** In late 2016, an initial workshop attended by about 10 internal and external stakeholders (consultancy firms, architects, general contractors, certification bodies) was organised to exchange ideas on the advantages and disadvantages of the systems for assessing the environmental performance of a building or renovation project, by distinguishing two stages: a). During the design of the project when the project manager and architect have to be given the means to assess the construction system in terms of its environmental performance; b). During the construction of the project when the project manager has to be given the means to select the materials suppliers in terms of their environmental performance;

(2) **PRIORITIZING:** However, reading the 2014 results of CSR-related surveys (such as investors questionnaires GRESB, CDP or the analysis The Shift), Befimmo has identified not only its strengths but also its weaknesses and has therefore decided to make every effort to improve them. The main aspect for

improvement identified is the issue of its Social Responsibility related to its value chain. Befimmo is aware that a significant part of its environmental and also societal impact is upstream in its value chain. Its responsibility extends beyond its own business and it must educate and inspire all of its stakeholders as much as possible, especially its suppliers, to achieve its qualitative and quantitative objectives.

(3) MEASURES OF SUCCESS: This initial workshop highlighted two approaches that will be studied and tested in 2017 on specific new construction and renovation projects. In the choice of construction systems, Befimmo will consider the possibility of introducing the Life Cycle Analysis method alongside BREEAM to quantify the environmental impact of the construction systems planned at the design stage, building on the work of the three Belgian regions (MMG tool) and following EN 15804 standards. In the choice of the materials, Befimmo will consider the possibility of using the existing labels (NF Environnement, Blaue Engel Ecolabel, etc.) or developing specific criteria or excluding certain materials on account of their environmental performance.

In 2017, Befimmo plans to set sustainable operational procurement criteria for materials/suppliers for the family subcategories “Sites” classified as “Leverage” in the Kraljic matrix. This objective should be achieved gradually over a period of 3 to 5 years in a participatory manner with all stakeholders namely: Befimmo in-house teams, architects and consulting firms and contractors/suppliers.

Regarding the tenants, Befimmo tries to improve the dialogue of its tenants, in order to make them aware of the importance of the sustainable and climate change issues. Therefore, Befimmo intends to invite its tenants to take part in its approach to achieve more sustainable development (including climate change approach), and to that end proposes to organise biannual meetings between tenants, the property manager and Befimmo's commercial department in order to inform tenants about the building they occupy, its technical operation, and the influence and role of each party in relation to environmental protection. New tenants and also existing tenants are being offered an Environmental Cooperation Agreement associated with each 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.). Tenants are free to take part or not. Moreover, Befimmo has also implemented a Tenants' code of conduct called the Building User Guide. It is a guide for occupants of the building to the proper operation of the installations and for limiting the environmental footprint. Currently, the guide has been prepared for more or less 15 buildings. Accordingly, a new priority, namely the supply chain, has been added to the materiality matrix.

#### CC14.4b

**To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent**

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement
Active engagement	6	17%	Befimmo is aware that a significant part of its environmental and also societal impact lies upstream in its value chain, with its suppliers. Its responsibility therefore extends beyond its own business and it must educate and inspire all of its stakeholders to achieve its qualitative and quantitative objectives as far as possible. Accordingly, in the second half of 2015 Befimmo embarked on a comprehensive analysis of its value chain in order to make its procurement system more structured and professional, to assess its suppliers and integrate environmental and social criteria into its “core” and “corporate” procurement. This study, conducted in cooperation with management and the various departments

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement
			<p>concerned, is structured in several stages: 1) Individual analysis of the various categories of products and services, divided into three segments: Management (operational portfolio), Sites (renovation projects) and Corporate (various purchases and services for routine operation). 2) Preparation of a matrix, notably the Kraljic matrix, to position each procurement category on two axes: (i) risk, assessed according to the position of the buyer in relation to its suppliers (negotiation, availability, substitutes) and criticality of the product/service, and (ii) spendlevel of the product/service (proportion of the category in Befimmo's total spending). 3) Analysis of the various components of the products/services, and development of sustainable procurement criteria (for the relevant procurement categories). Objective : Continue this analysis process begun in 2015 and complete it by the end of 2016. The next major steps to be taken in 2016 are: (i) to hold meetings with selected key suppliers; (ii) to devise a new sustainable procurement policy and charter; (iii) to devise, select and implement new sustainable purchasing criteria; and (iv) to communicate internally (with buyers) and externally (with suppliers) to ensure that the new policy is implemented properly. In 2015 six major suppliers involved in the daily management of the buildings are already aware of the reduction of CO2 emissions. Five amongst them are maintenance companies in charge of the energy performance for which contracts include specific environmental clauses. The sixth one is a waste removal company very active in the portfolio whose contract also includes targets for emission reduction.</p>

CC14.4c

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

**Module: Sign Off**

**Page: CC15. Sign Off**

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
De Blicck Benoit	CEO	Chief Executive Officer (CEO)

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#### Further Information

[CDP 2017 Climate Change 2017 Information Request](#)