



Good governance is essential for the undertaking as it ensures accountability, transparency, and ethical decision-making, which builds trust among stakeholders and mitigates risks. It enhances financial performance, supports long-term strategy, attracts investment and fosters a positive reputation.

06.

GOVERNANCE

Business conduct

209

Befimmo's business conduct is translated into a set of corporate policies which establish clear guidelines and standards that govern the undertaking's operations.





• GOV-I

The role of the administrative, management and supervisory bodies

For more detailed information, please refer to the section **Role of the administrative, management and supervisory bodies** on page 47 of the present Report.

• IRO-I

Description of the processes to identify and assess material impacts, risks and opportunities

More information on IRO management can be found in the chapter **Impact, risk and opportunity management** on page 84 of the present Report.



Negative impacts

- Reputational impact, affecting the undertaking's stakeholders
- Resistance against change within the business culture
- Loss of market trust



Positive impacts

- Healthy corporate culture with clearly defined policies
- Good impact on reputation if business conduct standards are well-followed



Risks

- Significant cost linked to reputation and image, fines and remediation
- Litigation risks



Opportunities

- Implementation of responsible standards to position the undertaking on different subjects
- Information sharing

BEFIMMO CENTRAL HEAD OFFICE 

• G1-1

Corporate culture and business conduct policies

One of the main goals of Befimmo is to uphold exemplary internal ethical standards, by implementing the necessary means to prevent, detect and handle unethical behaviour. Ethical conduct is an integral part of the corporate culture, which emphasises honesty, integrity, professionalism, and the respect of high ethical standards in the performance of its activities.

All management bodies are involved in creating, monitoring, promoting and assessing the corporate culture. Ethics applies to all of Befimmo's team members and temporary workers, as well as to its wholly owned subsidiaries.

Befimmo complies with the rules set out in the Belgian labour law and other frameworks, such as:

- The Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law;
- The United Nations (UN) Universal Declaration of Human Rights (UDHR);
- The conventions of the International Labour Organization (ILO);
- The OECD Guidelines for Multinational Enterprises;
- The ten principles of the UN Global Compact;
- Sustainable Development Goals.



These rules include, among others, respect for Human Rights, respect for freedom of association, the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, the elimination of discrimination in employment, remuneration and

occupation, and state clear conditions regarding minimum age for employment, minimum wage and working hours.

In addition, a set of policies were adopted and measures have been taken to guarantee ethical standards at all levels of the undertaking, to mitigate any negative impacts related to business conduct, and to monitor and manage the related risks.

The undertaking is committed to investigating business conduct incidents promptly, independently, and objectively.



➊ OUR VALUES, P.25

➋ THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES, P.47

➌ OWN WORKFORCE, P.174



Ethics and Human Rights

In accordance with its Code of Ethics, Befimmo is committed to always acting ethically, whether in its dealings with clients, team members, its shareholders, partners, competitors or the public authorities, in compliance with laws and regulations governing all the economic sectors of the country that are applicable.

Such Code of Ethics further reflects Befimmo's commitments with regard to the respect for Human Rights, the prevention of conflicts of interest, corruption as well as the prevention of financial crime, the protection of personal data, the promotion of diversity, inclusion and zero tolerance towards any form of discrimination, violence and/or harassment, its ESG Policy, its philanthropic activities and associative partnerships. The Code of Ethics also outlines the policies that Befimmo has put in place regarding whistleblowing, the protection of its assets, resources, and data as well as regarding confidential information and the use of social media and external communications.

The Code of Ethics outlines the policies that Befimmo has put in place regarding whistleblowing, the protection of its assets, resources, and data as well as regarding confidential information and the use of social media and external communications.

This Code includes a commitment to respect Human Rights. In addition, Befimmo is committed to conducting its business while respecting the rights of all human beings. Befimmo is signatory to the ten principles of the UN Global Compact which includes two principles focused on the topic of Human Rights:

- Principle 1: Businesses should support and respect the protection of internationally proclaimed Human Rights;
- Principle 2: Businesses should make sure that they are not complicit in Human Rights abuses.

The undertaking also fully subscribes to the United Nations (UN) Universal Declaration of Human Rights (UDHR), the International Labour Organization's (ILO) Core Conventions and the OECD Guidelines for Multinational Enterprises.

In 2024, specific training was provided to the entire team with regard to the Code of Ethics and the policies to which the Code refers.

Whistleblowing

Befimmo aspires to a corporate culture characterised by trust, responsibility, a strict sense of morality and respect for regulatory provisions and best practices in corporate governance.

In this context, Befimmo has put in place a Whistleblowing Policy, enabling any team member, shareholder, independent service provider and any person working under the supervision of contractors, subcontractors and suppliers providing services to Befimmo, to notify, internally to a contact person within Befimmo or externally, any breach (potential or actual) which relates to the areas listed in Article 22 of the "Whistleblowing Law", all of Befimmo's

internal policies (like the Code of Ethics, the Anti-Corruption Policy, the Employment Regulations, the Diversity Policy, Inclusion and Zero Tolerance, the Philanthropy and Associative Partnership Policy and the Data Privacy Policy) and/or applicable law and regulation, in complete confidentiality and without fear of retaliation in the broadest sense if such notification is made in reasonably good faith.

The whistleblower may, within the framework of this procedure, notify the breach in one of the following ways:

- By letter to the Legal Corporate department;
- By email to the following address: whistleblowing@befimmo.be;
- By calling the Legal Corporate department to set up a meeting.
The Legal Corporate department will draw up a written report of this meeting;
- By notifying the Legal Corporate department by phone.
The Legal Corporate department will draw up a written report of this call;
- By using the whistleblowing hotline/channel:
whistleblowersoftware.com/en.



Prevention of financial crime

Befimmo undertakes to comply with applicable laws and regulation in relation to financial crime (including anti-bribery and corruption, anti-money laundering and sanctions) and to ensure that team members and associated persons (through appropriate due diligence and contractual provisions) do the same. To avoid both dealing with disreputable third parties and any claim that Befimmo ignored warning signs of issues that could present a reputational, legal or financial risk to Befimmo, appropriate risk-based due diligence is conducted on relevant third parties prior to the commencement of business relations or entering transactions with counterparties. To this end, Befimmo conducts a due diligence process on its customers and relevant counterparties.

Personal data protection

The General Data Protection Regulation (GDPR) was put into effect in 2018, aiming to protect individuals' fundamental right of personal data protection. In this framework, Befimmo has among others implemented a Data Privacy Policy.

Cybersecurity

Cybersecurity audits are conducted on a regular basis within Befimmo concerning IT security risks. The findings, recommendations, and mitigation action plan to be taken in this context are reviewed by the Executive Committee and then reported to the Board of Directors. Moreover, a cyber resilience programme has been set up by Executive Committee, under the lead of the Head of Technology & Data Solutions and its progress is reviewed by the Executive Committee on a regular basis.

Each team member receives regular cybersecurity simulations and weekly testing sessions.

SPARKS



Befimmo is convinced that diversity of thought and a source of exchange and creativity are fundamental to optimal decision-making, leading to better results and a sustainable business.

Diversity, inclusion and zero tolerance towards any form of discrimination, violence and/or harassment

Befimmo is convinced that diversity of thought and a source of exchange and creativity are fundamental to optimal decision-making, leading to better results and a sustainable business. Consequently, diversity is encouraged, and all team members or candidates are given equal opportunities regardless of differences in age, sexual orientation, civil status, birth, wealth, religious or philosophical conviction, political belief, trade union belief, language, current or future health condition, disability, physical or genetic trait, social background and any other characteristic of an individual. Furthermore, Befimmo is committed to developing and promoting the team members regardless of any characteristic that is not relevant in a professional environment. In addition, Befimmo also aims to create an inclusive working environment where everyone can find the support and resources they need to develop and reach their full potential, and where integrity, fairness, mutual respect, and a spirit of collaboration are shared by all.

Philanthropy and associative partnership

As a humane, responsible and civic organisation, Befimmo adopted the Philanthropy and Associative Partnership Policy to reflect its founding values. Given the numerous donation requests that Befimmo receives, it has adopted this Policy to provide a description of its commitment and to specify its terms.



ZIN 

Suppliers

By joining the UN Global Compact, Befimmo has committed to supporting and applying its fundamental principles regarding Human Rights, working conditions, environment and the fight against corruption. Befimmo wishes to involve its suppliers in its approach by sharing its values with them. Befimmo suppliers are asked to conduct their activities in accordance with the values and principles set out in the Supplier Code of Conduct, in strict compliance with applicable laws and regulations, and to select their own suppliers and partners accordingly. Compliance with this Code is important for any partnership with Befimmo, but also for its successful continuation.

Tenants and occupants

As the final link of the value chain, tenants and occupants of the buildings must be taken into consideration. Befimmo uses preventive measures against the risk of anti-money laundering and financing of terrorism, including an assessment of potential tenants and occupants before entering any business relationship with them. Any “at risk” tenant can be excluded from entering a business relationship with Befimmo if necessary.

ESG

Environmental, social and governance aspects are natural extensions of Befimmo’s corporate strategy, focused on creating value for all its stakeholders, both now and in the long-term. All ESG objectives are grouped into a global 2030 Action Plan reviewed and published annually, with regular updates and with a view to continuous improvement. Befimmo is committed to operating in a responsible and sustainable way, in line with its values, and with regard to all its external and internal parties. Befimmo ensures that its ESG strategy is applied throughout the entire value chain.

Anti-corruption and bribery

Please see the dedicated section **Prevention and detection of corruption or bribery** on page 219 for more information.

Disclosure and training

The policies mentioned above are available on the corporate website (for external stakeholders) and on the Intranet (for team members). The Legal Corporate department offers information sessions annually and/or whenever policies and codes of conduct are modified. All new team members also receive the main policies during their hiring process. The Legal Corporate and HR departments consistently ensures that stakeholders comply with these policies. In case of non-compliance, appropriate action is taken.

[Read our corporate policies.](#)

◆ BOTH NOW AND IN THE LONG-TERM

Environmental, social and governance aspects are natural extensions of Befimmo's corporate strategy.

ZIN 

86%

of suppliers are located in Belgium

2%

of suppliers are located outside Europe

• G1-2

Management of relationships with suppliers

Every year, we rely on a large supplier network to drive our development pipeline and efficiently manage our properties. All suppliers are chosen with great care, based on experience and financial solidity.

In 2024, Befimmo counted 183 significant active suppliers, covering 96% of our total production spend. The risk profile of the undertaking's upstream supply chain is structurally low since Befimmo is a local player, acting in Belgium, which directly sets its suppliers under Belgian law.

Location:

- 86% of suppliers are located in Belgium;
- 2% of suppliers are located outside Europe.

Main activity type:

- Architects, design offices, contractors;
- Utility companies;
- Real-estate agents;
- Business consultants.

The undertaking respects the needs of our suppliers and practice good business ethics across its own operations and its supply chain. This ranges from treating stakeholders with respect, prioritising safety and paying them fairly and on time. In return, we expect our suppliers to abide by our ESG standards and communicate these requirements within their own supply chains.

✓



Befimmo's ESG standards are translated into a Supplier Code of Conduct, which is based on the ten principles of the UN Global Compact. Our Supplier Code of Conduct sets out clear social, ethical and environmental obligations for our supply chain partners and promotes safe and fair working conditions. Since 2024, all significant suppliers have been asked to sign the Code and therefore adhere to the ESG standards of the undertaking. Since November 2024, all new suppliers receive the Code of Conduct for signature. This Code is also added to all architect contracts Befimmo signs with players involved in construction.

The suppliers that have the most meaningful ESG impact or risks are additionally asked to participate in the EcoVadis assessment. The assessment is greatly inspired by the ten principles of the UN Global Compact. Each invited supplier who participates in the assessment obtains a rating according to their ESG performance. Through the EcoVadis platform, Befimmo will be able to request actions to improve certain ratings if necessary. This assessment gives us a clear view of the ESG performance of our impactful suppliers.

According to these initiatives, team members who need to engage with suppliers will be able to see which suppliers are in line with Befimmo's ESG requirements, giving them a clear advantage for collaboration.

The primary aim of this exercise is to generate an overall positive ESG impact within the entire value chain.

EcoVadis assessment

For the third time in a row, Befimmo received the EcoVadis Platinum medal.



To walk the talk, Befimmo also participates in the EcoVadis assessment on a yearly basis.

For the third time in a row, Befimmo received the EcoVadis Platinum medal, the highest recognition awarded by the rating agency only to the top 1% companies in the same sector, and the phenomenal score of 81% (+2% vs 2023).

The rating methodology is based on international sustainability standards, including the Global Reporting Initiative, the UN Global Compact and the ISO 26000 standard, which apply to more than 220 categories of procurement and in more than 180 countries.

Performance is assessed based on 21 indicators covering four themes: Environment, Labour and Human Rights, Ethics and Sustainable Procurement.



● G1-3

Prevention and detection of corruption and bribery

In accordance with its values, Befimmo is fully committed to the highest moral and ethical standards. It does not tolerate any form of corruption and refuses to enter relations with anyone involved in illegal activities or suspected of doing so. The purpose of its Anti-Corruption Policy is to prohibit all forms of corruption, to encourage vigilance in this respect, and to describe the way in which Befimmo intends to prevent and deal with any form of behaviour that would constitute or amount to corruption.

Before recruiting any team member, Befimmo verifies that the candidate adheres to Befimmo's values and governance. Furthermore, all team members undertake to respect the provisions of this Policy. Befimmo also undertakes to request its various partners to adhere to and comply with the principles set out in this Policy.

More generally, Befimmo has set up an effective risk management system, in accordance with its legal obligations. All payments and expenses made with the Befimmo's resources are subject to financial control and approval procedures. In addition, transactions are recorded completely, accurately and with sufficient detail so that the purpose and amount of any such payment is clear.

Moreover, Befimmo has implemented accurate and complete recordkeeping processes to prevent, as much as possible, potential concealing of bribes and to discourage fraudulent accounting practices. Infringements of this Policy by team members are not tolerated and may give rise to disciplinary measures that may go as far as dismissal or termination of the collaboration (without prejudice to any legal or regulatory sanctions that may apply).

In the event of reasonable doubt as to whether Befimmo's partners comply with this Policy, the commercial relationship with that partner may be suspended until a thorough investigation has been conducted. In the event of proven non-compliance, the partner may be subject to the termination of any commercial relation with Befimmo (without prejudice to any legal or regulatory sanctions that may apply).

This Policy applies to all team members and to the various partners of Befimmo and is publicly available on the corporate website.

The team members and partners must contact the Legal Corporate department should they have any questions or doubts regarding the application of this Policy.

A training session regarding the Anti-Corruption Policy (and all other policies cited above) is also organised for all Board and team members on a yearly basis. Details of its training during the year is as follows:

| TRAINING DURING THE YEAR | AT-RISK FUNCTIONS | MANAGERS | OTHER OWN WORKERS |
|-------------------------------|-------------------|----------|-------------------|
| Training coverage | | | |
| Total | 71 | 8 | 63 |
| Total receiving training | 66 ¹ | 8 | 58 ¹ |
| Delivery method and duration | | | |
| Presentation (live and Teams) | 1 hour | 1 hour | 1 hour |
| Frequency | Annually | Annually | Annually |
| Topics covered | | | |
| Definition | Yes | Yes | Yes |
| Policy | Yes | Yes | Yes |
| Prevention | Yes | Yes | Yes |
| Infringement | Yes | Yes | Yes |

1. Excluding employees on long-term sickness leave, which did not attend.

• G1-4

Confirmed incidents of corruption or bribery

During 2024, Befimmo did not identify any incidents related to corruption, as well as penalties imposed on employees related to corruption or bribery.

Additional metrics on bribery can be found in the section **Governance metrics** on page 275 of the present Report.

• G1-5

Political influence and lobbying activities

Befimmo is member of various associations and multi-stakeholder forums, with the main aim of sharing information. These associations have no political purpose whatsoever and are not considered as a lobbying activity. The undertaking holds political neutrality and does not support any political groups, parties or activities through donations or otherwise.

Additional metrics on lobbying activities can be found in the section **Governance metrics** on page 276 of the present Report.

Memberships

Be.Face

cbfi
Centrum voor
Bestuurs- en
Financiële
Innovatie

GUBERNA
INSTITUUT VOOR BESTUURDERS
INSTITUT DES ADMINISTRATEURS

**THE
SHIFT**

ULI Urban Land
Institute

United Nations
Global Compact

**Up4
north**

UPSI | **BVS**
ASBL-UP | VZW-BV

Voka
Vlaams
netwerk van
ondernemingen



● G1-6

Payment practices

Befimmo has a clear internal process in place to be as transparent and fluent as possible.

Befimmo has a standard payment term of that does not exceed 30 days, unless a specific request is formed. We do not have a specific payment term for small and medium-size companies. When stipulated in the supplier contract, or if necessary, the undertaking accelerates the payment of the invoice to respect delays to prevent late payments.

Befimmo was not party to legal proceedings in connection with late payments.

Additional metrics on payment practices can be found in the section **Governance metrics** on page 276 of the present Report.

TARGETS¹

100%²

Part of the team members
trained on governance policies

TARGET → 100%

0

Cases of corruption reported
during the year

TARGET → 0

57%

Part of the significant³ active suppliers
who signed the new code of conduct

TARGET → 50%

⊕ GOVERNANCE METRICS, P.275

⊕ 2030 ACTION PLAN, P.277

1. Permanent targets.
2. Excluding employees on long-term sickness leave, which did not attend.
3. Significant suppliers are suppliers having a potential risk on ESG aspects and who invoiced a significant amount on an annual basis.