

# Annual Financial Report.

2021

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*World is evolving*  
at speed never seen  
before, *impacting*  
cities, the world  
of *work and life*.

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Befimmo



Befimmo's annual financial report on the financial statements as at 31 December 2021 presented to the annual general meeting of 26 April 2022 and approved by the board of directors on 7 March 2022. This report has been prepared in accordance with the royal decree of 14 November 2007 and the royal decree of 13 July 2014. It has been filed with the FSMA (competent authority under regulation (EU) 2017/1129) as a universal registration document without prior approval according to article 9 of regulation (EU) 2017/1129.

The following explanatory icons are used in this Report:

-  BEFIMMO MONOGRAM LEADS TO THE SUMMARY.
-  THIS ICON IS A GO TO SUBCHAPTER WITHIN THIS PDF.
-  THIS ICON REFERS TO FURTHER INFORMATION AVAILABLE VIA A VIDEO.
-  THIS ICON REFERS TO ANOTHER PAGE WITHIN THIS PDF.

## Basis of consolidation

Any reference to Befimmo's portfolio, assets, figures or activities should be understood on a consolidated basis that includes those of its subsidiaries, except where clear from the context or expressly stated otherwise.

Befimmo has exclusive control of Silversquare Belgium SA and consequently Silversquare Belgium SA, and its subsidiary are included in the global consolidation as at 31 December 2021.

Befimmo's activities are presented in this Report by business segment (real-estate operator and coworking).

## Real-estate, financial & environmental, social & governance (ESG) indicators

Befimmo's real-estate indicators are defined in Appendix II to this Report, and identified in a footnote the first time they occur.

With a view to improving the quality and comparability of the information presented, Befimmo has fully committed to standardising its financial and ESG reporting by adopting EPRA reporting guidelines and Global Reporting Initiative (GRI) Standards<sup>1</sup>.

In the non-financial statements of this Report, all detailed information regarding Befimmo's 2030 Action Plan and all ESG indicators (set out in the GRI Content Index) can be consulted.

## Alternative Performance Measures

The Alternative Performance Measures (APM) guidelines<sup>2</sup> of the European Securities Markets Authority (ESMA) have been applicable since 3 July 2016. The APMs used in this Report are identified in a footnote the first time they occur. The full list of APMs, with their definitions, purpose, and relevant reconciliation tables are set out in Appendix III to this Report, and also published on Befimmo's website.

1. [www.globalreporting.org](http://www.globalreporting.org)

2. For further information please see the "Final Report - ESMA Guidelines on Alternative Performance Measures" on the ESMA website ([www.esma.europa.eu](http://www.esma.europa.eu))

# 01

## Befimmo at a glance.



PROFILE OF THE COMPANY

KEY FIGURES 2021

06

07

Befimmo



## PROFILE OF THE COMPANY

# Befimmo.



Befimmo, Belgian Real-Estate Investment Trust (SIR-GVV), is a real-estate investor, operator and developer.

We aim to create, build & animate thriving work & life communities for a sustainable future.

Our high-quality, performant and mixed-use portfolio is located in growing Belux city centres. It is worth approx. €2.8 billion and comprises more than 60 office and mixed-use buildings and 8 coworking spaces, totaling approximately 965,000 m<sup>2</sup> of space. Our in-house coworking partner Silversquare and our recent partnership with Sparks will allow us to deliver tailor-made meeting venues creating a one-stop-shop real estate experience for our clients.

Our hybrid offer includes traditional leases, fully flexible solutions, a mix of both, and our projects to come include work & life hubs. This network of hubs and the community that goes with it allows us to combine spaces in ways that promote creativity, innovation, and encounters.

Our user-centric business model is about operating inspiring spaces and related services and facilities in sustainable buildings. Both the ever-changing needs of the world of work and the significant growth in ESG criteria dictate our action and drives us towards flexibility and innovation.

We are listed on Euronext Brussels.  
At 31 December 2021, our market capitalisation was almost €1 billion.

We adopt a *win-win*, responsible approach, by which *value creation* is *benefic* to all *our stakeholders*.

# Key figures 2021.

## High quality portfolio

#60  
BUILDINGS

8  
COWORKING SPACES

± 930,000 M<sup>2</sup>  
OF WORKSPACE

34,900 M<sup>2</sup>  
OF COWORKING SPACES

€128 MILLION  
NET RENTAL REVENUES

€10 MILLION  
COWORKING TURNOVER

95.5%  
OCCUPANCY RATE OF PROPERTIES  
AVAILABLE FOR LEASE

75%  
OCCUPANCY RATE OF SPACES  
OPEN SINCE MORE THAN 3 YEARS

8.8 YEARS  
DURATION OF LEASES

## Team

100  
TEAM  
MEMBERS

13  
NEW  
ARRIVALS

Gender diversity  
(54% MEN, 46% WOMEN)

34.9 hours  
OF TRAINING ON  
AVERAGE PER EMPLOYEE

## Governance

4  
NEW ESG  
POLICIES

## Solid financial structure

BBB  
STANDARD & POOR'S RATING

40.9%  
LTV RATIO

1.8%  
AVERAGE FINANCING COST

## Share

€33.75  
SHARE PRICE

5.5%  
GROSS DIVIDEND YIELD

€0.96 BILLION  
MARKET CAPITALISATION

## Financial results

€2.30 per share  
CONSOLIDATED EPRA  
EARNINGS

€3.31 per share  
CONSOLIDATED NET  
RESULT

€60.35 per share  
CONSOLIDATED NET  
ASSET VALUE

## Outlook

€2.40 – €2.45  
PER GROUP SHARE

EPRA EARNINGS  
OUTLOOK 2022

## Environment

26%  
REDUCTION OF ABSOLUTE SCOPE  
1 & 2 GHG EMISSIONS (VS 2018)

93%  
CONSTRUCTION  
WASTE RECYCLED





02

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## Message of the Chairman & the CEO.

Befimmo



# The global context is changing rapidly and we are on the front foot anticipating and adopting these changes.

The Befimmo portfolio offers an excellent base for the challenges of the new world of work.

## Dear Shareholders,

It is with a clear mind and much optimism that we take up the pen for the first time to write to you about your company.

We started our mandate within Befimmo less than a year ago. Now is the time to share our findings and reflections on one hand and our commitments and strategy for the future on the other.

The findings of these first months have strengthen our trust in Befimmo's fundamentals.

The level of skill and expertise of the Befimmo team is only equalled by its historic commitment & responsibility towards the company, its stakeholders and the context in which it evolves. It is probably Befimmo's best asset to face the challenges of an ever-changing world. Getting to know the team gives much confidence that great things can and will be achieved in the short and long-term.

Well-located, high-quality, flexible, designed to meet the most demanding criteria in terms of sustainability, performance and technology, the Befimmo portfolio offers a solid base for the evolution of the world of work that has been ongoing for a few years. Well before the public debate that arose these last two years, Befimmo was already transforming its real-estate business in a hybrid model, especially since the arrival of its subsidiary Silversquare, Befimmo's own coworking branch, with a view to providing the full range of solutions for tomorrow's needs in terms of work environment.

For these solid fundamentals, we want to thank our predecessors, who leave us with very sound foundations on which to build the New Befimmo.

The mandate of Mr Kurt De Schepper will end at the Ordinary General Meeting of 26 April 2022. The Board of Directors thanks him for his contribution to the development of the Company over many years.

## A LOOK BACK ON 2021

As far as ongoing construction projects are concerned, the Quatuor Building was delivered in August with a pre-letting rate of 81%, which lowers the development pipeline of Befimmo to 13.8% of the total value of the portfolio.

The ZIN will be 6 months behind schedule, with the office part, 95% pre-let to the Flemish Authority, delivered end of 2023. This delay is mainly due to the Pandemic crisis and has also impacted the total construction cost. The new management plan foresees the finding of a financial partner for the subsidiary ZIN IN NO(O)RD by 2024. The Paradis Express in Liège, the office part of which is 100% pre-let, should be delivered in early 2022.

Befimmo's letting activity for 2021 is a good sign that premium buildings do find occupiers, in spite of the pandemic. Lease contracts were signed or renewed for a total of ±69,000 m². The occupancy rate of the portfolio at the end of 2021 was 95.5% and the average lease duration 8.8 years.

In 2021, we successfully acquired 3 core assets for a total of €72 million: The Cubus, in the Grand Duchy of Luxembourg, the office building in the "Esprit Courbevoie" project in Louvain-la-Neuve and three floors in the Antwerp Tower, where the first Antwerp Silversquare will operate as from mid-2022.

The development of the coworking activity further expanded in 2021 with the opening of the eighth coworking centre,

Central (where Befimmo now has its HQ). Three new coworking spaces, including the one in the Antwerp Tower, should open their doors in 2022 and bring the total coworking surface to 51,800 m² by the end of 2022. In 2021, Befimmo entered a partnership with Sparks, a new brand that will operate tailor-made meeting venues, with its first location opening in the Central.

In order to live by its vision, Befimmo moved its HQ to the Central in summer 2021. The new Befimmo offices, located at the Central Station in Brussels, reflect the new hybrid world of work. We do need real-life gatherings, informal contacts and flexible work contexts based on our activity.

As far as asset rotation is concerned, the disposals in 2021 amounted to €115 million, with the cession of the Wiertz (€43.2 million capital gain), a good example of value crystallisation, the divesting from 7 non-strategic assets in the Brussels periphery and provincial towns and the selling of the residential part of the Paradis Express project.

Finally, the 2021 financial results are in line with the forecasts, with a consolidated net result of €3.31 per share (up 55% versus 2020) and EPRA earnings of €2.30 per share (group share) as per new way of calculating<sup>1</sup> (compared to €2.87 per share for 2020, on a restated basis), which allows Befimmo to confirm its 2021 dividend of €1.84 gross per share.

Furthermore, we draw your attention to the key events after closing of the financial year on page 27.

1. For more information, please refer to page 95 of this Report.



## GLOBAL TRENDS AND FUTURE STRATEGY

Increased urbanisation, digitalisation, sustainability requirements and changing demographics in the years to come are impacting rapidly the mix of working & living segments and stimulate the need for multipurpose neighbourhoods. These trends have been accelerated by the impact of the pandemic on consumer behaviour and outlook.

As a result, a significant shift towards hybrid work & meet ecosystems is expected to prevail over the longer term. Although this will lead to a change in traditional workspace requirements, the office will remain essential as a place for collaboration and face-to-face communication.

In addition, we expect an increased focus on service to be a key competitive advantage in attracting and retaining our evolving clientele.

Given the societal focus on environmental wellbeing and with cities being a major GHG emitter, it is clear there will need to be continual investments in driving positive change. With the latest proposals adopted by the EU on reducing and ultimately completely neutralizing emissions by 2050, making all buildings energy efficient will be a necessity. Buildings of the future will have to be smart, hyper-connected, digitally performant and sustainable, which will not only enable energy efficiency but also boost productivity and improve the urban quality of life.

Given our position as an innovative market leader we want to accelerate Befimmo's transformation to meet the needs of tomorrow, as from today.

Firstly, we aim to accelerate capital recycling through **asset rotation and value-creation** in the portfolio thanks to a smart and sustainable Investment Strategy.

Befimmo will develop an **inner-city approach** and will to limit the Befimmo portfolio's exposure to non-core location risks.

By accelerating the rotation, selling at maturity, reinvesting, and developing in larger, inner-city and multi-modal assets with highest possible environmental & smart standards, we will drive value creation through the entire asset cycle.

We aim to accelerate this trend in the coming years and provide Befimmo with a strong financial base to further develop its core strategy.

As from this year on, Befimmo will be organized in an **activity-based operational model** with the creation of three separate Business Lines: **Investor, Operator and Developer**.

Our new operational business model will allow for **more transparency** as far as each activity is concerned, with a strict discipline and limited development risks.

Along with the new operating model, our ambition is to achieve a disciplined **financial management**. The three business lines will reflect the new operating model and are incentivized to optimise overheads and improve operational margins.

Befimmo will also focus on driving **sectorial diversification** and limit its exposure to traditional office buildings. The ambition is to create places where **you work, live or do both**. By that time, we aim to have an increased share of mixed-use work & life hubs and develop inner-city PRS<sup>1</sup> projects.

The hybrid model already offers a wide range of solutions to our clients, including traditional leases, full flexible

solutions and a mix of both. The coworking activity, or more recently, the partnership with Sparks, the one-stop shop for organizing meetings, are good examples of this approach. We want to further develop this **client-centric approach** with our **Operator business line**, create real proximity with our users, meet their satisfaction and be able to answer all their needs, with the further development of **workspace-as-a-service**: offices, coworking areas, meetings organisation and a dedicated advisory cell on office planning.

The global context is changing rapidly and we are on the front foot anticipating and adopting these changes.

With the experience and skills of the team, the portfolio, this fit strategy and clear priorities, we are confident that the path to growth lays right in front of us.

Brussels, March 7<sup>th</sup> 2022

Jean-Philip Vroninks

Vincent Querton



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**Jean-Philip Vroninks**  
CEO



▼

**Vincent Querton**  
Chairman of the Board  
of Directors

Given our position as an innovative market leader ***we want to accelerate Befimmo's transformation to meet the needs of tomorrow, as from today.***

1. PRS: Private Rented Sector

03

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# Management report.

Befimmo





## Our Vision.

Befimmo aims to create, build & animate thriving Work & Life communities for a sustainable future.

Our ambition is to create and operate high-quality, mixed-use projects in growing economic, academic and research hubs in BeLux.

We want to accompany our clients throughout their real estate journey, offering them an ultimate experience, as a one-stop-shop they can entrust with all their workspace needs and expectations.

The user is at the heart of our new business model and we mean to offer him an increased range of facilities and services to make his life easier.

We envision places where all users can enjoy a pleasant, safe and connected work experience, with a focus on hospitality as a booster of inspiration, well-being and productivity.

Befimmo's priority of creating value is about offering integrated hybrid, sustainable work & life solutions answering to the major trends shaping today, the world of tomorrow. ESG criteria have become a natural extension to this strategy and drives us towards innovation.





## Our Mission.

Our mission is to invest in, develop & operate green work and life ecosystems in growth cities while creating value for our stakeholders.

Our buildings are user-centric, high-quality, ideally located, sustainable, mixed-use and respond to the highest standards in terms of performance and flexibility.

The “buy and hold” approach of real estate belongs to the past. We aim to provide “workspace-as-a service” to our users, through a wide range of solutions.

The way we work and live is changing. We aim to accompany this change and offer our users an unrivalled client-experience.

# Our Strategy & Business Model.

## → SIX STRATEGIC OBJECTIVES

In order to achieve our new vision, we will be accelerating our transformation journey towards our 6 strategic objectives we have adopted.

01

**Activity based  
Operating Model**

02

**Sector  
Diversification**

03

**Adjust  
Footprint**

04

**Portfolio  
Management**

05

**Client Centric  
Organisation**

06

**Disciplined Financial  
Management**

## 01 Activity-Based Operating Model

As from this year on, Befimmo will be organized in an activity-based operational model with the creation of three separate business lines: Investor, Operator and Developer.

This will allow each activity to maintain the focus on its core business with a full dedication to the final user. For each activity, we will rely on the track record and existing expertise and competencies of our team.

## 02 Activity & Sector Diversification

Befimmo will also focus on driving sectorial diversification and limit its exposure to traditional office buildings while driving towards faster growing segments.

The mid-term ambition is to have an increased share of mixed-use work, flex & life hubs and develop residential assets (PRS<sup>1</sup>).

This will allow for a new balance in our portfolio and the subsequent revenue diversification.

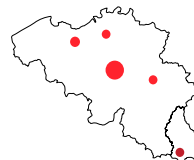
## 03 Adjust Footprint

Befimmo will develop an inner-city approach and concentrate its activities on 5 BeLux cities with economic growth and academic or research centers. This will reduce its exposure to non-core locations.

1. Private Rented Sector

The selected cities for this 5-city approach are:

- > Brussels Metropolitan Area
- > Antwerp
- > Ghent
- > Liège
- > Luxembourg Metropolitan Area



## 04 Portfolio Management

Befimmo intends to accelerate capital recycling through asset rotation and value-creation in the portfolio thanks to a smart and sustainable investment strategy. The portfolio will be continuously assessed with a view to divest mature buildings.

By accelerating the rotation, selling at maturity, reinvesting, and developing larger, inner-city and multi-modal assets with highest possible environmental and smart standards, we will drive value creation through the entire asset cycle. The focus will be maintained on total return, revenues, value creation and healthy LTV.

We aim to accelerate this trend in the coming years and provide Befimmo with a strong financial base to further develop its core strategy.

## 05 Client Centric Organisation

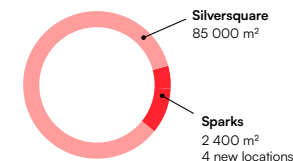
We want to further develop our client-centric approach thanks to our Operator business line.

In order to offer our client an outstanding experience, our ambition is to develop into a one-stop-shop and stand close to our clients throughout their journey within our spaces. To develop this workspace-as-a-service approach, we will

bring together our in-house coworking activity by Silversquare, the tailor-made and user-centric meeting rooms by Sparks, and a dedicated advisory cell on office planning, which will guide clients in defining, designing and building spaces that meet their expectations. The focus will lay on hospitality, as a way to boost both well-being and productivity within our workspaces.

This strategic objective will develop new revenue streams with the expansion of Silversquare, Sparks and the creation of new design and build, hospitality-and community-based subsidiaries, which should also provide additional sources of income in the mid-term.

By 2025, we aim the total Silversquare coworking surface to reach 85,000 m<sup>2</sup>, while Sparks would account for 2,400 m<sup>2</sup> in a first location at the front of the central station (4 other cities have been identified).



## 06 Disciplined Financial Management

Befimmo continuously aims to strengthen its financial management and to enhance its reporting structures. Our three business lines model will allow us to drive synergies, improve cost management, deliver improved margins and offer more transparency.

Our new strategy will accelerate capital recycling through assets rotation with a positive impact on the balance sheet. We want to adopt a strict financial discipline and limit our development risks at a maximum of 10% of the balance sheet.



## → THREE-BUSINESS LINE MODEL

From the classic business model of the past, Befimmo is shifting to a user-centric business model.

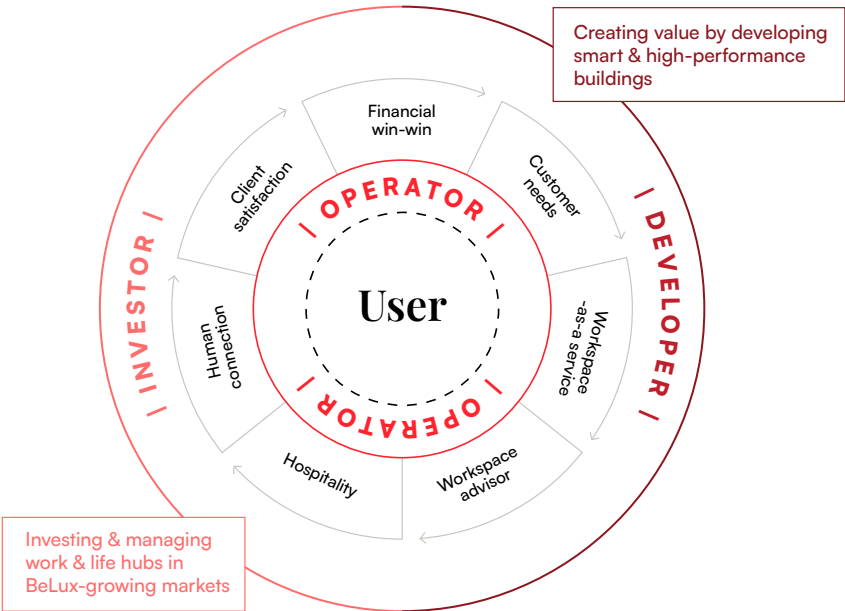
In the course of 2022, we will re-organize Befimmo in three business lines:

- > **INVESTOR:** Creating value by **investing in and managing** mixed-use first-class assets in prime locations
- > **OPERATOR:** Creating value by **operating** and designing work and life hubs that meet user needs and offer an ultimate experience
- > **DEVELOPER:** Creating value by **developing** high-quality work and life projects that match our investment criteria

We aim at creating real proximity with our users through smart services, among others digital tools to connect us to our users, create a community and bring forward services related to co-working, meeting, mobility, catering or even leisure.

By adopting a user-centred behaviour, the customer is at the heart of the organisation and the B2B approach becomes a B2B2C approach. Our ambition is to observe, analyse and understand customers' ever-changing needs and to make it the starting point for all our actions.

Each business line will have separate financial and non-financial KPI's and a distinct reporting. This will allow us to drive synergies, improve cost management, deliver improved margins and offer more transparency. We intend to achieve a strict financial management, enhance opportunities and limit risks for each individual business line.



### FINANCIAL WIN-WIN

The fair price & reasonable investments for all parties

### CUSTOMER NEEDS

Observe, analyse & understand customers' ever-changing needs

### WORKSPACE-AS-A SERVICE

Flexible, hybrid, or HQ workspace solutions and meetings offer to our clients

### WORKSPACE ADVISOR

Define, design & build space meeting client expectations. Accompanying teams in change management

### HOSPITALITY

Offer service & continuously enhance well-being, health & security

### HUMAN CONNECTION

Animate the community, organising inspiring events and rich exchanges & encounters

### CLIENT SATISFACTION

Measure & ensure the highest level of client satisfaction

## ESG, Innovation & Digitalisation

Environmental, Social and Governance (ESG) regulations have significantly expanded in the past years. Climate change is a global issue and is especially relevant for the real-estate sector, which contributes nearly 40% of carbon emissions globally and nearly 70% of emissions in urban areas.

Befimmo's 2030 Action Plan is aligned with global trends, as described in detail in the ESG section of this Report (see page 53).

Befimmo's strategy maintains the focus on efficiency, sustainability and responsible value creation. In that context, ESG aspects are a natural extension to Befimmo's corporate strategy, focused on creating value for all its stakeholders, both now and in the long-term.

Accordingly, an acceleration in the strategic transformation of the company goes along with a strong expansion of ESG considerations, next to the other, global, external trends and factors.

ESG aspects have become a **source of innovation** for the real estate sector, to reinvent itself and move towards driving the solution rather than purely seeking conformity with official norms. That is why ESG and Digitalisation are topics close to one another.

Our digitalisation strategy is oriented towards our tenants, our teams and our buildings:

- it allows us to achieve our goals, measure the satisfaction of our customers, better understand and meet their ever-changing needs and communicate with our end-users.
- it helps our teams focus on tasks with added value for our stakeholders, while automating processes and allowing for more agility.
- with the implementation of the Building Information Management (BIM), it contributes to an improved building performance, better cost management and the constant availability of building data throughout the building's lifecycle.
- it makes buildings SMART, highly flexible, connected to an efficient network, offering an improved user experience and new services and facilities while allowing for a premium operational management and societal innovations thanks to data intelligence.

**In Befimmo's vision, the building of the future is highly performant, user-centric & flexible.** Accordingly, we have set up a series of targets we aim to achieve in the coming years (see page 53 of this Report).

In Befimmo's vision,  
the building of the future  
is *highly performant,  
user-centric & flexible.*

# Befimmo's building's vision: high performance, user-centric & flexible

## ACCESSIBLE & INTEGRATING MULTIMODALITY

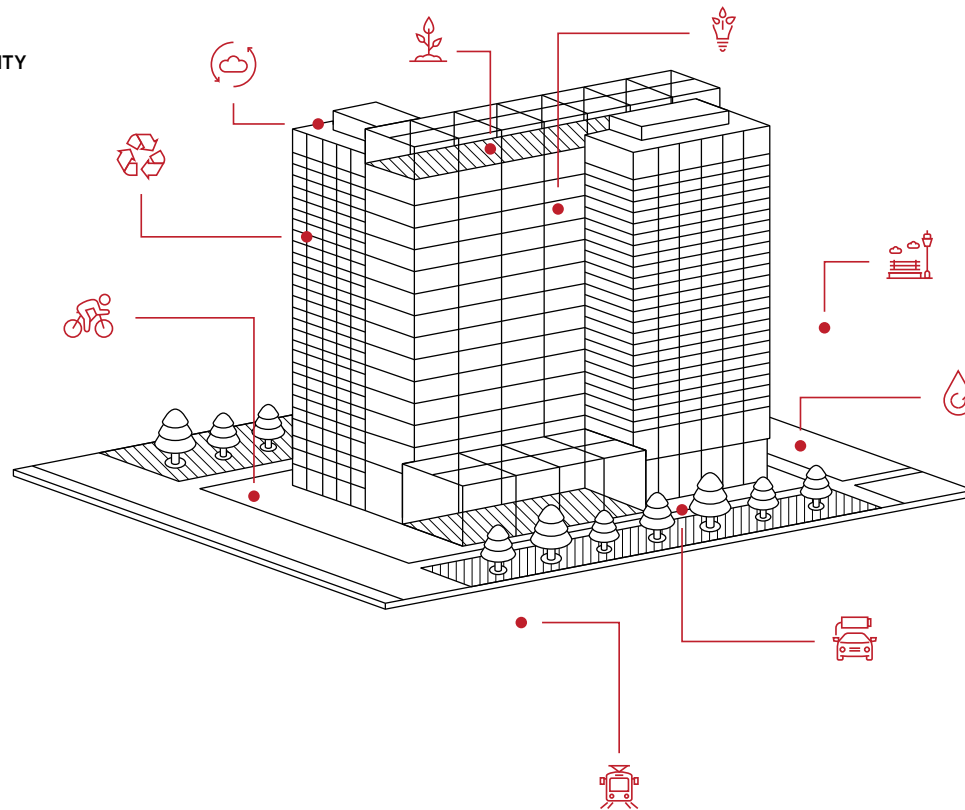
- > Inner-city location ("5 city-approach")
- > Public transport accessibility
- > Green transport solutions
- > Bicycle and scooter parkings

## USER-CENTRIC - WORK & LIFE

- > Sport facilities, showers & lockers
- > Restaurants & baristas
- > Hospitality services
- > Comfort (daylight, sound insulation, demand-controlled ventilation and heat)
- > Terrace for wellness & relaxation
- > Specific amenities for occupiers and local communities

## SUSTAINABLE

- > Limiting soil sealing
- > Enhanced biodiversity (green roofs)
- > Water and energy-efficient installations
- > Low emission building materials
- > Well-insulated building envelope
- > Rainwater recovery
- > Geothermal heat pumps and photovoltaic panels
- > Dedicated space for waste storage



## SMART & HIGHLY PERFORMANT

- > SMART visitor and user access
- > Openable windows linked to sensors with the ability to adjust ventilation
- > Demand-controlled ventilation linked to sensors
- > SMART energy & water consumption monitoring
- > SMART parking with electric charging stations
- > SMART lighting

## COMMUNITIES CONNECTOR

- > Coworking, Coliving, student housing, etc.
- > Accessible outside space (to local communities)
- > Connect corporates to scale ups, entrepreneurs, enterprises, etc.
- > Direct dialogue with the users through the Befimmo App
- > Workspace-as-a-service (coworking, hybrid, meetings, etc.)



# Our value creation model

Befimmo's business model aims to create value through each business line, in a long term sustainable way, for all stakeholders.

## INPUTS

### HUMAN AND INTELLECTUAL CAPITAL

- > 100 team members
- > Expertise and training

### FINANCIAL CAPITAL

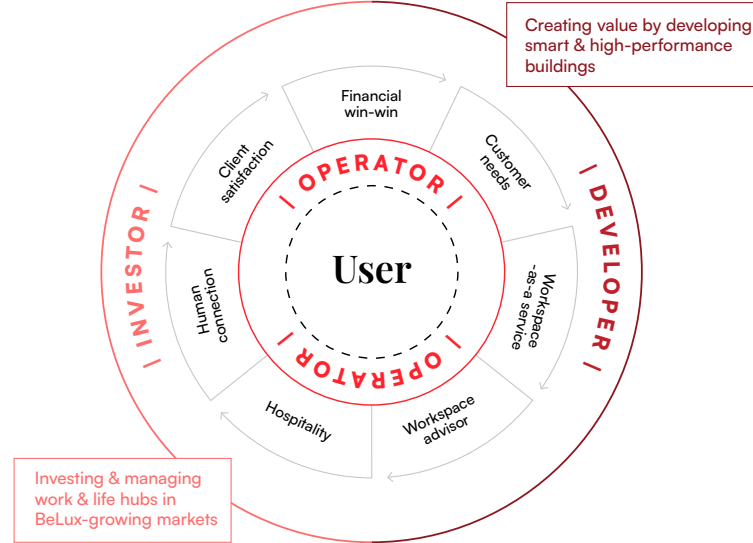
- > Fair value of €2,836 million
- > Confirmed credit facilities of €1,471 million
- > Market capitalisation of €0.96 billion

### NATURAL CAPITAL

- > 41.86 GWh of electricity consumption
- > 2.19 GWh of district heating consumption
- > 58.18 GWh of fuel consumption
- > 103 867 m³ of water consumption
- > 728 t of operational waste
- > 36 670 t of construction waste

### INFRASTRUCTURE

- > 60 buildings representing over 930,000 m²
- > 8 coworkingcentres representing 34,900 m²



## OUTPUTS

### HUMAN AND INTELLECTUAL CAPITAL

- > Growing team (+6%)
- > Employee gender diversity: 54% (M) - 46% (F)
- > Employee training: 34.9 hours/emp/year

### FINANCIAL CAPITAL

- > Net result of €89.37 million
- > EPRA earnings of €62.21 million
- > Gross dividend of €1.84 per share

### NATURAL CAPITAL

- > 26% reduction of absolute scope 1 & 2 GHG emissions (vs 2018)
- > 18% reduction of specific water consumption (vs 2020)
- > 93% construction waste diverted from landfill and incineration

### INFRASTRUCTURE

- > 69,000 m² letting activity (2021)
- > Around 170 corporate tenants
- > Over 3,500 occupied desks in coworkingspaces

MAIN GLOBAL TRENDS → URBANISATION, CLIMATE EMERGENCY, GROWING POPULATION WORLDWIDE, EXPONENTIAL DIGITAL TECHNOLOGIES & NEW ECONOMIES

# Our values.

Our teams are driven, engaged, responsible, open, and determined to work in tomorrow's new hybrid world of work. Our positive outlook, trust in people, and executional thoroughness allow us to continue delivering value in real estate - with our values embedded at the heart of everything we do.

## 01 Professionalism

We give every project or user, regardless of size, all the attention, thoroughness and professional dedication required, in line with best practices.

## 03 Commitment

The team's dedication to Befimmo, its users, and its community means that everyone has a high level of involvement in their work, team, and projects.

## 05 Leading by example

We share the benefit of our research with our users and partners, and we use our influence to foster positive developments in society.

## 02 Team spirit

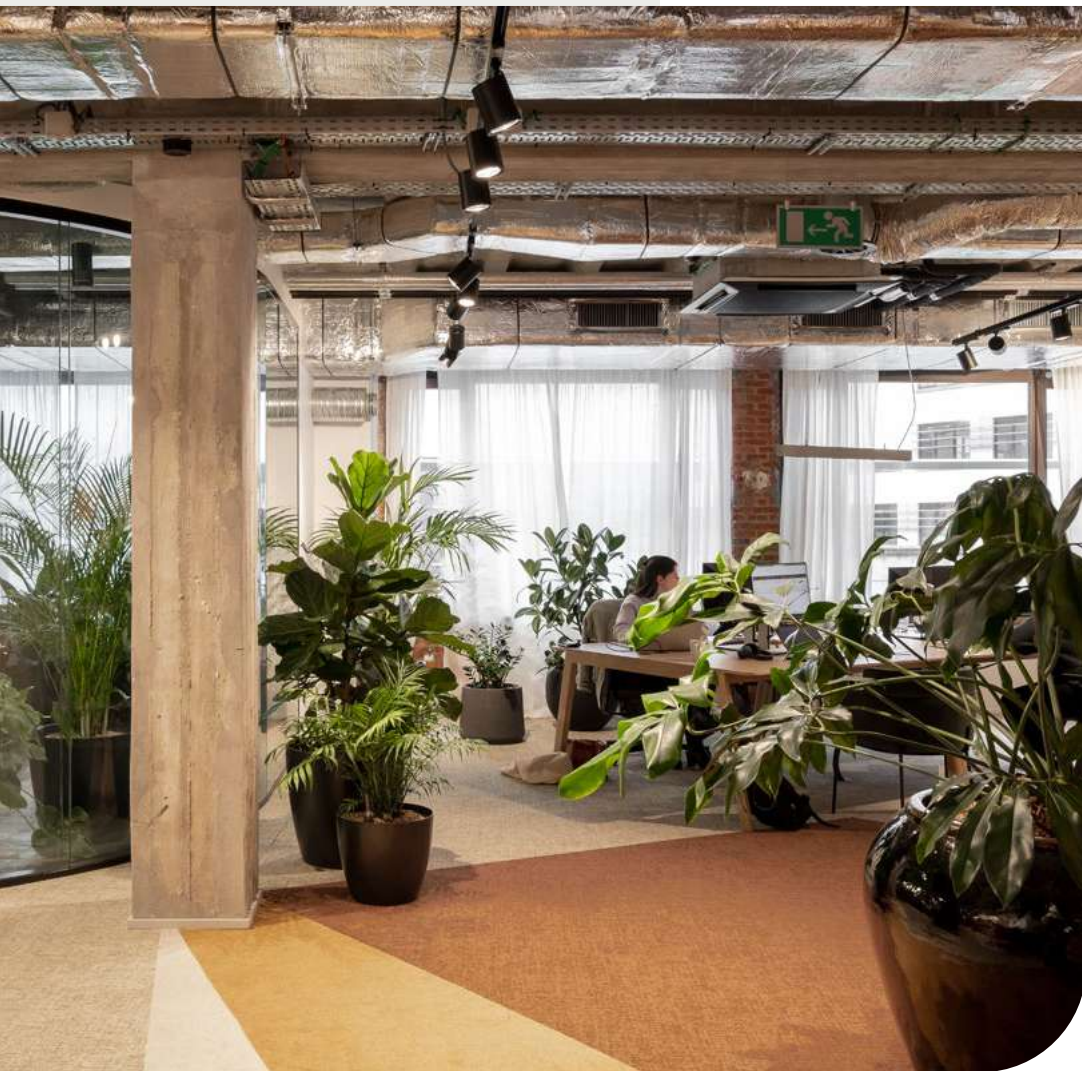
Each member of our team works in a spirit of solidarity and shared responsibility, and is driven as much by achieving common goals as by personal success.

## 04 Humanity

We work with an enthusiastic approach that is resolutely human, caring, open and respectful of individuals.

## 06 Performance

We aim for superior performance by increasing our customer centric approach, cost control and focusing on added value processes and projects.



MANAGEMENT REPORT

# Environmental, Social & Governance report.

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ESG RATIONALE

55

ESG FOUNDATIONS: STRATEGY AND GOVERNANCE (INDIRECT IMPACT)

57

ENVIRONMENTAL AND SOCIAL PERFORMANCE (DIRECT IMPACT)

69



# ESG report.

This ESG chapter needs to be read as the natural extension of the Annual Financial Report, translating Befimmo's vision that ESG aspects are an integral part of its strategy. The chapter is structured in three sections:

- **Befimmo's rationale** to invest in ESG summarises the link between the Company's history, DNA, purpose and ESG aspects, but also the key market trends shaping ESG strategy, and concludes with the ESG momentum for Befimmo.
- **ESG foundations** explains the key "ESG enablers" that Befimmo has put in place, and will continue to reinforce, in order to reach ambitious environmental and social targets. Those enablers have an indirect impact on environmental (E) and social aspects (S), such as the governance structure (G), the non-financial reporting and the approach to define ESG priorities. In addition, this part includes the foundations 2030 Action Plan, i.e. all governance ambitions and achievements.
- **The environmental and social performance** part is structured by means of concrete ambitions and achievements, therefore having a direct impact on the Company's overall performance. This chapter includes the second part of the 2030 Action Plan, including all E and S actions.

In this chapter, the reader is regularly referred to other pages within this Report for more information.



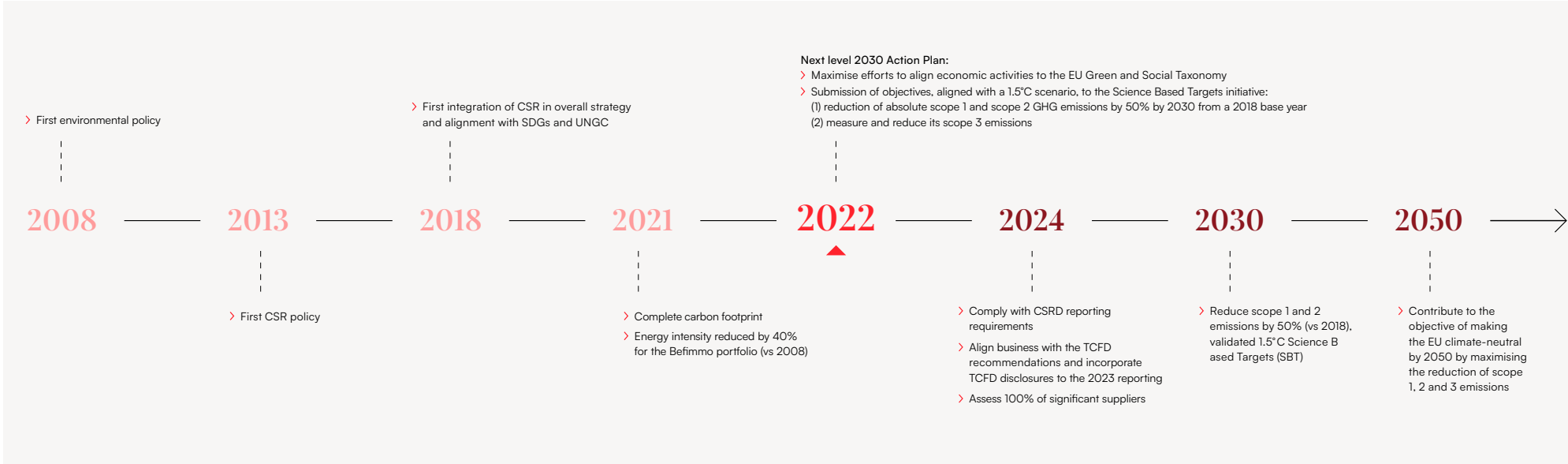
# ESG rationale

## BEFIMMO'S HISTORY, DNA AND PURPOSE

Since its creation in 1995, Befimmo has continuously been investing in sustainable and quality buildings, with the objective of offering its tenants attractive working spaces on the one hand, and a healthy dividend to its shareholders, of a yield level that is balanced in relation to its risk profile, on the other hand.

As from 2008, the focus on sustainability started being more formally operationalised with the creation of its first environmental policy. This policy was further developed into a CSR policy in 2013, focusing on the environment, the tenants, the team and governance. In 2018, social responsibility was integrated for the first time into the Company's overall strategy, and thus extended to Befimmo's vision.

For the upcoming years, Befimmo has set up ambitious objectives to accelerate its sustainability focus, not only for the Company, but also for its property portfolio and its stakeholders. This acceleration is the perfect illustration of Befimmo's ambition to further shape its vision, mission and purpose to create higher value for all its stakeholders.



## KEY ESG MARKET TRENDS

The real-estate market is more than ever influenced by social and environmental aspects, including demographic evolutions, urbanisation, climate change, and a multitude of trends derived from the pandemic situation. Those trends amplify and accelerate certain strategic topics, including the push towards a more hybrid way of working and increasing remote working. Besides these global market trends (described more in detail in the financial part of the present Report), some specific trends are directly related to ESG aspects in particular.

» OUR STRATEGY, P.17

### IMPACT RELEVANCE

#### Consider the double materiality

The notion of materiality to identify what is relevant to a company has become a core element of the corporate strategy. But even more important is the notion of double materiality, aiming to (1) understand the impacts of a company's activities on ESG aspects, and (2) understand how ESG aspects affect development, performance and the position of a company.

### STRATEGY RESILIENCE

#### Navigate an increasingly volatile environment and gain competitive advantage

The concept of resilience addresses how to mitigate risk, anticipate issues and protect investments from negative impacts due to a highly and rapidly changing external environment. At the same time, resilience is much more

than reacting to events; it also allows companies to identify and seize opportunities for their future sustainable growth.

### PERFORMANCE

#### Define and implement ESG targets to drive performance

The move from shareholder to stakeholder value and the extension of the triple bottom line principle has brought ESG on the agenda of corporate governance. There are numerous environmental, social and governance factors driving expectations for performance. Buildings contribute to nearly 40% of global carbon emissions, which puts the real-estate sector at the centre of corporate and government initiatives and pushes companies to set up ambitious ESG targets to improve their performance.

### HUMAN CENTRICITY

#### Create human experiences to increase differentiation

An emerging trend is the focus on the end-customer in B2B markets, often called B2B2C, which puts focus on customer experience as part of the social aspects to address, next to the environmental aspects. This includes health, safety, well-being, and productivity, as well as aspects linked to the new way of working and living in a post pandemic era.

### TECHNOLOGY EMPOWERED SOCIETY

#### Use data and new technologies as foundations to run sustainable transformation

Operational, financial, environmental and social data are becoming keys in managing companies, both at operational, and strategic levels. In the real-estate sector, this trend is even stronger, driving the evolution of buildings becoming "smarter", supported by advanced and more

mature technologies like IoT and AI, allowing to operate buildings more efficiently, but also to reduce operational costs and increase tenants' comfort.

## ESG MOMENTUM FOR BEFIMMO

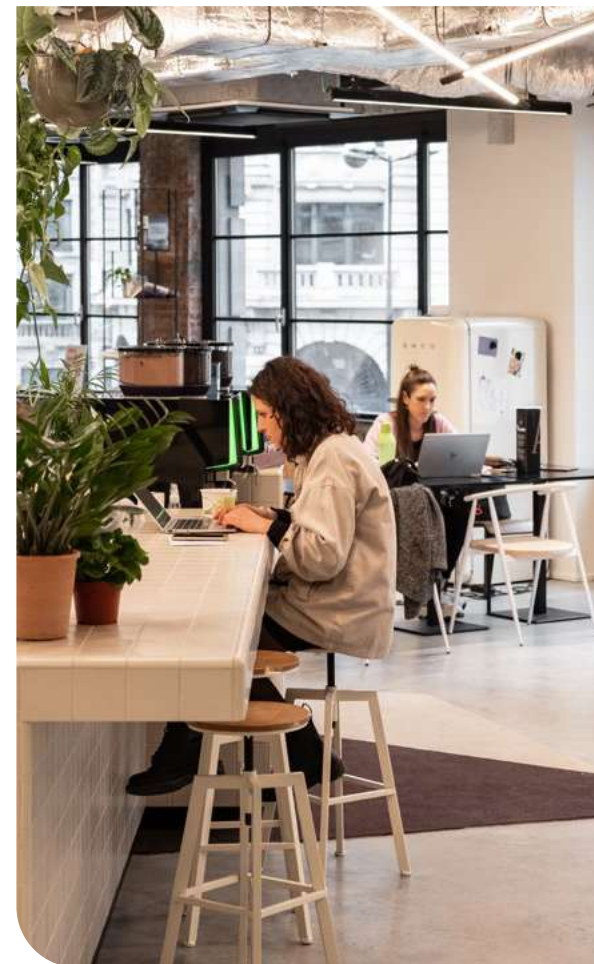
Because ESG aspects are at the heart of Befimmo's business strategy, the acceleration of its execution also directly impacts its ESG momentum, next to all other external and internal factors described in this Report (i.e. global and ESG market trends).

As an illustration, the new operating model and reinforced specialisation across Befimmo's three new business lines will reinforce even further the need for the Company to consider the specific needs from its different stakeholders, impacting its clients' segmentation and the associated services levels offered.

The value creation will also be diversified further: next to the value created from the investing, operating and developing of its portfolio, the proportion of value created from additional, new, user-centric, high value, end-to-end hybrid work services, strongly driven by ESG considerations, will continue to increase over the years.

This vision, translated in Befimmo's value creation model described before, clearly position ESG aspects at the core of the Company's success, increasing the momentum for defining and meeting very ambitious ESG targets now and in the coming years.

» OUR STRATEGY, P.17



## ESG foundations: strategy & governance (indirect impact)

### ESG GOVERNANCE STRUCTURE

#### At Board level

##### THE BOARD OF DIRECTORS

The Befimmo Board of Directors pursues sustainable value creation by setting the Company's strategy within the framework of the ESG policy that it defines, establishing effective, responsible and ethical leadership, and monitoring its performance. To do so, the Board develops an inclusive approach which balances the legitimate interests and expectations of shareholders and those of other stakeholders.

Befimmo has fully integrated the sustainability principles within its overall strategy and day-to-day operations by anticipating on environmental, social and governance evolutions. The Board of Directors has ultimate oversight of ESG risks and opportunities at a strategic level, alignment with business strategy and progress against most significant ESG commitments.

In line with this integrated strategy, the Board defines the environmental (including climate- and sustainability-related issues), social and governance orientations and strategic objectives. It further approves budgets and major decisions related to this strategy.

##### THE AUDIT COMMITTEE

The Audit Committee is responsible, amongst others, for the monitoring of the Enterprise Risk Management and mitigation strategies, including ESG risks. The Committee

also monitors the proper implementation of adequate and effective internal control systems, as well as compliance and ethics policies by the Executive Committee.

##### THE APPOINTMENT AND REMUNERATION COMMITTEE

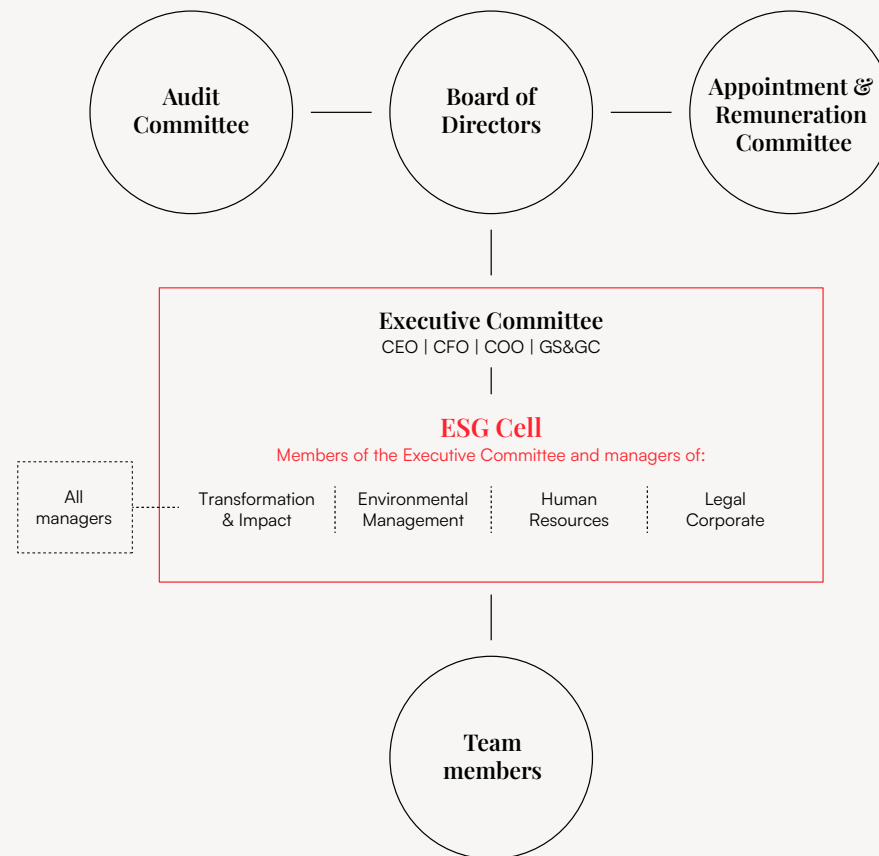
In the performance of its duties, the Appointment and Remuneration Committee pays specific attention to the ESG aspects both at the level of the appointment as at the level of the remuneration of the Directors and Officers.

Befimmo's remuneration policy aims to promote the creation of sustainable value within the Company, and to contribute to the implementation of its strategy, in particular by:

- setting qualitative and quantitative performance criteria for the members of the Executive Committee, that are in line with Befimmo's long-term objectives and including, in addition to financial performance criteria, supplementary and measurable criteria related to its ESG policy and its commitments regarding climate change and corporate responsibility (setting up of specific ESG targets and metrics and conducting the assessment of performance related to those targets)
- implementing a long-term incentive plan spread over several years and rewarding the members of the Executive Committee with shares, subject to an obligation to hold them until the end of a waiting period, coupled with the obligation to hold a minimum number of shares for the duration of their mandate



### ESG GOVERNANCE STRUCTURE







- ensuring diversity within the Board of Directors, the Executive Committee and following how diversity is reflected in the composition of the team

In this way, Befimmo's remuneration policy aims to create a close link between the interests of its Executives and those of the Company, its shareholders, and all other stakeholders.

In accordance with its terms of reference, the Board of Directors carried out a self-assessment in 2021 and entrusted this task to an external expert in corporate governance, which conducted a thorough assessment of the composition and operation of the Board of Directors, its specialised Committees and the interaction between the Board of Directors and the Executive Officers. This self-assessment, which also aimed to gauge that Befimmo's governance efficiently supports its strategy and takes into account the evolving environment in which it operates, included reflections on Befimmo's internal ESG governance.

## At the strategic level

The ESG Cell is a cross-functional team that provides a forum for regular and in-depth discussions on ESG aspects. It is entrusted with the following responsibilities:

- monitoring of and compliance with ESG regulations
- monitoring and analysing market trends and developments and share insights with key stakeholders
- developing proposals, coordinating the integration of ESG aspects into core activities and driving implementation
- reporting on implemented actions
- ensuring that operational projects are in line with the integrated strategy

To mitigate the risk of separating ESG discussions from more general business, financial and strategy discussions, the Cell consists of seven strategic members:

- the Chief Executive Officer (CEO) (member of the Executive Committee)
- the Chief Financial Officer (CFO) (member of the Executive Committee)
- the Chief Operating Officer (COO) (member of the Executive Committee)
- the General Counsel & Secretary General GC&SG) (member of the Executive Committee)
- the Head of Environmental Management (HEM)
- the Head of Transformation & Impact (HT&I)
- the Head of Human Resources (HHR) (as from 2022)

This Cell meets at least three times a year.

Sustainability topics are also discussed every two weeks during Executive Committee and Manager meetings.

## At the operational level

Sustainability topics are addressed on a weekly basis during department meetings of Transformation & Impact and Environmental Management.

### TRANSFORMATION & IMPACT

The Head of Transformation & Impact, member of the ESG Cell, reports directly to the CEO. Her role is both strategic (developing strategy on ESG aspects, managing relations with stakeholders) and operational (coordinating and running sustainability projects, managing the 2030 Action Plan, acting as in-house consultant for other departments, and encouraging staff to embrace change). All activities related to social responsibility, innovation, digitalisation, and sustainability are achieved in co-operation with Befimmo's in-house Transformation & Impact team.

### ENVIRONMENTAL MANAGEMENT

The Environmental Management team consists of five specialists with the task of improving the environmental performance of the portfolio. These specialists include the Green Adviser who monitors the effectiveness of energy investments on the ground while ensuring a high level of comfort for tenants. This team meets regularly in order to implement the 2030 Action Plan.

### HUMAN RESOURCES

The Human Resources department is responsible for raising awareness amongst all members of the team to pay attention to sustainability, for following-up initiatives, and for continuing to develop Befimmo's strong corporate culture. HR is also responsible for monitoring social aspects like diversity and inclusion, talent retention, equal opportunities and global well-being among the team.

### LEGAL CORPORATE

The Legal Corporate department closely monitors the ESG regulatory initiatives and collaborates in identifying and executing the action points, and defining priorities with regards to ESG aspects.

### PROPERTY MANAGEMENT

Property Managers also have an important role to play in ensuring the health and well-being of occupants.

### TEAM

Other team members are also entrusted with specific responsibilities relating to in ESG aspects, such as the Head of Legal, Chief Commercial Officer, Head of Investments, Internal Auditor, etc.

Generally speaking, the entire team is involved in the ESG approach of the Company, depending on the field of expertise, and is aware of the major impact of the real-estate sector on the environment. The objectives described in the 2030 Action Plan for each department are the driving force towards a more sustainable reflection.

## NON-FINANCIAL REPORTING

Befimmo is aligned with the following well-known frameworks and standards:

- the Ten Principles of the [UN Global Compact](#)
- 15 of the 17 [UN Sustainable Development Goals](#)<sup>1</sup>
- the [EPRA](#) Sustainability Best Practices Recommendations 2017
- a reference to the [GRI](#) Standards 2021
- the recommendations issued by the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#)

Today, Befimmo is also already aligning with future ESG legislation, namely the Corporate Sustainability Reporting Directive (CSRD), as it adopts the double materiality principle in its non-financial reporting.

CSRD as well as the EU Taxonomy will become the foundation for sustainability reporting. CSRD will enter into application for a large number of companies as from January 2023 (reporting year). Today, Befimmo is already working on integrating the requirements into its non-financial reporting. By doing so, the Company does not only get prepared for future regulations, but also defines a clear strategy to address questions from external stakeholders, which include rating agencies, investors and asset managers (through their regulatory obligations, namely the Sustainable Finance Disclosure Regulation - SFDR), and other standardisation bodies and organisations to whom Befimmo discloses information on voluntary basis. All future ESG regulations are described in detail in the Non-financial statements of the present Report.

Befimmo commissioned Deloitte to carry out a limited assurance review on the ESG data. Data marked with the ✓ symbol have been audited as part of this review.

✕ [NON-FINANCIAL STATEMENTS, P.243](#)



1. SDG 2 (Zero Hunger) and 14 (Life below Water) were not considered as these SDGs are not directly or indirectly linked to Befimmo's business.

## APPROACH TO DEFINE ESG PRIORITIES

Befimmo constantly monitors external drivers that are shaping the Company's activities to select and prioritise its material topics and commitments.

This approach is not a "one-off" exercise but rather a continuous process fed by the permanent dialogue maintained with Befimmo's stakeholders, aiming to maintain a solid connection with the way their expectations evolve over time and allowing Befimmo to adapt incrementally.

This approach helps Befimmo to determine its material topics, their positive and negative impact, and their relevance. The entire ESG strategy is then challenged according to these evolving material topics and adapted if necessary. The ESG strategy is monitored through the 2030 Action Plan, which includes ambitious objectives to continue improving Befimmo's ESG performance.

### External environment impact on Befimmo

Befimmo monitors external trends through market analysis, participation in ESG assessments (GRESB, CDP), and the analysis of frameworks and standards such as TCFD, GRI, EPRA, the SDGs and the UN Global Compact in order to understand the driving forces of the moment.

In addition, the Company carried out a risk analysis in early 2019, which led to a full review of the risk matrix in late 2019. This risk matrix is reviewed annually as part of a three-year plan by the Audit Committee. The corporate risk rules provide for a formal update of the risk factors, twice a year when the half-yearly and annual financial reports are drafted. This update is then presented to and discussed in the

Executive Committee. Finally, the document is transmitted to the Audit Committee for review, and to the Board of Directors for formal approval.

In 2021, Befimmo included climate change in its reporting and Enterprise Risk Management (ERM) process as part of a broader strategic risk focus on ESG aspects, next to the two existing non-financial risks (environmental and social). These three risks are detailed in the Risk factors chapter of the present Report.

➤ [RISK FACTORS, P.172](#)

Each of these non-financial risks is closely monitored throughout the year by specific departments who will implement mitigation and prevention actions whenever necessary. The departments concerned are mainly Environment, Human Resources, Property Management and Legal Corporate.

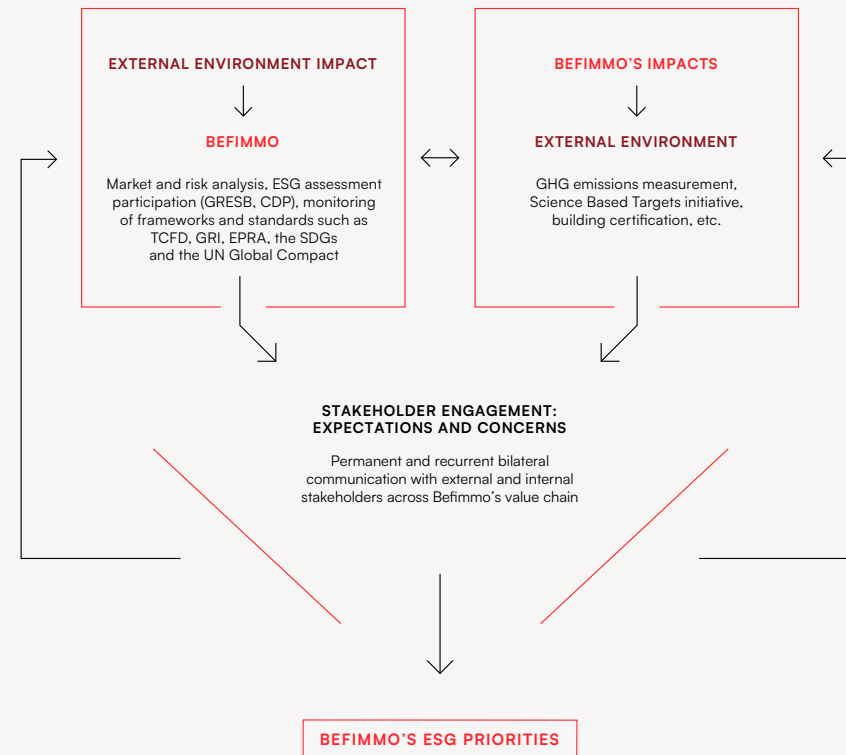
### Befimmo's impact on its external environment

One of Befimmo's objectives is to manage and minimise the impact an organisation's activities have on an environment, to mitigate risks of harmful effects on the natural environment and protect the health of human being but also to ensure compliance with laws and regulations.

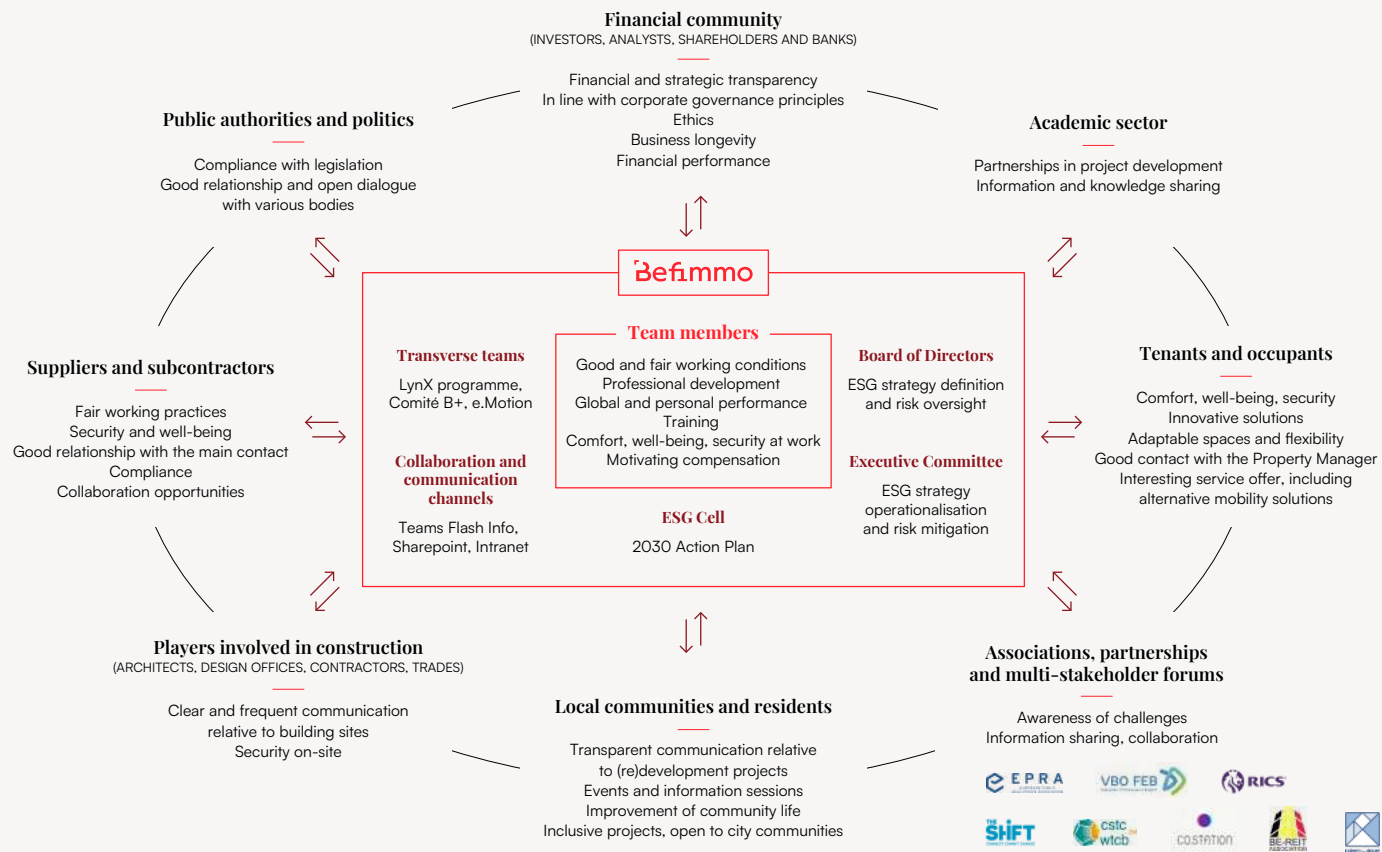
Befimmo firmly believes that the impact the organisation has on the economy, the environment and people is an integral part of its corporate communication and reporting framework. This includes a rigorous process of defining relevant topics, measure and report on performance indicators.



## DOUBLE-MATERIALITY APPROACH



## → STAKEHOLDER AND COMMUNICATION APPROACH



In this context, Befimmo has always been a leading player in anticipating future evolutions, and adopting best practices from the market.

## Stakeholder engagement

### BILATERAL COMMUNICATION METHOD

Befimmo brings together many players at the different stages of its buildings' life cycle. In order to best meet individual expectations and concerns of its stakeholders, Befimmo strives to offer a tailor-made communication for each stakeholder group. Each stakeholder is therefore approached differently, by a specific team member with the best knowledge of the subject matter, and using the most appropriate communication method.

Conducting a constant and proactive dialogue with its stakeholders ensures that the Company keeps in step with their expectations and a constantly changing society. Alongside electronic channels, the Company gives preference, whenever possible, to direct face-to-face contacts that strengthen human bonds and allow qualitative exchanges that transcend figures and surveys. Moreover, a close connection and a trust-based relationship are the best ways for Befimmo to move forward in a positive societal direction.

But the Company is also open to communication and contacts from stakeholders. In addition to Befimmo's general contact data, the materiality exercises and the communication channels specific to certain stakeholders (such as the Helpsite for tenants), the Company has developed a new version of its whistleblowing policy early 2022. Its scope was extended to enable Befimmo's staff to notify infringements to (1) the rules of EU law in the areas listed by the Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, and (2) in general, any other infringement of Befimmo's internal policies, to a central contact



point within Befimmo, in complete confidentiality and without fear of reprisals in the broadest sense.

In 2021, no notifications were registered within the framework of the whistleblowing policy.

The detailed information on stakeholder engagement can be found in the Non-financial statements of the present Report.

➤ [NON-FINANCIAL STATEMENTS: STAKEHOLDER ENGAGEMENT, P.264](#)

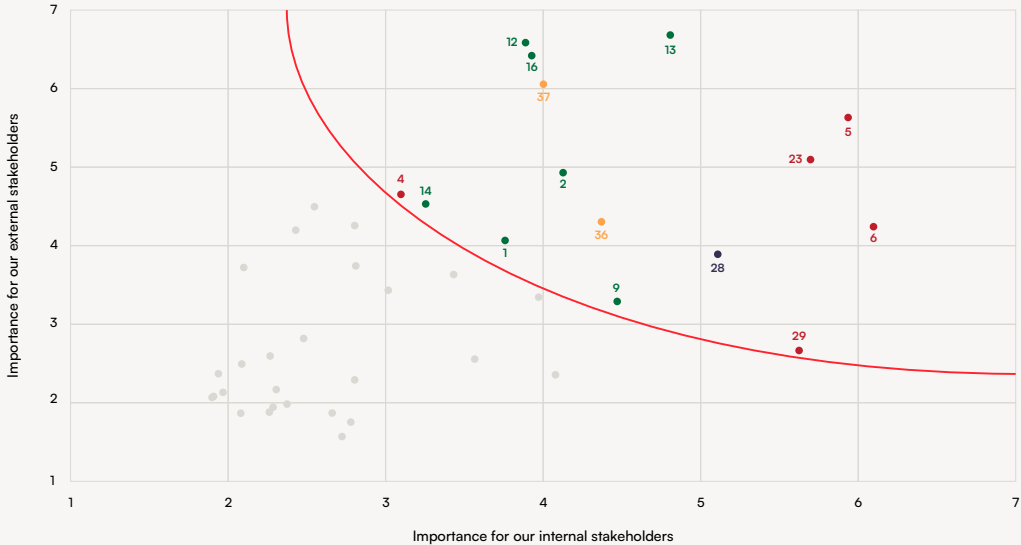
### MATERIALITY EXERCISE

In 2020, Befimmo reviewed its materiality matrix to identify its ESG-related priorities. The Company therefore approached a diversified panel of external and internal stakeholders, who allowed the Company to gather various interesting points of view regarding its priorities through interviews, workshops or an online survey. Through this materiality matrix, Befimmo has then identified and prioritised the environmental, social and governance aspects, taking into account the expectations of all stakeholders. 15 of these ESG aspects were underlined as a priority for Befimmo to work on.

The results of the materiality assessment laid the foundations for the design of Befimmo's 2030 Action Plan, which will be detailed hereafter.



### MATERIALITY MATRIX



#### ENVIRONMENT

- 1 Architectural quality
- 2 Mixed functions
- 9 Flexibility and adaptability of the buildings
- 12 Biodiversity
- 13 Energy consumption
- 14 Water consumption
- 16 Circular economy

#### SOCIAL

- 4 Participation of stakeholders in the project development process
- 5 Safety and health of occupants
- 6 Comfort and well-being of occupants
- 23 Communication with occupants
- 29 Dialogue employee/employer

#### GOVERNANCE

- 28 Ethics and transparency

#### TRANSVERSE ISSUES

- 36 Innovation
- 37 Integration of ESG challenges within the investments, management and risk control policy

## 2030 ACTION PLAN: FOUNDATIONS

The foundations 2030 Action Plan is composed of priority enablers that address the governance dimension of the ESG strategy. It has mostly rather qualitative targets and contributes indirectly (i.e. through their enablement) to improve the environmental and social performance, described hereafter.



### GOVERNANCE

- | BEHAVE ETHICALLY
- | USE ESG REGULATIONS TO ACCELERATE THE SUSTAINABILITY TRANSITION
- | ADOPT A DUE DILIGENCE STRATEGY
- | PROMOTE GREEN INVESTMENT OPPORTUNITIES
- | MAINTAIN A TRANSPARENT COMMUNICATION

The full 2030 Action Plan can be consulted in the Non-financial statements of this Report.

▮ [NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.274](#)



## Behave ethically

### WHY IS THIS IMPORTANT?

Ethical behaviour is of capital importance to run the organisation and conduct business in order to create a relation of trust with all stakeholders and keep reputation high.

### ACTION(S)

- Publication of four new policies
- Preparation of the future Human Rights policy

### 2030 ACTION PLAN

#### ONGOING

Creation of a Human Rights policy  
**> Target: published by end 2022**

#### 100%

Part of digitalisation projects controlled within the framework of GDPR  
**> Target: 100% (permanent target)**

### DESCRIPTION AND APPROACH

One of Befimmo's main goals is to uphold exemplary internal ethical standards, by putting in place the necessary means to prevent, detect and treat unethical behaviour.

In terms of ethics, Befimmo applies high standards which derive from its Company policy, its BE-REIT status and the environment in which it operates. Ethical conduct is an integral part of Befimmo's corporate culture, which emphasises honesty, integrity and the respect of high ethical standards in the performance of its activities. Befimmo further abides by the principles of corporate governance laid down by the Belgian Code on Corporate Governance ("2020 Code").

Befimmo has established a [set of policies](#) and has taken measures to guarantee ethical standards at all levels of the Company:

- Corporate Governance Charter
- Code Of Ethics
- Dealing Code
- Whistleblowing Policy
- Anti-Corruption Policy
- Client and Counterparty Acceptance Policy including preventions measures against the risk of anti-money laundering and terrorism financing
- [Privacy Policy](#)
- Policy on Diversity and Inclusion
- Philanthropy and Associative Partnership Policy
- Supplier Code of Conduct
- ESG Policy
- Signatory to the UN Global Compact

With the exception of the Client and Counterparty Acceptance Policy (which is not published on for discretion reasons), the abovementioned policies are available

on the Company's website (for external stakeholders) and on the Intranet (for team members). The General Counsel & Secretary General also gives regular presentations to the team covering these topics.

### LOOKING AHEAD

Befimmo wants to increase transparency for its stakeholders, sharing statements on how Befimmo positions itself regarding ESG aspects. In 2022, Befimmo will work on the implementation and training of the policies that were amended or newly adopted:

- Whistleblowing Policy (extended early 2022)
- Anti-Corruption Policy (adopted early 2022)
- Diversity and Inclusion Policy (codified early 2022)
- Philanthropy and Associative Partnership Policy (amended early 2022)

In addition, Befimmo intends to adopt a Human Rights Policy in the near future.



## Use ESG regulations to accelerate the sustainability transition

### WHY IS THIS IMPORTANT?

With the implementation of the new EU directives linked to non-financial reporting, the scope of companies required to report on ESG aspects will be increased. This is an important step in the acceleration of the transformation towards more transparency.

### ACTION(S)

Preparation and gradual alignment of non-financial reporting according to future ESG regulation requirements

### 2030 ACTION PLAN

#### ONGOING

Alignment with future ESG regulations  
**> Target: fully aligned by 2024**

### DESCRIPTION AND APPROACH

Non-financial reporting has drastically improved over the past years. However, there is still room for improvement with regard to, amongst others:

- strengthening the completeness and transparency of information
- the contribution to Europe's commitment to achieve carbon neutrality by 2050
- the alignment of communication practices
- the comparability of ESG performance between companies
- the management of sustainability-related matters in own operations and value chains as regards social and human rights

Therefore, Befimmo is preparing for future ESG regulations that will improve non-financial reporting even more.

The main regulations that concern (in)directly Befimmo are the Taxonomy Regulation, the Proposal for a Corporate Sustainability Reporting Directive (CSRD), the Proposal for a Sustainable Corporate Governance Directive, the Sustainable Finance Disclosure Regulation (SFDR), the Fit for 55 package and the Proposal for a European Green Bond Standard.

❌ [NON-FINANCIAL STATEMENTS: GOVERNANCE, P.273](#)

❌ [PROMOTE GREEN INVESTMENT OPPORTUNITIES, P.67](#)

### LOOKING AHEAD

By adopting new policies and amending existing ones (see above) and by setting a higher focus on its entire value chain (see hereafter), Befimmo aims at anticipating on the upcoming regulation.

The Company will of course continue to closely monitor the ESG regulatory initiatives (on top of the above-mentioned regulations, in particular, the initiatives on a Social Taxonomy and regarding pay transparency) with a view to identifying the actions to be undertaken with regards to ESG aspects.





## Adopt a due diligence strategy

### WHY IS THIS IMPORTANT?

Befimmo has a role to play to promote sustainable and ethical behaviour throughout its entire value chain. In order to establish strong partnerships with its stakeholders, they need to be onboarded in Befimmo's 2030 Action Plan.

### ACTION(S)

- Creation of a new supplier code of conduct
- Development of a supplier assessment process

### 2030 ACTION PLAN

#### NEW OBJECTIVES

Part of the suppliers who signed the new code of conduct

**> Target: 100% by 2023**

Part of the significant<sup>1</sup> suppliers assessed

**> Target: 100% by 2024**

Part of the significant<sup>1</sup> suppliers engaged

**> Target: 100% by 2030**

### DESCRIPTION AND APPROACH

#### Tenants and occupants

Befimmo has developed and implemented a Client and Counterparty Acceptance Policy, including preventions measures against the risk of anti-money laundering and terrorism financing, with a view to the prior assessment of potential tenants and occupants before entering any business relationship with them.

✕ [CORPORATE GOVERNANCE, P.166](#)

#### Suppliers

To further integrate the sustainability approach into its supply chain, Befimmo has drafted a sustainable procurement charter to clearly communicate the commitments it expects from its suppliers. This charter was published on the Befimmo website in early 2018 and adherence is included in the standard terms and conditions required of all suppliers.

Next to raising awareness among its supply chain, Befimmo also assessed its 200 most important suppliers (representing 80% of the overall purchases) in 2020, in order to determine if they are on the same page regarding environmental, social, and governance aspects. Befimmo gained valuable information which it analysed thoroughly. This first exercise prepared the Company to work on a global framework for all its suppliers. This global framework included the reflection, in 2021, on the adoption of a

[Supplier Code of Conduct](#) and the implementation of an assessment process for the Befimmo suppliers.

#### Subsidiaries

Befimmo's ESG strategy is implemented at group level. The following subsidiaries are thus already fully aligned with Befimmo's ESG strategy: Befimmo Property Services SA/NV, Fedimmo SA/NV, Axento SA, Meirfree SA/NV, Vitalfree SA/NV, Loi 52 SA/NV, ZIN in Noord SA/NV, ZIN In Noord 2025 SA/NV and Kubissimmo SARL.

Silversquare, another subsidiary of Befimmo, operates coworking centres and jointly develops a Belux network of flexible workspaces, allowing users to combine work locations in ways that promote creativity, innovation and networking. It is core to Befimmo's strategy, answering to the increasing interest of companies in hybrid workspace solutions.

Befimmo and Silversquare have jointly started working on an integrated ESG strategy, taking into account specific aspects linked to coworking, and integrating Silversquare into the 2030 Action Plan.

### LOOKING AHEAD

The due diligence process for tenants and occupants will be extended to the suppliers of the Company. In 2022, Befimmo will finalise its new supplier code of conduct and determine the best way to disseminate the documents to all suppliers. The Company will also implement a supplier

assessment process for all suppliers "at risk", according to its due diligence procedure. The tool for this supplier assessment will be determined in 2022 as well.

Regarding the onboarding of subsidiaries in the global ESG strategy, a first concrete action will be put into place with Silversquare in the course of 2022. The company has been working with an external partner in order to determine and analyse the carbon footprint of its activities.

Befimmo will proactively inform all future subsidiaries on the ESG strategy on the Company, and the necessity to adopt their own strategy according to their activities, starting with Sparks.

<sup>1</sup> Significant suppliers are suppliers having a potential risk on ESG aspects.

# Promote green investment opportunities

## WHY IS THIS IMPORTANT?

Promoting green investment opportunities is a clear commitment to making strategic investments in sustainable projects and creating long-term value for Befimmo's users, investors and shareholders.

## ACTION(S)

- First investment within the Green Financing Framework
- Preparation of a Sustainability Linked Loan Framework

## 2030 ACTION PLAN

### NEW OBJECTIVE

Implementation of a Sustainability Linked Loan Framework

> Target: implemented in 2022

## DESCRIPTION AND APPROACH

In 2021, Befimmo finalised its Green Financing Framework. It provides the supporting structure on which Befimmo can issue green bonds, green private placements or green bank financing to drive its sustainability targets. The Framework is a natural and logical extension of all sustainability and environmental actions the Company undertakes.

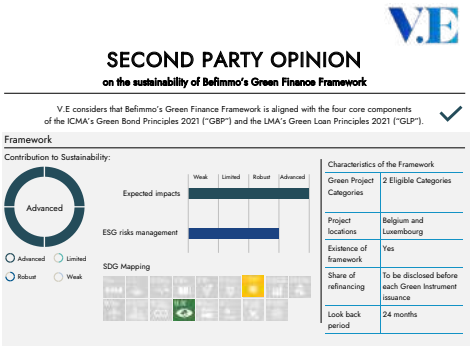
As a whole, the framework sets out to provide the investors with the necessary information to evaluate the environmental impact of their investment. Therefore, the Company defined a set of criteria for selecting projects eligible to be financed or refinanced by the proceeds of any financing issued under the framework. This framework was subject to a Second Party Opinion executed by Vigeo Eiris.

At yearend, Befimmo had €376 million in eligible projects and at least an additional €355 million of eligible projects in its development pipeline.

In 2021, Befimmo issued its first green financing for a total amount of €50 million. The proceeds have been used to finance part of the Quatuor project.

## LOOKING AHEAD

In the course of 2022, Befimmo will continue its efforts to convert its traditional debt financing towards green and sustainable forms, backing up the sustainable commitments it makes on the operational side to its investors. Therefore, it aims to introduce a Sustainability Linked Bond & Loan Framework (complementary to the Green Financing Framework) which will set out the targets, aligned with the SBTs, and procedures for any sustainability-linked financing it intends to issue. Furthermore, it will monitor, and update where necessary, its Green Financing Framework to align with the EU Taxonomy.



Project	Quatuor	Paradis Express	ZIN	Total eligible projects
Surface	61 613 m²	21 208 m²	114 692 m²	197 513 m²
Project start date	01/01/2018	01/06/2019	01/10/2020	-
Project delivery date	31/03/2022	31/03/2022	30/04/2024	-
Capex spent	€168.7 million	€50.2 million	€135.3 million	€354.2 million
Capex to spend	€10.9 million	€9.5 million	€334.6 million	€355.0 million
Certification	BREEAM Outstanding in Design phase	BREEAM Excellent in Design phase	-	n.a.

# Maintain a transparent communication

## WHY IS THIS IMPORTANT?

Non-financial reporting becomes increasingly important among investors, clients, banks and regulators as they are looking for more standardisation in order to include non-financial drivers in their decision-making.

## ACTION(S)

- Permanent analysis of all relevant investor assessments
- Increased participation in stakeholder assessments and therefore improve Befimmo's transparency in terms of ESG aspects

## 2030 ACTION PLAN

### 3

Number of annual participations in investor assessments

**> Target: min. 2 voluntary assessments per year**

## DESCRIPTION AND APPROACH

For many years now, Befimmo has paid particular attention to the reliability of the reporting process, and rigorous, accurate and transparent financial and non-financial communication. The Company has seen a growing interest from investors in ESG and sustainability topics which are increasingly integrated into investment processes.

Befimmo has aligned itself with the most ambitious and complete tools and frameworks for sustainable development, by adopting concrete targets, codes of conduct, and conventions on environmental, social and governance aspects.

✗ EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.116

✗ NON-FINANCIAL STATEMENTS: GRI CONTENT INDEX, P.245

✗ NON-FINANCIAL STATEMENTS: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD), P.248

Thanks to its thorough, standardised and transparent way of communicating, the Company was able to gain recognition and to receive high ratings for its non-financial reporting.

## LOOKING AHEAD

Befimmo aims to further analyse, develop and improve communication in line with the reference standards in force. It will maintain its participation level in various surveys high and use the scores as feedback to keep improving its sustainability initiatives.

## FRAMEWORKS FOR SUSTAINABLE DEVELOPMENT



## RECOGNITIONS



1. Befimmo has integrated 15 of the 17 Sustainable Development Goals in its day-to-day business. SDG 2 (Zero Hunger) and 14 (Life below Water) were not considered as these SDGs are not directly or indirectly linked to Befimmo's business.

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## Environmental & Social performance (direct impact)

### 2030 ACTION PLAN

This section is focusing on all the main environmental and social actions that are planned and/or ongoing in order to have a direct impact on Befimmo's E or S performance, and thus supporting Befimmo's overall value creation.



#### ENVIRONMENT

- | CONTRIBUTE TO CLIMATE CHANGE MITIGATION
- | CONTRIBUTE TO CLIMATE CHANGE ADAPTATION
- | CONTRIBUTE TO THE SUSTAINABLE USE AND PROTECTION OF WATER
- | CONTRIBUTE TO THE TRANSITION TO A CIRCULAR ECONOMY
- | CONTRIBUTE TO POLLUTION PREVENTION AND CONTROL
- | CONTRIBUTE TO THE PROTECTION & RESTORATION OF BIODIVERSITY
- | USE CERTIFICATION SYSTEMS TO DELIVER SUSTAINABLE ASSETS
- | CREATE INNOVATIVE AND SUSTAINABLE BUILDINGS
- | PROVIDE BUILDINGS ACCESSIBLE THROUGH SUSTAINABLE TRANSPORT SYSTEMS
- | REDUCE THE ENVIRONMENTAL IMPACT OF THE TEAM



#### SOCIAL

- | TAKE CARE OF THE TEAM AND THE COMMUNITY
- | BUILD AND ANIMATE COMMUNITIES
- | IMPROVE COMFORT, SECURITY AND SAFETY
- | INTEGRATE BUILDINGS INTO CITIES

The full 2030 Action Plan can be consulted in the Non-financial statements of this Report.

▢ [NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.274](#)





## ENVIRONMENTAL PERFORMANCE

## Contribute to climate change mitigation

### WHY IS THIS IMPORTANT?

The Paris Agreement and the recent IPCC 6<sup>th</sup> Assessment Report have highlighted the need to keep global warming within a 1.5°C temperature rise. Building operations and construction now account for nearly 40% (28% and 11%) of global energy-related CO<sub>2</sub>e emissions.

### ACTION(S)

- Finalisation of a complete carbon footprint of the activity
- Submission of objectives for scope 1 and 2 emissions to SBTi
- Integration of the CRREM Tool in the Enterprise Risk Management

### DESCRIPTION AND APPROACH

In order to measure the efforts already made and those still to be made to achieve the objectives of limiting global warming to 1.5°C set by COP21 and Europe, Befimmo uses two complementary approaches, namely the methodology proposed by the [Science Based Targets initiative \(SBTi\)](#) and that proposed by the [CRREM](#) tool. In January 2022, these two players joined forces and methodologies to ensure a major global approach to operational decarbonisation of buildings aligned with climate science with the ultimate goal of achieving net zero carbon by 2050.

Befimmo uses these two references as part of the implementation of its decarbonisation strategy which consists to develop an approach to reducing the energy consumption of the portfolio, increasing the use of self-generated renewable energy while reducing the amount of carbon incorporated into (re)development projects.

#### In concrete terms:

##### For (re)development projects

- preference of renovation of existing buildings instead of demolition and reconstruction to minimise embodied carbon
- design and development of (re)development projects within a whole life approach by assessing, reducing and optimising construction principles and choices in such a way as to limit embodied carbon
- maximisation of the potential for renovation, future adaptation, dismantling, change of use and circularity to extend the life of buildings, and limit and postpone the end-of-life impact

Befimmo's teams pay particular attention to the study and design phases of future projects, in terms of architectural choices, materials choices, and the optimisation of

techniques to minimise energy consumption and reduce CO<sub>2</sub>e emissions during the operational phase.

The choice of materials and techniques used for projects are based on the scope of the work to be carried out, with the help of [BREEAM](#) and [DGNB](#) frameworks and/or on minimum technical requirements developed in-house and integrated into a quality matrix. With this approach and objective, Befimmo aims to achieve energy efficiency that exceeds statutory requirements.

#### For buildings in operation

- reduction of operational carbon emissions by optimising energy demand and improving building efficiency
- avoidance of energy wastage while maintaining optimum comfort conditions for occupants
- development and maximisation of the share of self-generation of renewable energy
- planning and implementation of the elimination of fossil fuels in the portfolio

The feasibility, profitability, and monitoring of environmental projects linked to the operation of the portfolio are assessed by the Environmental Technical Team, composed of five specialists who also assist the Project and Property Management teams in strategic choices and decisions relating to all environmental aspects of the portfolio. In collaboration with the Company's real-estate divisions, they ensure that Befimmo's standards (consolidated in a quality matrix) guarantee energy performance and minimise environmental impacts. These teams can call upon the internal Green Adviser, who monitors the effectiveness of energy investments on the ground while ensuring a high level of comfort for tenants.

### 2030 ACTION PLAN

#### 26%

Reduction of absolute scope 1 & 2 GHG emissions  
**> Target: reduction of 50% by 2030 (vs 2018)**

#### 21%

Increase of specific scope 1 & 2 GHG emissions  
**> Target: reduction of 50% by 2030 (vs 2018)**

### NEW OBJECTIVE

Reduction on 2/3 of absolute scope 3 GHG emissions  
**> Target: reduction of 2.5% per year until 2030 (vs 2018)**

#### 88%

Part of green electricity consumption of landlord-controlled buildings  
**> Target: 100% by 2023**

#### 1,124 kWp

Renewable installed capacity  
**> Target: 2,200 kWp by 2025**

#### 175 kWh/m<sup>2</sup>

Energy intensity of landlord-controlled buildings  
**> Target: 95 kWh/m<sup>2</sup> by 2030 (vs 2018)**

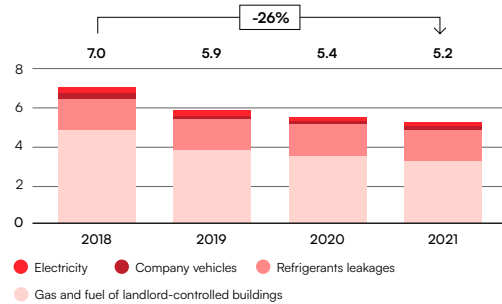
### Definition of Science Based Targets (SBTi)

With the help of SBTi and following the complete revision of its carbon footprint in accordance with the [GHG Protocol](#), Befimmo has set targets for reducing CO<sub>2</sub>e emissions for each of the scopes.

### Scopes 1 and 2

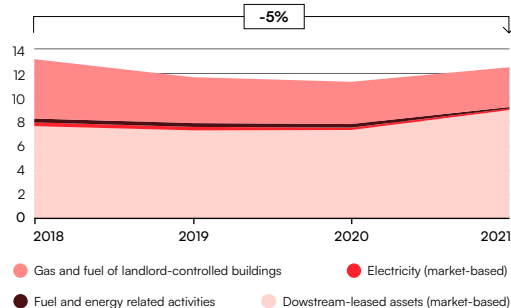
Befimmo confirms its commitment to SBT in order to reduce absolute CO<sub>2</sub>e emissions related to scopes 1 and 2 by 50% by 2030, compared to the base year 2018.

#### SCOPE 1 & 2 EMISSIONS (MARKET-BASED) ktCO<sub>2</sub>e

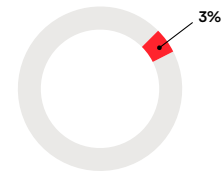


In 2021, the total absolute reduction achieved compared to 2018 is 26% while energy-related emissions over the same period have decreased by 5% despite an increase in emissions from tenant-controlled buildings.

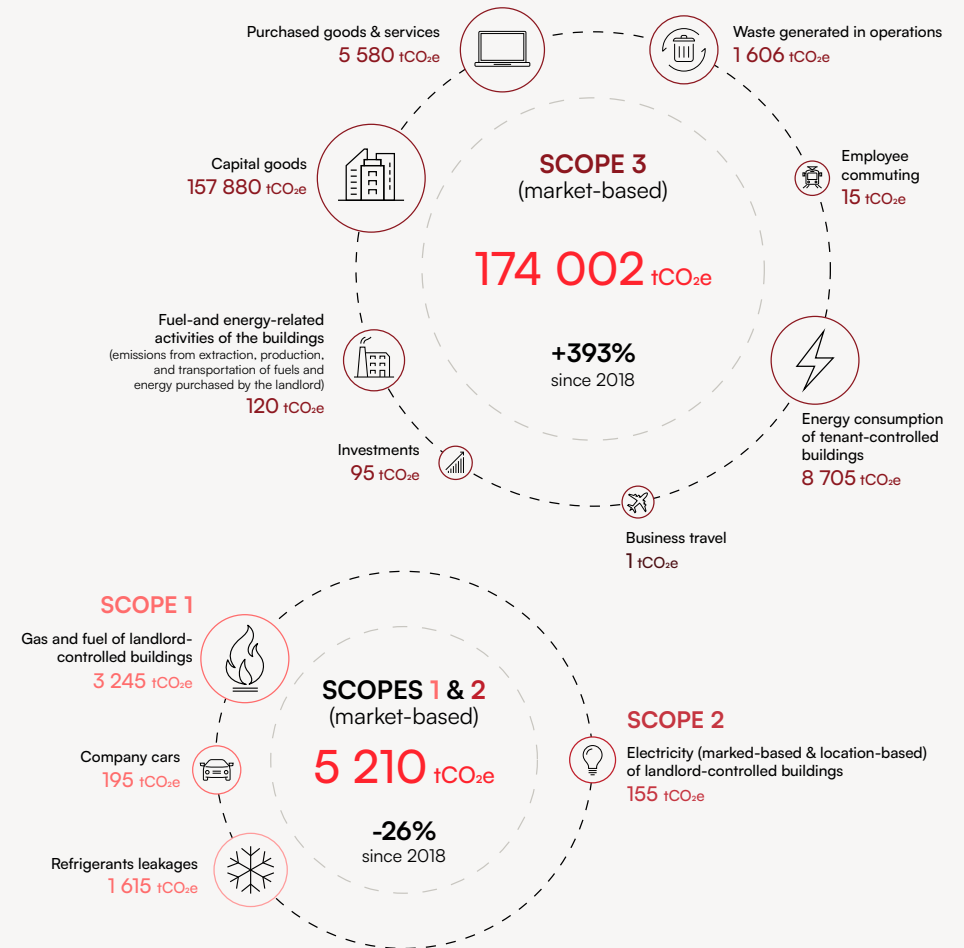
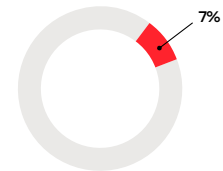
#### ENERGY-RELATED EMISSIONS (MARKET-BASED) ktCO<sub>2</sub>e



#### SCOPE 1 & 2 EMISSIONS (% TOTAL CARBON FOOTPRINT IN 2021)



#### ENERGY-RELATED EMISSIONS (% TOTAL CARBON FOOTPRINT IN 2021)





The reduction target of 33% of specific energy-related emissions for its portfolio (scopes 1, 2 and 3) disclosed since 2017 was also revised to contribute to the main 50% reduction target for overall scope 1 and 2 absolute emissions by 2030 (adjustment of scopes and base year from 2016 to 2018).

Befimmo is therefore committed to achieving an average level of specific emissions related to the energy consumption of landlord-controlled buildings (scopes 1 and 2) equal to 8 kg CO<sub>2</sub>e/m<sup>2</sup>, i.e. a reduction of 50% compared to 2018.

The specific emission reduction target is composed of two sub-targets:

1. 50% reduction of CO<sub>2</sub>e emissions linked to fuel (gas, oil) of landlord-controlled buildings
2. 100% reduction of CO<sub>2</sub>e emissions linked to electricity and heat of landlord-controlled buildings

### Scope 3

Given that a very large proportion of Befimmo's total emissions fall within scope 3, the Company is committed to reducing them by 2.5% per year until 2030, compared to 2018, on two thirds of its absolute emissions in scope 3, in accordance with the SBT recommendations for the 1.5°C scenario.

Befimmo is aware that a large part of its emissions is linked to the (re)development projects it initiates. It therefore systematically carries out life cycle analyses of its projects and uses the results of these analyses to reduce the carbon impact as much as possible over the entire life cycle of the buildings it puts on the market.

### Decarbonisation and energy reduction scenario analysis for the portfolio and by building (CRREM)

The CRREM tool developed by a European consortium allows Befimmo, in addition to providing an overall view of the performance of its portfolio, to have a framework for evaluating the transition risks for each building.

The detailed analysis makes it possible to determine the "tipping point" indicating the moment when CO<sub>2</sub>e emissions become greater than the maximum sustainable in the decarbonisation trajectory reflected in the Paris Agreement.

In this way, Befimmo has an environmental obsolescence risk indicator enabling it to take into account the prospects of renovations, improvements, sales and/or acquisitions of assets in its portfolio in accordance with its strategy.





The graph on the right clearly illustrates the fact that Befimmo began reducing the scope 1 and 2 emissions of the buildings under its control in 2008. The efforts made over many years are visible and the reduction curves are perfectly aligned with the trajectories envisaged by CRREM to aim for net zero carbon by 2050.

Befimmo, on the basis of its strategy and known projects up to 2030, is confident in its ability to maintain and achieve its objectives, even if the proposed trajectories were to be revised to accelerate the transition to a low-carbon economy.

In 2021, the specific emissions (18.9 kg CO<sub>2</sub>e/m<sup>2</sup>) of landlord-controlled buildings are higher than in the base year 2018 (15.6 kg CO<sub>2</sub>e/m<sup>2</sup>). This return to earlier values in 2021 is due to the pandemic (obligation to over-ventilate buildings) and the retroactive update of the CO<sub>2</sub>e emission factors. The prediction model was revised at the end of 2021 in order to take account of Befimmo's strategic decisions. A return to values in line with the reduction targets is expected from 2022 onwards, in particular due to the return to the portfolio of certain high-performance buildings.

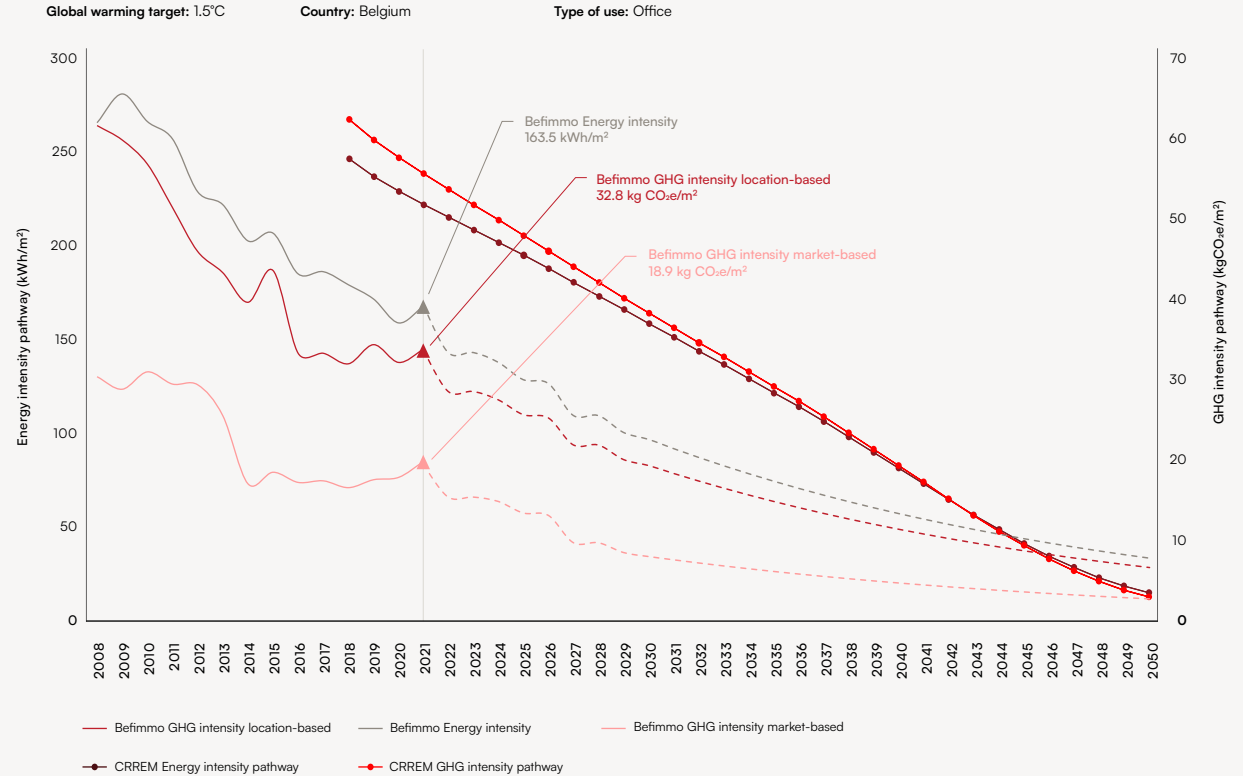
Befimmo complements its CO<sub>2</sub>e reduction targets with a target to reduce the specific energy consumption of landlord-controlled buildings. In 2018 the value obtained is 175 kWh/m<sup>2</sup> while its objective is to reach 95 kWh/m<sup>2</sup> by 2030.

### Role and importance of energy performance

The energy performance of buildings plays a key role in achieving Befimmo's ambitious targets for reducing CO<sub>2</sub>e emissions by 2030-50.



## BEFIMMO'S ENERGY AND GHG PERFORMANCE AGAINST THE CRREM BENCHMARK





A key priority for Befimmo is to continue to reduce energy consumption by ensuring that operational buildings are well managed and that the comfort of the occupants is assured. The (re)development and marketing of new, high-performance buildings is essential for the Company to achieve the targets it has set itself. The teams are working together to address the challenges of rational energy use and CO<sub>2</sub>e emission reduction across the business and the value chain.

Befimmo continuously invests to improve and optimise the existing technical installations.

Older buildings, which are less efficient despite previous improvements, will be gradually renovated and replaced in the long term by buildings that are more efficient than is required by law. Befimmo is thinking ahead and aligning itself with the European political vision for sustainable construction.

By 2026, approximately 50% of the surface area of landlord-controlled buildings will be no more than five years old.

The total specific energy consumption of landlord-controlled buildings in 2021 is 6% higher than in 2020. This is mainly due to higher fuel consumption for heating buildings. The latter were over-ventilated in order to address the pandemic, while the need for heat was greater due to less favourable weather conditions compared to 2020.

The specific electrical energy consumption in 2021 of landlord-controlled buildings is stable and in line with 2020. The latter were abnormally low due to the pandemic and the lower use of the premises.

### Reduce the use of fossil fuels and increase self-generation capacity in renewable energy

By 2030, Befimmo aims to reduce its direct CO<sub>2</sub>e emissions linked to the purchase of heating fuels for landlord-controlled buildings by 50%.

In order to achieve this target, (re)development projects are designed to reduce heating demand as much as possible (high insulation performances, optimisation of external gains, etc.) by answering those needs with alternatives to the fossil fuel solutions such as geothermal energy and/or heat pumps, and by maximising renewable energy production.

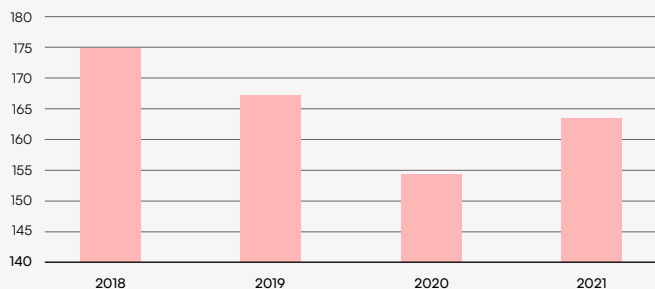
### Electricity supply contract for the portfolio

Befimmo has signed a green electricity supply contract for the landlord-controlled buildings. This does not prevent the Company from pursuing its initiatives and concrete actions to reduce consumption.

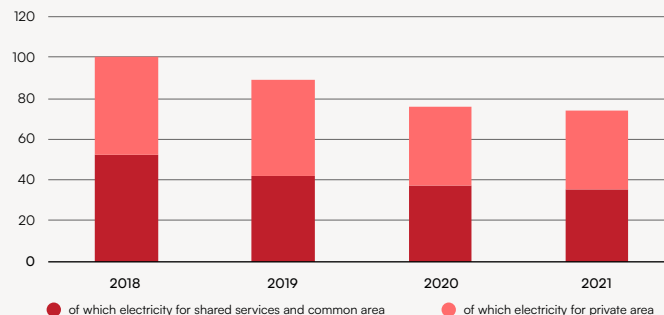
To ensure that the electricity consumed in all the buildings under its control is green, Befimmo has set itself the objective, as soon as technically and administratively possible, of taking over the meters of private electrical installations it does not control and bringing them under a green energy contract that already covers more than 88% of the total portfolio consumption.

This implies, on the one hand, the implementation of network infrastructure work in some of its buildings and, on the other hand, the ongoing awareness of the occupants of certain sites over which Befimmo does not have control of energy supply.

ENERGY CONSUMPTION INTENSITY OF LANDLORD-CONTROLLED BUILDINGS (KWH/M<sup>2</sup>)



ELECTRIC CONSUMPTION INTENSITY OF LANDLORD-CONTROLLED BUILDINGS (KWH/M<sup>2</sup>)



3,067 M<sup>2</sup>

of solar panel (566 kWp) and 460 kWth closed loop geothermal system for Quatuor

6,877 M<sup>2</sup>

of solar panel (1,124 kWp) for the portfolio



### Optimising the operation of technical installations

In 2018, Befimmo installed new software in some of its buildings to analyse the data from regulation systems.

Initially, all the data from the programmable or other controllers in the network are recorded at regular intervals to create a “big data”<sup>1</sup> system. The software processes the data to present summarised and practical information so that the behaviour of the installations can be analysed in real time or at a later stage. It allows the exact functioning of the processes to be understood and any problems with design, regulation, or control of the installations to be detected. In the event of a problem, the tool can examine the chain of processes that led to the dysfunction and trace the cause. This makes it useful for limiting energy consumption and to improve tenant comfort. Befimmo will continue to roll out this solution in other buildings. The Company also invested in Building Management Systems (BMS) for some of its buildings that had not yet been equipped. These installations will enable further energy savings and better monitoring of comfort conditions.

### LOOKING AHEAD

Befimmo will continue its long-term CO<sub>2</sub>e reduction plan by developing and completing its strategy with the help of SBTi, CRREM and its carbon footprint.

Most of its (re)development projects include solar panels; by 2025 Befimmo aims to double the installed capacity (kWp). To possibly exceed this objective, studies are also underway on the possibility of equipping certain existing buildings, either through self-financing or via a third-party investor.

In parallel, Befimmo will evaluate all possible ways of stimulating and supporting the production of renewable energy, in particular by setting up contracts for the supply of green electricity with a guarantee of origin from local producers.

Befimmo and Silversquare have jointly started working on an integrated ESG strategy, taking into account specific aspects linked to coworking, and integrating Silversquare into the 2030 Action Plan. Both teams are working will continue to work together to reduce the carbon footprint of their activities.

1. Depending on the size of the building and the number of technical installations, the number of measuring points is between 12,000 and 18,000.

## Contribute to climate change adaptation

### WHY IS THIS RELEVANT?

Implementing the TCFD recommendations helps the Company to contribute to climate change adaptation and have a business model and strategy compatible with the transition to a sustainable economy, with the limiting of global warming to 1.5°C that contributes to the objective of making the EU climate-neutral by 2050, in line with the Paris Agreement.

### ACTION(S)

First implementation of the TCFD recommendations in order to contribute to the objective of making the EU climate-neutral by 2050, in line with the Paris Agreement

### 2030 ACTION PLAN

#### ONGOING

Alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

**> Target: fully aligned by 2023**

### DESCRIPTION AND APPROACH

In 2021, Befimmo started to implement the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD). This voluntary disclosure allows companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes.

Befimmo aims to reflect deeply about its long-term value creation in a context where climate change impacts will continue growing steadily at an increased speed. By understanding how the world might evolve across different long-term climate scenarios, and by retro-planning those in the shorter-term future, Befimmo will be able to enhance its 2030 Action Plan with fundamental investments, not only to mitigate the risk but also to build a profitable business model grasping the opportunities in this new future reality.

The TCFD structured its recommendations around four themes, namely governance, strategy, risk management, and metrics and targets. Since 2011, Befimmo has been disclosing its climate change information through the CDP (Carbon Disclosure Project), which provides a reporting mechanism in line with the TCFD's recommendations.

More details on the TCFD framework and implementations of the recommendations can be found in the Non-financial statements of the present Report.

**NON-FINANCIAL STATEMENTS: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES, P.248**

### LOOKING AHEAD

Befimmo aims to provide quantitative disclosure on climate-related topics as it incorporates the TCFD recommendations into its business.



# Contribute to the sustainable use & protection of water

## WHY IS THIS IMPORTANT?

Population growth, urbanisation, pollution and the effects of climate change, such as persistent droughts, are putting a huge strain on Europe's water supplies and on its quality.

## ACTION(S)

Installation of a leak detection device complemented by motion and automatic shutdown detectors on the sanitary blocks for the Arts 56 building - reduction of water consumption by over 50%

## 2030 ACTION PLAN

**175.8 L/M<sup>2</sup>**

Specific water consumption

> Target: 226.5 l/m<sup>2</sup> by 2030

## DESCRIPTION AND APPROACH

During the life cycle of a building, its consumption has a significant ecological impact.

Where permeable surfaces are limited, the most obvious way to limit city water consumption and relieve the sewerage system is to install rainwater harvesting and management systems. Setting up water recovery systems for existing buildings is often complex and expensive. Lack of space and the layout of the sanitary and drainage network can make such projects unprofitable and the overall environmental balance negative.

Befimmo therefore pays particular attention in each of its (re)development projects to incorporating rainwater recovery systems, stormwater retention systems, as well as greywater recycling systems, leak detection, and low-consumption appliances, following guidelines provided by the BREEAM framework, EU Taxonomy requirements and its own in-house quality standards.

In some projects, such as ZIN in Brussels, Befimmo will make the water from the groundwater drawdown available to public stakeholders. This permanently available water can be used for watering or cleaning public spaces. In this way, Befimmo intends to participate in the integration of its projects into the city and to reduce their impact on society.

**22 BUILDINGS**

equipped with rain or ground drainage system

→ 24% of portfolio (m<sup>2</sup>/m<sup>2</sup>)

The specific water consumption of portfolio is significantly lower (-18%) in 2021 than in 2020. The low level of consumption is mainly due to a decrease in building occupancy as a result of the pandemic.

## LOOKING AHEAD

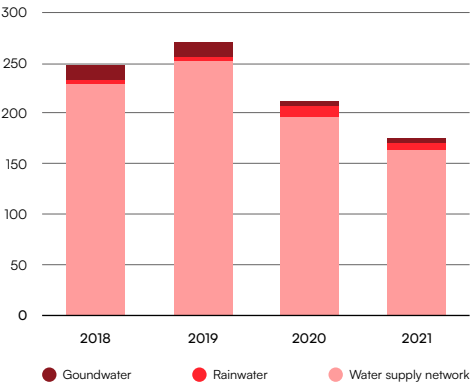
Befimmo will continue to monitor consumption, replacing obsolete equipment with high-performance equipment, and raising awareness among users as well as maintenance companies.

The Company will also evaluate the possibilities to install leak detection devices complemented by presence and automatic shutdown detectors on the sanitary blocks, in accordance with the requirements of BREEAM and DGNB frameworks, in its operating portfolio and (re)development projects.

**4,600 M<sup>3</sup> OF RAINWATER RECOVERED**

→ 4% of total annual consumption

## WATER CONSUMPTION INTENSITY (L/M<sup>2</sup>)





## Contribute to the transition to a circular economy

### WHY IS THIS RELEVANT?

The sector construction in Europe is responsible for more than 35% of total waste generation. It also generates a very large share of greenhouse gases and consumes 50% of all extracted materials.

### ACTION(S)

Realisation of an inventory of the existing material with reuse potential before each renovation

### 2030 ACTION PLAN

#### 100%

Part of the projects<sup>1</sup> subject to an inventory of materials

> **Target: 100% (permanent target)**

#### 84%

Part of adaptable projects<sup>2</sup>

> **Target: 100% by 2030**

1. Projects: committed ongoing (re)development projects (ZIN).
2. Projects: committed ongoing (re)development projects (Paradis Express, ZIN).

### DESCRIPTION AND APPROACH

One of Befimmo's pre-requisites for every renovation project is to carry out an inventory of the existing material with reuse potential. This inventory makes it possible to establish a reuse plan with the Design team aimed at maximizing reuse on or off site. This plan is considered in the establishment of the dismantling file.

Befimmo also requires the consideration of future adaptability of its (re)development projects to other functions, by paying special attention to the location and sizing of the vertical circulations and technical hoppers, as well as to the versatility of the envelope. In practice, for each project, the Design team draws up plans for functions other than those originally planned.

These two circularity requirements are part of Befimmo's approach to reduce the production of waste and the use of resources related to its activity, now and in the future.

In addition, Befimmo is committed to improving the sorting and the monitoring of waste, both operational and construction waste, to maximise the recycling rate. In 2021, 55% of operational waste was diverted from landfill or incineration. For construction waste, the recycling rate was 93% and less than 1% was sent to landfill.

In addition, on the small renovation sites in progress in 2021, about 20 tonnes of materials has been sent to a reuse channel.

### LOOKING AHEAD

Based on the experience gained through the implementation of inventories and reuse plans on projects in the design phase, Befimmo wants to consider, as of 2022, establishing a minimum level of reuse to be reached for in each project.



# Contribute to pollution prevention & control

## WHY IS THIS IMPORTANT?

Despite important improvements over the last decades, pollution continues to harm citizens and ecosystems. It causes multiple physical and mental diseases, and is one of the five main drivers of biodiversity loss. Pollution comes at a high price for society and ecosystems, including health-related costs, remediation costs (e.g.: waste treatment, soil decontamination, and loss of ecosystem services).

## ACTION(S)

Realisation of an overview of the soil condition of the portfolio

## 2030 ACTION PLAN

### ONGOING

Strengthen and improve selection criteria for building materials

> **Permanent target**

## DESCRIPTION AND APPROACH

### Materials and products choice

Since 2017, Befimmo has developed a set of requirements that has to be taken into account for drawing up specifications. Some of those requirements relate to materials choice, for example:

- consider the use of reused materials
- prioritise locally available raw materials
- promote the use of materials and elements from sustainable production/exploitation (e.g.: FSC or PEFC certification for wood and wood-based materials)
- use materials based on renewable raw materials
- favour products with recycled content
- choose materials and elements with low impact on human health (e.g.: classification A+ or Ecolabel for paint, varnish, coating or glue)
- use of [TOTEM](#) to compare the variants of choice of materials
- favour robust materials that are easy to maintain
- among the technically valid options: choose the material or product that is the most respectful of the environment and the health (of workers and occupants) (e.g.: C2C certification for carpet)

Those requirements are inspired by sustainability frameworks, best practices, etc. and evolves in line with technological progress and feedback from the field.

### Soil management and protected areas

Regulations in Belgium address a large number of soil contamination-related aspects. As required by law Befimmo conducted an environmental assessment for all its (re)development projects including potentially contaminated sites (brownfield). These studies are also consistent with the expectations and criteria of the EU Taxonomy.

In addition, in 2021, Befimmo has drawn up a general mapping showing the soil condition of its portfolio. This mapping takes into account the presence of any potentially soil-hazardous activities as well as the historical information relating to each site. This valuable tool allows for effective risk management, the implementation of pollution prevention measures and, if necessary, the conduct of any specific required studies.

## LOOKING AHEAD

In 2021 Befimmo launched a study to improve and complete their minimal requirements related to the choice of materials in order to align them with the latest best practices set out, for example, in BREEAM, DNGB and WELL. Work will continue in 2022 and will also include consideration of the EU Taxonomy criteria.



## Contribute to the protection & restoration of biodiversity

### WHY IS THIS RELEVANT?

Access to nature in our cities has never been more important. Nature and natural environments offer many services and solutions from improving the health and well-being of citizens to addressing contemporary (urban) problems like flooding, temperature control, and tackling air pollution.

### ACTION(S)

Detailed study on six sites

### 2030 ACTION PLAN

#### ONGOING

Study biodiversity management on portfolio

**> Target: 100% of recommended actions implemented by 2025**

### DESCRIPTION AND APPROACH

The vast majority of Befimmo's buildings are in large cities or densely built-up urban areas. The plots of land on which the buildings are erected are mostly terraced and generally cover the entire available ground surface, leaving little empty space for nature and biodiversity. Befimmo limits its impact on the environment and contributes to improving biodiversity and the quality of life of building occupants by reserving a key place in its overall approach for nature and wildlife. In general, regulations in Belgium address many biodiversity-related aspects. As required by law, Befimmo conducted an environmental assessment for all its (re)development projects.

When it comes to considering biodiversity in (re)development projects, the Company relies in particular on [BREEAM](#) and [DGNB](#) frameworks, and calls on specialised ecologists and landscape architects. For all (re)development projects carried out in 2021 and subject to these certifications, a maximum of the credits allocated to "land use and ecology" are targeted. An ecologist analyses each project in detail and makes recommendations to maximise biodiversity potential. In its operational buildings, Befimmo pays particular attention to the development and proper management of green spaces (however small) through clauses in maintenance contracts, and by applying criteria for the preservation of biodiversity when carrying out small works.

During 2020, Befimmo carried out a study of the improvement of biodiversity potential of its entire portfolio. In the first phase, 29 sites with interesting potential were identified, from which Befimmo selected nine priority sites. Six sites have been the subject of detailed studies by an ecologist highlighting the measures for the improvement of biodiversity, taking into account the technical and

financial feasibility. The first measures, including an analysis of maintenance contracts for the surroundings, were implemented in 2021 and will continue in 2022.

### LOOKING AHEAD

The implementation of improvement measures for the six sites identified during the study of biodiversity will provide concrete results as early as 2022, while all sites identified in the first phase will be the subject of particular attention by 2030.

During 2022, the maintenance contracts for the green spaces of the identified sites will be adapted in order to eliminate, as far as possible, all herbicides, plant only indigenous species, and maximise flowering meadows.

For (re)development projects, Befimmo will systematically carry out environmental impact studies in accordance with the EU Taxonomy.



# Use certification systems to deliver sustainable assets

## WHY IS THIS RELEVANT?

Certifications provide an incentive to implement buildings and processes that are sustainable in the long term. They provide an objective assessment and definition of the sustainability of buildings. Certifications give investors a comparable indication of portfolio performance.

## ACTION(S)

Renewal of the Eve® ecolabel for the Goemaere site

## 2030 ACTION PLAN

### 100%

Part of certified projects<sup>1</sup>

> **Target: 100% (permanent target)**

### 2.8%

Part of "In-Use" certified portfolio

> **Target: 35% by 2022**

### 65%

Part of eligible portfolio covered by an energy performance certificate

> **Target: 100% by 2022**

## DESCRIPTION AND APPROACH

Befimmo's approach in terms of environmental certification is situated at different levels.

### At the company level: Environmental Management System: ISO 14001 (2015)

Since 2010, Befimmo's Environmental Management System (EMS) is [ISO 14001 \(2015\)](#) certified to ensure a systematic approach and contribute to the sustainable implementation and monitoring of its commitments. EMS procedures cover the entire life cycle of a building.

### At the portfolio level: BREEAM, DGNB, WELL certifications

For (re)development projects, Befimmo wants its buildings to achieve an environmental performance that surpasses the regulatory requirements.

All its (re)development projects are therefore certified by acknowledged frameworks ([BREEAM](#), [DGNB](#), [WELL](#)).

Befimmo also applies these frameworks to its buildings in operation. All the buildings under its control were BREEAM certified in 2010-2011 and a five-year improvement programme has led to the achievement of a minimum Good level for the Asset part.

Befimmo has made the strategic choice until 2021 to renew the certificates of these buildings only if any work carried

out can justify an improvement in the score obtained. This explains the low number of buildings with a valid certificate.

✎ [NON-FINANCIAL STATEMENTS: ENVIRONMENTAL PERFORMANCE, P.259](#)

✎ [EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.116](#)

## Energy Performance Certifications

The energy performance of buildings is also reflected in their EPC level. Befimmo holds energy performance certificates for most of its buildings in Brussels Region (65%). It aims to certify 100% of its buildings in Brussels<sup>2</sup> by 2022. The class of certificates for buildings constructed before the 31 December 2020 is aligned with the requirements of the EU Taxonomy.

✎ [NON-FINANCIAL STATEMENTS: ENVIRONMENTAL PERFORMANCE, P.259](#)

✎ [EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.116](#)

## Ecological label

Befimmo manages the green space of its Goemaere building in line with the principles of sustainable development and in compliance with the guidelines of [Eve®](#) (Ecological plant space - "Espace Végétal Écologique") developed by ECOCERT. Befimmo is the only Belgian site to have this label (since 2011), and it was renewed in 2021. The relevant lessons from this certification are used for the implementation of improvement measures for sites with biodiversity improvement potential.

## LOOKING AHEAD

Once the In-Use BREEAM/DGNB recertification has been achieved in 2022, Befimmo will evaluate the interest and possibilities of raising the scores obtained.

1. Projects: committed ongoing (re)development projects (Paradis Express, ZIN).  
2. The total surface area of buildings in operation in Brussels is 354,508 m².



## Create innovative & sustainable buildings

### WHY IS THIS RELEVANT?

(Re)development and operation of buildings require significant amounts of energy and resources, such as sand, gravel and cement. Buildings are responsible for about 40% of the EU's energy consumption, and 36% of greenhouse gas emissions from energy.

The creation of innovative projects aims to use available resources consciously, minimise energy consumption and preserve the environment. Digitalisation allows for cost control, improved building performance and tenant comfort.

### ACTION(S)

- Design of buildings in line with the circular economy principles
- Implementation of smart installation techniques in the Befimmo portfolio
- Use of BIM for all current and future (re)development projects

### 2030 ACTION PLAN

**84%**

Part of innovative projects<sup>1</sup>  
**> Target: 100% by 2025**

1. Projects: committed ongoing (re)development projects (Paradis Express, ZIN).

### DESCRIPTION AND APPROACH

Befimmo aims to create innovative projects through various techniques such as well-thought use of resources, BIM and smart building.

#### Use of resources

The achievement of Befimmo's environmental objectives is based on the respect of its minimum requirements and on the follow-up of ambitious environmental certifications, but also, for each project, on the search for the best applicable materials, techniques and technologies. In this respect, ZIN has distinguished itself by, among other things, the large-scale use of concrete made from recycled aggregates and by requiring C2C certification for a large number of materials. The projects currently being designed are pursuing this same philosophy, for example by aiming to maximise reuse and upcycling or by seeking materials with low-carbon and environmental impact.

#### Building Information Management (BIM)

Befimmo's digital transition was characterised by rolling out the Building Information Management to all (re)development projects.

The BIM approach consists of developing projects with the help of a 3D digital prototype of the building, using collaborative processes, and building a reliable standardised building database. The main benefits for Befimmo are controlling costs and improving the building's performance and the comfort of the tenants.

Through BIM and the digitalisation of processes, Befimmo's ambition is:

- to optimise collaboration and co-creation of (re)development projects from design to operation

- to create a data continuum between design, execution, operation, and building management
- to optimise the management of buildings by supplying reliable and up-to-date data (associated with digital plans), accessible to all and compatible with computerised building management tools
- to ensure consistent digital management of its real-estate assets
- to organise the production of data as the basis for innovations (IoT, smart building, etc.) and sustainable growth (circularity, consumption control, etc.)

#### Smart buildings

Digitalisation brings together a set of initiatives to make buildings "smart". Based on new technologies, data sharing, and user-centric design, smart buildings will allow Befimmo to invest, develop and operate a network of buildings that are socially and environmentally efficient.

In order to reach that efficiency, Befimmo:

- collects and processes buildings' data through BIM methodology
- collects users and customers satisfaction feedbacks through a user-centric designed digital portal called "Befimmo App"

Those insights allow Befimmo to:

- raise sustainability of buildings
- adapt its spaces in response to changes in the world of work and society
- bring forward services related to coworking, mobility, catering and leisure for building's stakeholders
- connect and enter in dialogue with Befimmo occupants and communities (namely through the Befimmo App)
- provide best-in-class operational management and relevant services, and contribute to societal innovations

Finally, Befimmo aims to offer exemplary experiences of work, meet, share, and live while creating communities of people around spaces and interests.

### LOOKING AHEAD

Still with a view to improving the circularity of projects and systematizing the implementation of materials passports, Befimmo initiated in 2021 an analysis of several circular resource management platforms. This work should be completed in 2022 on a strategy to be applied to all projects.

Regarding the implementation of smart technology, Befimmo's ambition is to transform or develop 90% of the core asset portfolio as Smart Building by 2025.

## Provide buildings accessible through sustainable transport systems

### WHY IS THIS RELEVANT?

Cities are the powerhouse of the modern economy and home to millions of people. Most of 70% of the EU population live in cities today, this is projected to reach almost 84% in 2050; 23% of the EU's transport greenhouse gas emissions come from urban areas.

### ACTION(S)

- Development of 12 accessibility sheets
- Integration of the parking management system in the Befimmo App
- Development of soft mobility services and solutions
- Installation of additional charging stations

### 2030 ACTION PLAN

#### 67%

Part of the portfolio that offers real mobility solutions

> Target: 100% by 2030

#### 5%

Part of the portfolio equipped with at least 30% of car parking spaces with a charging point

> Target: 100% by 2030

### DESCRIPTION AND APPROACH

With its 5-city approach, Befimmo wants to concentrate on key growing cities in line with sector realignment and growth opportunities. These cities have been selected, among others, based on their excellent accessibility by public transport.

To Befimmo, a building offers real mobility solutions when the frequency of public transport, diversity, and access to mobility solutions are all satisfactory.

Befimmo has no influence on existing public transport infrastructure, so it focuses on soft mobility and reception facilities, on alternatives to the car, and on applications that make it easier for workers to reach buildings. The first priorities are therefore the accessibility of the buildings by public transport, facilities for soft non-motorised mobility, and the optimisation of car parks, including electric charging stations. In 2021, 67% of the portfolio offered real mobility solutions.

A Mobility Roadmap for the entire Befimmo portfolio is being implemented, with a vision based on the 2030 Agenda. Befimmo will continue to draw up an inventory of mobility solutions for each priority buildings during 2022. This inventory makes it possible to identify the buildings that are easily accessible by public transport and others soft mobilities but also offer mobility solutions and the quality of this solutions.

# 12

accessibility sheets developed in 2021

### Soft mobility

Befimmo is further installing exemplary soft mobility facilities, with showers and lockers, and well-designed bicycle parking that takes into account electric bikes, folding bikes, cargo bikes, and scooters. The new bicycle parking at Central, inaugurated in November 2021, is the perfect example of the future of bicycle parking's and will serve as model for other buildings.

At Central, Befimmo also offers five shared bicycles to its tenants, which available through an application.

### Optimisation of car parks

As many users of Befimmo's buildings still travel by car, the optimisation of the car parks has been pursued, including, among others, digitising access.

During 2021, Befimmo worked on the digitalisation of its services, including the dematerialisation of the car park management in its smart buildings. The parking management system has been integrated into the Befimmo App, in order to offer a dynamic and efficient management of the parking spaces and access control. In addition to this service, Befimmo offers even more options to its users in order to manage their parking spots more efficiently (data, reporting, etc.) and to improve the user experience of their employees.

### Charging stations

Electric vehicles are having a breakthrough moment, and Befimmo is playing its part and will anticipate the end of thermic motorisation in the coming decade.

The first priority of Befimmo was and always will be the security of the occupants and the conformity with the actual regulations. The Company is part of a working group with the [UPSI](#), the fire department of Brussel,

> 350 CHARGING POINTS  
IN 22 BUILDINGS

the insurance company and other experts in order to analyse each opportunity to install charging stations.

In its (re)development projects, Befimmo is maximising the number of charging stations by considering the technical and practical implications at the design stage.

### LOOKING AHEAD

Befimmo will continue to improve the mobility around their buildings and also the mobility infrastructures:

- creation of additional accessibility sheets for the strategic buildings
- development of new bicycle parking and facilities based on the exemplary parking at Central
- extension of the shared bicycles to other buildings in Brussels
- development of the functionalities of the parking management system: management of the tenants, reporting, usage analyses, mutualisation of spaces, etc.
- provision of an efficient charging management system through the parking management system
- preparation of solutions to be compliant for the [Cobrace](#) legislation in Brussels

# Reduce the environmental impact of the team

## WHY IS THIS RELEVANT?

The team is part of an ecosystem consisting of the Company, its subsidiaries, suppliers and other stakeholders. Decarbonising our ecosystem is key to engaging the team and leading by example.

## ACTION(S)

- Implementation of the federal mobility budget
- Implementation of a parking policy
- Use of parking management system
- Innovative energy management system

## 2030 ACTION PLAN

### 88%

Part of electronic incoming invoices  
**> Target: 100% by 2022**

### 91%

Part of electronic outgoing invoices  
**> Target: 100% by 2022**

### 24%

Part of the team who changed their mobility  
**> Target: 40% by 2025**

### NOT MEASURED

Quantity of waste  
**> Target: 0 kg/FTE by 2030**

## DESCRIPTION AND APPROACH

### Mobility of the team

The relocation of Befimmo's head office to the centre of Brussels in its Central building, realised in 2021, is a perfect illustration of its strategy and the importance attached to multimodal accessibility of its workspaces, for building users and its own staff.

This move was also an opportunity for Befimmo to propose new ideas and solutions to its team to change their habits and improve their mobility.

### Financial means:

- introduction of the federal mobility budget since January 2021
- integration of mobility solutions through its cafeteria plan (mychoice@BEFIMMO)
- refund of all costs related to travel by public transport

### Organisational means:

- introduction of a parking policy
- use of parking management system to optimise the use of car parking spaces

### In practice:

- participation of the team in a mobility game
- organisation of bicycle trainings in Brussels

For the team members who are eligible for a company car, already 24% choose for a mobility budget or for an electrical, hybrid or CNG vehicle. After five months in its new headquarters, 59% of the team take public transport and 6% use a bicycle to get to work. Only 30% of the team members use their cars to reach the Central.

Besides the fact that Befimmo encourages its team members to give up the use of the car, the Company continues the "greening" of its fleet.

In 2021, average emissions per vehicle (CO<sub>2</sub>e/km) across the fleet were 12% lower than in 2016 - the result of applying an updated car policy to new and replacement vehicles. Vehicle-related CO<sub>2</sub>e emissions fell by 17%, from 303 tonnes in 2019 to 251 tonnes in 2021. End of 2021, less than 12% of the cars in order are with a thermic motorisation against 65% of plug-in hybrid and 23% of electric.

### Energy consumption

Electricity and gas consumption increased overall in 2021 compared to 2020. Part of this increase can be explained by the fact that 2020 was a particularly warm year compared to 2021 and that air flows of offices were increased due to the pandemic, despite lower occupancy of the premises in line with the rest of the portfolio.

In its new headquarters, rather than ventilating and air conditioning everywhere, all the time, Befimmo opted for a flexible system. Comfort is ensured in occupied spaces, ventilation is reinforced according to the density of occupation, via CO<sub>2</sub> sensors. The user also has the possibility of opening the windows to take advantage of the natural ventilation and the freshness of the outside. Under certain conditions, it is not advisable to ventilate naturally, as this presents a risk of energy destruction, and the user is not always aware of this. Therefore Befimmo has completed this system with an innovative communication plan developed internally and which is currently in the testing phase. Data from all the building's sensors (presence detection, temperature, CO<sub>2</sub>, humidity sensor, weather forecast) are analysed by an algorithm that helps the user

adopt the appropriate behaviour. According to needs, the building encourages users to open the windows to limit ventilation and air conditioning needs, or it invites the user to keep the windows closed in order to guarantee the efficiency of the conditioning system. In the long term, Befimmo will carry out a more in-depth analysis of the occupant's response to the advice issued by the building and thus will test the effectiveness of this innovative solution.

### Waste and paper use

Due to the pandemic and headquarters move, it was impossible to compare waste production and paper use with previous years. Befimmo will take up the reduction initiative and measurement of produced waste quantities with the aim of achieving zero waste by 2030.

### LOOKING AHEAD

Befimmo will continue to promote green mobility, no longer with a car policy but rather with a mobility policy, where all team members can manage their mobility according to their needs and in combination with other mobility alternatives (public transport, soft mobility, etc.).

12%  
OF TEAM MEMBERS  
CHOSE THE FEDERAL  
MOBILITY BUDGET

## SOCIAL PERFORMANCE

Take care of the team  
and the community

## WHY IS THIS RELEVANT?

Taking care of Befimmo's team and investing in well-being solutions is of paramount importance for the overall motivation and productivity.

## ACTION(S)

- Headquarter move
- Mobility policy
- New home working charter

## 2030 ACTION PLAN

## 89%

Overall team satisfaction rate

> Target: 95% (permanent target)

## 4.2/10

Workload satisfaction

> Target: 8/10 (permanent target)

## 6/10

Work-life balance satisfaction

> Target: 8/10 (permanent target)

## 50%

Participation level to transverse working groups

> Target: 75% by 2030

## KEY EVENTS OF 2021

**CENTRAL: new headquarters in the heart of Brussels**

The Befimmo team has once again demonstrated its great capacity to adapt by moving to offices in the heart of the capital and close to public transport. Thanks to a mobility policy Befimmo has offered its team multiple ways of getting around for home-workplace and business trips. The new workspace is welcoming, warm, well-equipped and above all comfortable!

**A return to work in hybrid mode**

In the spring of 2021, Befimmo adopted a homeworking charter that is resolutely empowering and flexible. Team members have a great deal of autonomy in organising their working hours, including homeworking days, which are normally set at two days a week. The Company believes that autonomy in work as well as flexibility and thus work-life balance is a key factor for engagement. In Befimmo's satisfaction survey, the feeling of autonomy reached an excellent score of 7.8.

**The CEO transition**

For a stable team such as Befimmo's, the change of CEO was a major challenge and an opportunity to question itself. The arrival of Jean-Philip Vroninks on 1 June brought a breath of fresh air and a new perspective on its practices. A change management plan was presented at the end of 2021. Befimmo's new strategy is of course accompanied by an adapted HR policy that aims to support change, the culture of personal and collective development, performance and well-being. This will take the form of the adoption of a talent management tool, which will be launched in early 2022.



## BEFIMMO'S HR PILLARS

Befimmo's teams are committed, dynamic and optimistic. They have developed exceptional know-how over the last 25 years while remaining open to the world of tomorrow and its evolution, whether it is linked to the world of work or lifestyles. Confidence in the future, combined with rigour and anticipation of tomorrow's world, are the strengths of the Befimmo team.

The HR policy aims to support this team in its commitment, its development and its well-being. Furthermore, the arrival of a new CEO and the evolution of the Company are an incredible opportunity to put the three pillars of the HR philosophy at the service of Befimmo's strategy while continuing to place the human aspect at the heart of its concerns.



### TALENT AND PERFORMANCE

Investing in the ongoing development of the workforce, both individually and collectively, has built a team that is stable, highly motivated, expert, and aware of future challenges in its business evolution and relationships. In a world that is changing with increasingly rapidity, it is essential to identify and attract the best talent, enabling the transformation and skills of tomorrow, and Befimmo encourages diversity as a source of interchange and creativity. What better than a diverse team to meet the evolving demands of tomorrow's world.



### WELL-BEING

Well-being is a central pillar of tomorrow's world of work: physical well-being, in pleasant, ergonomic, well-equipped and safe environments; and psychosocial well-being, with the flexibility that allows everyone to achieve their own balance. Befimmo aims to go beyond these basic principles and create pleasant and inspiring environments in its buildings, so it makes sense to do so first and foremost for our own team.



### COMMUNITY

At Befimmo, we understand the concept of community on two levels. Firstly, fostering sharing between team members on a daily basis and strengthening the ties that bind them to each other and to Befimmo. Secondly, the impact that Befimmo and its team have on the wider world, as responsible players in society.

*The three pillars of the HR philosophy are briefly explained hereafter. In order to access the full HR information, please consult the [dedicated document of HR philosophy](#) published on the corporate website.*



## DESCRIPTION AND APPROACH

### Talent and performance

#### Develop the team individually and collectively

Maximising the talent of team members is key to Befimmo. The Company therefore enables its team to access high-quality training courses and development opportunities in order to increase effectiveness within their work.

Each team member or department can propose a training course at any time to its manager and the HR department. All newcomers receive additional training to get to know Befimmo's way of working such as a mandatory introduction to governance documentation and an ISO 14001 training.

Team members also have the possibility to participate in cross-cutting projects, which cover business topics, internal organisation, innovation and digital themes such as the LynX programme.

In terms of internal mobility, whenever a vacancy occurs, the job description is published on the Intranet. This gives the opportunity to team members to change position without leaving the Company.

Opportunities for internal mobility and talent management ensure staff turnover is limited and motivation remains high.

Besides ongoing dialogue, each team member receives an annual appraisal, oriented towards communication and staff development. Befimmo has integrated sustainability objectives and achievements in its appraisal document for each team member, which reinforces the internal awareness of sustainability issues.

#### Identify, attract and retain talent

Befimmo's recruitment policy is based as much on shared values as on soft skills and technical capabilities. Moreover, during the entire recruitment process, from the publication of the job vacancies to the selection interviews, the Company does not express any judgement which might be considered discriminatory.

Befimmo has an aligned, open, and diversified pay policy, without any difference made based on gender, origin, belief, or sexual orientation. The salary package includes, among others, a base salary according to the Joint Committee 200 and a series of non-financial benefits such as meal vouchers, a broad health-care coverage, and extensive mobility solutions.

#### Ensure social dialogue

Befimmo complies with the rules set out in the [Belgian labour law](#), such as child labour abolition, the minimum age for employment, minimum wage, and working hours. The Company also applies other regulations, such as:

- [the conventions of the International Labour Organization \(ILO\)](#)
- [the OECD Guidelines for Multinational Enterprises](#)
- [the principles of the UN Global Compact](#)

Befimmo aims to always keep a human-centred approach and open dialogue with its entire team on all subjects. In terms of major changes within the Company, no reorganisations have taken place at Befimmo since its creation. If however a reorganisation were to occur, a fair approach would be applied. The number of weeks' notice provided to team members prior to the implementation of significant operational changes that may considerably affect them is in accordance with Belgian law.

Finally, the right to freedom of association and collective bargaining is provided through mandatory social elections, which take place every four years. In 2020, this process was interrupted due to lack of candidates. The next elections will be held in 2024.

During the reporting year, no cases of non-compliance with social and economic legislation and regulations were reported.

#### Encourage diversity, inclusion and equal opportunities

Diversity is seen as a source of knowledge sharing for Befimmo. Our recruitment policy is open to diversity and without selection criteria relating directly or indirectly to gender, age, disability, origin, belief or sexual orientation

#### Gender diversity

Befimmo has a great gender balance within its team (54%-46% M/W) and in its Executive Committee (50%-50% M/W). It supports equal treatment for men and women in terms of access to employment, training, promotion and working conditions. The pay policy guarantees fair treatment of men and women, based solely on non-gender criteria, such as internal consistency and sector benchmarks.

#### Age diversity

Befimmo has a very diversified age breakdown. 12% of the team members is younger than 30, while 20% is over 50. Befimmo is committed to keep attracting young talent as well as to keep older team members in employment and assisting them with their transition to retirement.

#### Zero discrimination and harassment

The Company practices explicit opposition to any form of discrimination through a Code of Ethics and the internal work regulations that demonstrate its commitment to

### Diversity

*The visible and non-visible characteristics of each individual*

### Inclusion

*The visible and non-visible characteristics of each individual*

transparent dialogue and non-discrimination. If the code is violated, team members can confidentially report any case of (suspected) harassment or discrimination to the HR department or the Compliance Officer. Every occurrence is investigated thoroughly and will be followed by a disciplinary sanction, as stated in the internal work regulations. During the 2021 fiscal year, there were no cases of discrimination reported.

In 2021, Befimmo also decided to appoint a trusted person. This person has a special legal status and a very strict code of conduct and confidentiality. He or she is at the service of employees to help them if they are victims or witnesses of harassment.

#### Social inclusion

For the past few years, Befimmo has set up multiple social actions. One of these actions is being member of the [Be.Face](#) association, which encourages the team members to help unemployed young people to find a job (the Bright Future initiative) or accompany motivated adults who have a real career plan and who are experiencing difficulties in accessing employment (the Job Academy initiative).

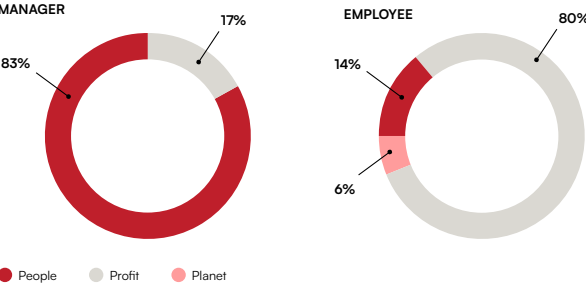
▮ UNDERTAKE SOCIAL ACTIONS, P.90



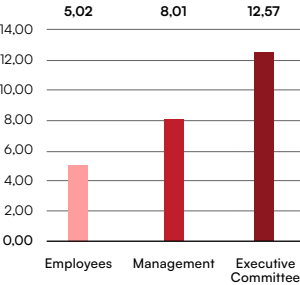


Befimmo promotes the integration of young workers by taking on trainees. In the future, the Company would like to encourage each team to train one young worker per year. Several team members are active in higher education, either by giving lectures or by proposing moments of exchange with students.

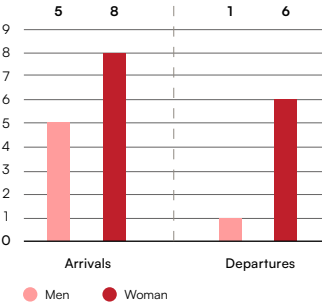
BREAKDOWN OF TRAINING HOURS, EXCLUDING LANGUAGE AND IT TRAINING



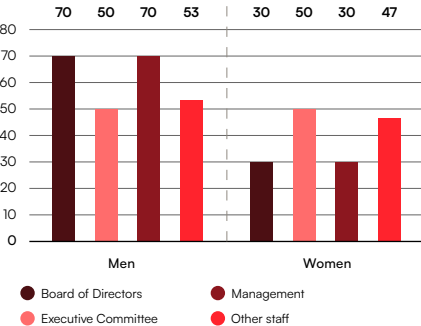
AVERAGE SENIORITY (YEARS)



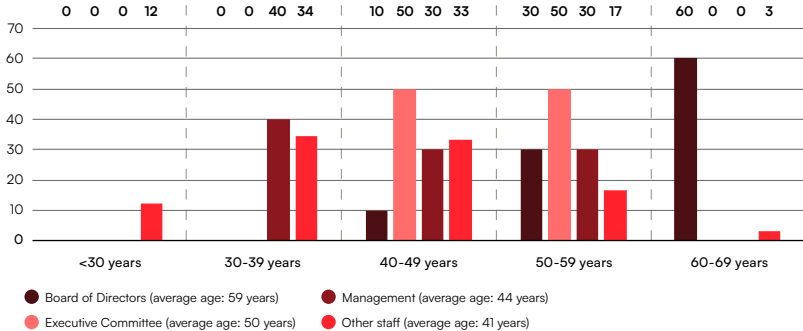
ARRIVALS/DEPARTURES (UNITS)



BREAKDOWN MEN/WOMEN (%)



BREAKDOWN AGE (%)



100

TEAM MEMBERS<sup>1</sup>  
with employee status and  
a permanent contract

54% MEN  
Gender diversity

46% WOMEN

13 NEW STAFF MEMBERS

- 5 men and 8 women
- average age 35
- EPRA new hire rate: 13%

7 DEPARTURES

- 1 man and 6 women
- 3 resignations and 4 dismissals
- average age: 42
- EPRA turnover rate: 7%

34.9 HOURS

of training per person, with an  
average budget of €2,352.91/year  
(including it and languages)

100%

of staff  
appraised  
every year

3 CASES  
of internal mobility

7 CASES  
of internal promotion

30.2% wage cap

42 YEARS  
average age

5.4 YEARS  
average seniority

1. Excluding the Executive Committee and consultants.

### Well-being

Well-being of team members is key for the general motivation and productivity. Befimmo understands the importance of happy staff, and therefore applies the [Belgian law on the welfare of workers during the performance of their work](#) as well as other initiatives to increase well-being at work, which are explained hereafter.

#### Create a pleasant working environment

As a specialist in creating working environments, Befimmo's head office must be an example for the exterior world. Its new offices illustrate 100% the vision that Befimmo defends every day with its customers. This move brought the Company closer to Silversquare and Sparks, and allowed it to experience its hybrid model on a daily basis. But most of all, it enables the team members to balance between office time, nomadism in Silversquare centres and homeworking, creating the necessary flexibility for everyone.

All workstations are well-equipped, including the necessary IT material and the ergonomic aspects such as professional office chairs to meet the comfort needs of all team members.

#### Ensure occupational health and safety

As Befimmo's new headquarters were fully renovated for the big move of the team, all sanitary requirements were considered.

The Company counts four first-aiders among its team, who are given annual refresher training. Befimmo also organises fire evacuation exercises at its head office for all team members.

Befimmo pays also close attention to mental well-being and stress signals within the team. Violence, bullying or sexual harassment are considered psychosocial risks

and must be monitored, prevented and condemned at all costs. Therefore, team members struggling with psychosocial issues can get in touch with professionals from [Pulso](#) through the Employee Assistance Programme. This programme offers confidential advice or support with professional or personal questions. Information on this programme is given to each newcomer.

One person within the HR department is officially certified as a person of trust. In addition, the [CESI](#) (an external service for prevention and protection at work) can also be contacted for issues related to the well-being of team members. The person of trust examines the requests, advises team members and acts completely impartially. This person keeps an anonymous register of declarations of the team members.

Befimmo offers favourable terms for access to flexible and varied sport subscriptions through the Gymlib app to the entire team.

#### Maintain a healthy work-life balance

Befimmo created a homeworking charter that allows everyone to find their balance in time and space. As the way we work is changing, Befimmo wants to encourage this evolution. By introducing structural homeworking, the Company wants to ensure that the teams can continue to work together smoothly while improving the comfort of its team members in terms of mobility and their work-life balance. The charter includes the possibility to work in a Silversquare coworking centre that might be closer to their home. The increase of remote working came with a training on cyber-security, enabling team members to be more aware of digital dangers, and on the use of Microsoft Teams.

Team members wishing to adapt their working hours or schedule can discuss this with their direct manager.

Finally, a large offer of services is implemented within the buildings to make life easier for team members.

✎ [EXPAND THE RANGE OF SERVICES, P.91](#)

#### Sustain an ongoing dialogue

In order to be as transparent as possible towards the team, Befimmo pays special attention to internal communications, through the Intranet, an information screen, informal channels such as Teams Flash Info and Yammer, and regular presentations of achievements to the entire team.

A satisfaction survey, based on the latest scientific advances in capturing feelings, carried out in November, showed that the team's commitment remained high (89% satisfied) despite the uncertainty of changes linked to a new strategy. The participation rate was 79%. Befimmo will organise a team satisfaction survey every year as from 2021.



✚ POSITIVE ASPECTS → ATMOSPHERE + MEANING + EASE OF REMOTE COLLABORATION + AUTONOMY



Moreover, satisfaction surveys are supplemented by the Vox Collector tool, which sends team members a daily question on a range of topics, from well-being, to fun questions and polls. This tool gives the necessary feedback regarding the team to the HR department all year long.

A “fresh eyes” process was also introduced in 2017, giving the opportunity to newcomers to give their all-round opinion after a few weeks at Befimmo. This process captures the first impressions of new team members.

### Community

**Strengthen bonds and experience great things as a team**  
Comité B+, set up in 2011 at the initiative of the staff and with the support of the Executive Committee, organises all types of events for the team, such as sport challenges, cultural events, festive activities, quizzes, charity initiatives and family days. During the summer months, Comité B+ was able to organise an afterwork for its team following the applicable health rules, as well as a family day.

Befimmo was also able to organise a mobility day in the blazing sun. Befimmo's team members had the opportunity to discover soft mobility solutions leading them to their brand-new offices in the centre of Brussels. The participants became acquainted with various mobility solutions, such as (electrical) bikes, steps and shared cars.

### Undertake social actions

Befimmo chooses to give a greater support to some social activities by providing time and team members rather than through direct financial donations and tries to favour local initiatives, as stated in its [Philanthropy and Associative Partnership Policy](#). Therefore, Befimmo encourages its team to devote time to participate in actions the Company supports. As the case may be, the latter finances the participation of its team in these activities. In total, some 50 team members participated in social actions in 2021 and, next to non-financial donations, €18,280 has been spent on charity.

In practical terms:

- One blood donation day at its head office in collaboration with the Belgian Red Cross
- The Let's Move for Parkinson challenge organised by the Demoucelle Parkinson Charity
- The 20 km of Brussels, raising funds for La Ribambelle
- Sport challenge for the Auderghem Red Cross by using the AtlasGo app
- A financial donation to the CPAS (Public Social Action Centre) of Hamoir after the great floods
- A laptop donation to the non-profit organisation O2tech
- Bags of chocolate (ordered at Make-A-Wish) offered to the children of the Maison d'Enfants Reine Marie-Henriette ASBL
- A huge food and hygiene products collection for Opération Thermos

### LOOKING AHEAD

The talent management tool will be implemented during 2022. This tool aims to create an agile, collaborative and engaging talent management culture. It also makes it possible to bring to life the four main managerial axes of commitment: clarifying mutual expectations, setting objectives, giving regular feedback and rewarding.

With a new method of defining roles, work on corporate governance and the setting of measurable and quantifiable objectives, the HR department will be able to assess the level of competence, performance and talent potential of each individual. Then, in order to stimulate a culture of self-training, a personal development plan will be established for each team member.

0

COMPLAINTS  
ABOUT EMPLOYMENT

25.5 HOURS

of safety-related training  
(e.g.: training of first-responders,  
safety on site, BA4, first aid, etc.)

1.4% “SHORT-TERM”  
ABSENTEEISM RATE

- compared with the average rate of 2.06% for Belgium  
- EPRA absenteeism rate: 4.3%

4 FIRST-AIDERS

WERE GIVEN ANNUAL  
REFRESHER TRAINING

3

OCCUPATIONAL  
ACCIDENTS

1 ADVISOR

LEVEL-1 PREVENTION ADVISOR  
AND ONE ANNUAL RISK STUDY

0.0%

INJURY RATE  
(EPRA)

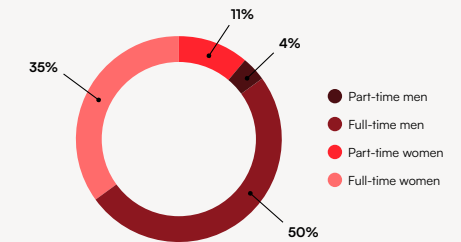
0.0%

LOST DAY RATE  
(EPRA)

15% PART-TIME

- contractual, part-time credit and partial parental leave  
- including 4 men and 11 women  
- with the same non-statutory benefits

### PART-TIME OCCUPATION



## Build and animate communities

### WHY IS THIS RELEVANT?

As an answer to the global hybrid work trend, the main goal of this reflection is to connect the various buildings in the Befimmo's portfolio, give tenants more flexibility by offering them different working environments across interconnected buildings, and extend the range of services throughout the portfolio to improve the user experience and create connections and communities.

### ACTION(S)

- New coworking locations opening and planned
- Expansion of services throughout the portfolio

### 2030 ACTION PLAN

**34,900 M<sup>2</sup>**

Coworking space

**> Target: 51,800 m<sup>2</sup> by 2023  
vand 85,000 m<sup>2</sup> by 2025**

### DESCRIPTION AND APPROACH

The environments conceived by Befimmo are designed and developed so all users can enjoy a pleasant, productive and more connected experience. Nowadays, tenants are looking for a landlord who offers them much more than just a premium building. They want to work in bright and pleasant spaces, with access to services that facilitate their daily lives, while enjoying a great deal of flexibility.

#### Expand the range of services

The importance of service implementation is becoming so important that Befimmo has dedicated team members working solely on creating services for occupants in order to facilitate their everyday lives. In order to choose the right service for the right building, each building is being assessed on its existing services and the tenants are questioned on their needs. Therefore, the development of a CRM - a database that regroups the contact details of individual occupants - helps to carry out need assessments with a much broader audience.

In 2021, the range of services within the Arts 56 building was expanded and new services are also being implemented in the Quatuor building. The new Befimmo headquarters in the centre of Brussels were equipped with lockers, showers electric charging points for cars and bikes, and a coworking centre.

#### Extend the coworking network and meeting opportunities

The evolution of the world of work is now a fact, along with the increased digitalisation of society. Therefore, Befimmo offers a variety of work environments in a hybrid-office model, from conventional offices to buildings devoted entirely to coworking, and a mix of both. Users

enjoy flexibility in the duration of their contract, the workspace they occupy (more or less space depending on their needs), and the meeting facilities they can use.

As a response, Befimmo, and its subsidiary [Silversquare](#) are developing a Belux network of interconnected workspaces. Communities are being created within the network between start-ups, scale-ups and small and large businesses through the organisation of events, presentations, brainstorming sessions, etc. It is a unique way to stimulate creativity, innovation, and interaction between all kinds of businesses and entrepreneurs.

In 2021, Silversquare operated eight coworking spaces in Brussels, its periphery and the Grand Duchy of Luxembourg, with a total space of 34,900 m<sup>2</sup>.

Next to flexible and inspiring coworking environments, Befimmo is also partner of [Sparks](#), offering a special meeting environment. At Sparks there are specific meeting rooms for specific purposes, whether it's an (in)formal meeting, spontaneous brainstorming session, conference, livestream, or hackathon. Sparks also provides support packages, typically meeting services and professional assistance, to take meetings to a higher level.

### LOOKING AHEAD

Befimmo will continue to assess the service needs of the tenants within its portfolio. Services will gradually be put into place whenever necessary in the existing buildings. All (re)development projects will be designed to include the right services for occupants. In order to integrate Befimmo buildings into cities, the Company will open its service offer to the neighbourhood whenever possible.

Regarding the coworking network, the next centre opening

its doors will be North, located in the Quatuor building in the North area of Brussels. Furthermore, several new coworking spaces are planned, notably on the second, third, and fourth floors of the Antwerp Tower, in the Paradis Express project in Liège, and in Louvain-La-Neuve.



## Improve comfort, security and safety

### WHY IS THIS RELEVANT?

Everyone wants to feel comfortable and safe in its working environment, whether it's in an office building or on a construction site. Ultimately, the environment people spend time in play a huge role in how we feel and how we perform.

### ACTION(S)

- "Breathe at work" initiative
- TakeAir pilot, guaranteeing the best indoor air quality
- General Health and Safety Plan (GHSP) for contractors and suppliers

### 2030 ACTION PLAN

#### 2

Number of incidents involving people  
**> Target: 0 (permanent target)**

#### 87%

Percentage of inspections on fire prevention, lifts, electricity and heating carried out  
**> Target: 100% (permanent target)**

### NEW OBJECTIVE

Tenant satisfaction rate  
**> Target: 80% or NPS of 8/10 by 2023**

### DESCRIPTION AND APPROACH

#### Tenants and occupants

The comfort of occupants is a priority for Befimmo. The Project and Design teams pay attention to lighting giving priority to natural light, to limiting noise pollution through quieter equipment, reinforced insulation and absorbent materials, and to hygrothermal comfort by ensuring that technical installations such as heating systems are well designed, properly sized, and well regulated.

The Property Management team also plays an important role in ensuring tenant satisfaction and comfort. It offers regular and transparent communication, and tenants have access to a 24/7 telephone help desk, and management tools such as a Helpsite.

In 2018, Befimmo installed software in several buildings to analyse data from the control systems for heating, cooling, and ventilation. This provides a useful tool for controlling energy consumption and improving occupant comfort. Befimmo continues to deploy this digital solution in its portfolio. This tool also allows us to visualise the air quality of the buildings (CO<sub>2</sub> rate) and to adapt the ventilation accordingly.



Since 2020, Befimmo launched the "Breathe at work" initiative by implementing a series of measures - from adapting building ventilation, increasing the frequency of cleaning common areas, to practical everyday items such

as disinfectant gel dispensers, and signs and posters, to sophisticated systems such as automatic temperature measurement.

Moreover, Befimmo signed a pilot project of one year with TakeAir in one of its buildings. The TakeAir experience consists of the combination of Sea-Aeration and BioRemediation units to guarantee the best indoor air quality.

Befimmo continuously checks that the appropriate mandatory regulatory controls are in place and that any observations logged by its qualified personnel are dealt with. Based on the reports received by 31 December 2021, 87% of the multi-tenant portfolio was inspected during the year in four areas: fire prevention, lift, electricity, and heating.

#### Contractors and suppliers

(Re)development is one of Befimmo's main businesses. The Company must pay close attention to health, safety and security of contractors and construction site workers on its various building sites, protecting them from all risks, as construction is an often hazardous. Respect for fundamental human rights is of major importance in projects involving many players of the value chain.

Before the order of works, Befimmo supplies the contractor with the general conditions on-site, that must be signed and returned. The Contractor must take all legal or regulatory health and safety measures with regard to working conditions. He will ensure that they are strictly observed by his personnel, his subcontractors or other third parties present on the site.

Moreover, the [law of 4 August 1996 on the welfare of workers during the performance of their work](#) imposes specific measures concerning temporary or mobile

construction sites and in particular the appointment of a health and safety coordinator prior to the opening of the worksite. This Law defines well-being as all the factors relating to the working conditions in which work is carried out.

The General Health and Safety Plan (GHSP) is the document or set of documents drawn up by the safety and health coordinator which contains an analysis of the risks to which workers are likely to be exposed to during the construction and operation of the building, and the measures to be taken by the various participants to prevent and avoid these risks.

The Safety and Health Coordinator also carries out random checks on the site to verify that the prevention measures in the safety plans and regulations in this area are effectively respected. These visits are the subject of written reports distributed to all concerned.

Across all the (re)development projects in 2021, no fatalities were recorded and two accidents on sites were reported.

### LOOKING AHEAD

In order to assess general well-being within its portfolio, the Company started centralising all contact information from tenants. This groundwork will enable Befimmo to determine the best system to measure global tenant satisfaction. The rating system will become operational in 2022.

## Integrate buildings into cities

### WHY IS THIS RELEVANT?

Every (re)development project inevitably has an impact on the surrounding communities. This is why Befimmo studies the integration of buildings into their environment and why the Company remains in contact with the relevant stakeholders.

### ACTION(S)

- Open up buildings for all surrounding communities
- Immediate contact with involved stakeholders during (re)development projects

### 2030 ACTION PLAN

#### 100%

Part of the projects<sup>1</sup> open to the city

> **Target: 100% by 2030**

#### 100%

Part of the projects<sup>1</sup> carried out in dialogue with stakeholders

> **Target: 100% by the end of 2021**

### DESCRIPTION AND APPROACH

Every building is part of a community and an environment. Befimmo wants every building to be integrated harmoniously into the neighbourhood where it is located. The integration is analysed and carried out in terms of:

- Architecture: The building must blend into its surroundings in terms of shape and aesthetics.
- Environment and sustainability: In order to be an efficient and sustainable user of urban space, the challenges for Befimmo are also to upgrade underused spaces, dedicate them to new functions, leave more space for green and recreational areas, and transform ordinary spaces into inspiring ones.
- Its communities: The Company wants to offer services to all communities of the buildings (tenants, but also residents of the neighbourhood).

One way of integrating buildings into cities is by opening them for all surrounding communities. This means that a building offers shared services such as a restaurant, a fitness centre or a terrace to everyone. The Company therefore provides mixed use spaces comprising coworking spaces, restaurants, and housing, creating movement and communities within and around the building.

This leads to the second ambition Befimmo has regarding the integration of buildings into cities, namely the contact with involved stakeholders during (re)development projects. The Project and Communication departments work together to create a real communication plan for each (re)development project. This plan includes information sessions, through presentations regarding

the project, workshops, but also communication campaigns via dedicated websites, newsletters and social media. Feedback from local communities is massively important for Befimmo in order to develop the best possible projects for everyone.

Any new project is considered in this light, in cooperation with administrations and architects. This is a collaborative effort between the various operational teams of Befimmo, which are coached and trained to that end through training courses, lectures, trips and visits to other sites and inspiring examples.

In 2021, 100% of redevelopment projects were open to the city and 100% of redevelopment projects were carried out in dialogue with stakeholders. In addition, the EPRA Community Engagement indicator was calculated for the past four years. It takes account of the projects carried out in dialogue with stakeholders, and the public announcements, surveys, or consultations it organises when applying for environmental and urban planning permits. In 2021, this approach covered 32%<sup>2</sup> of the consolidated portfolio, compared to 29% in 2020.

### LOOKING AHEAD

Befimmo aims to reach 100% of (re)development projects opening up to the city and in dialogue with stakeholders. It will keep working on both ambitions on its future projects to be committed and implement the necessary steps according to each individual project and its location.



1. Projects: committed ongoing (re)development projects (Paradis Express, ZIN).

2. In particular, the value of the indicator is directly linked and/or influenced by the number of permit applications that are made based on projects under implementation and/or development.



MANAGEMENT REPORT

# EPRA Best Practices.

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## EPRA Sustainable Performance Indicators

Befimmo reports according to the Sustainability Best Practices Recommendations of the EPRA<sup>1</sup>. These include performance data indicators on environmental, social, and governance measures, as summarised in the table hereafter.

The most recent EPRA Sustainability Best Practices Recommendations are largely based on the Global Reporting Initiative (GRI) Standards (2021 edition) and on the Construction and Real Estate Sector Supplement Disclosure, which means that all EPRA indicators included in the table are linked to a GRI Standard. The table points out where the actual published information can be found, through page number references.

Befimmo called on Deloitte to carry out a limited assurance assignment. The data with the symbol ✓ were checked as part of this assignment.

1. EPRA Sustainability Best Practices Recommendations Guidelines - Third version September 2017.
2. Waste from buildings in operation. The 2020 figure differs from the one published in the previous Report, as the latter also included waste of construction work.

External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2021	Data 2020	Page ref.
ENVIRONMENTAL SUSTAINABILITY PERFORMANCE MEASURES					
✓	Elec-Abs not normalised	302-1	41.86 GWh	47.58 GWh	70-75, 253-256
✓	Elec-LfL not normalised	302-1	37.14 GWh	38.25 GWh	70-75, 253-256
✓	DH&C-Abs not normalised	302-1	2.19 GWh	1.82 GWh	70-75, 253-256
✓	DH&C-LfL not normalised	302-1	2.19 GWh	1.82 GWh	70-75, 253-256
✓	Fuels-Abs not normalised	302-1	58.18 GWh	52.48 GWh	70-75, 253-256
✓	Fuels-LfL not normalised	302-1	51.21 GWh	43.98 GWh	70-75, 253-256
✓	Energy-Int not normalised	CRE1	143 kWh/m <sup>2</sup>	132 kWh/m <sup>2</sup>	70-75, 253-256
✓	GHG-Dir-Abs	305-1	3 242 t CO <sub>2</sub> e	3 451 t CO <sub>2</sub> e	70-75, 253-256
✓	GHG-Indir-Abs - landlord-controlled building	305-2	156 t CO <sub>2</sub> e	192 t CO <sub>2</sub> e	70-75, 253-256
✓	GHG-Indir-Abs - tenant-controlled building	305-3	8 704 t CO <sub>2</sub> e	7 176 t CO <sub>2</sub> e	70-75, 253-256
	GHG-Dir-LfL	305-1	2 632 t CO <sub>2</sub> e	2 285 t CO <sub>2</sub> e	70-75, 253-256
	GHG-Indir-LfL - landlord-controlled building	305-2	111 t CO <sub>2</sub> e	118 t CO <sub>2</sub> e	70-75, 253-256
	GHG-Indir-LfL - tenant-controlled building	305-3	7 629 t CO <sub>2</sub> e	6 517 t CO <sub>2</sub> e	70-75, 253-256
✓	GHG-Int	CRE3	16.70 kg CO <sub>2</sub> e /m <sup>2</sup>	14.21 kg CO <sub>2</sub> e/m <sup>2</sup>	70-75, 253-256
✓	Water-Abs	303-5	103 867 m <sup>3</sup>	140 665 m <sup>3</sup>	77, 257
✓	Water-LfL	303-5	85 618 m <sup>3</sup>	103 713 m <sup>3</sup>	77, 257
✓	Water-Int	CRE2	175.83 l/m <sup>2</sup>	213.80 l/m <sup>2</sup>	77, 257
✓	Waste-Abs <sup>2</sup>	306-4	Recycled: 402 tonnes	Recycled: 611 tonnes	78-79, 278
✓		306-4	Reused: 0 tonne	Reused: 0 tonne	78-79, 278
✓		306-4	Composted: 3 tonnes	Composted: 2 tonnes	78-79, 278
✓		306-5	Incinerated: 323 tonnes	Incinerated: 660 tonnes	78-79, 278
✓		306-5	Buried or landfilled: 0 tonne	Buried or landfilled: 0 tonne	78-79, 278
✓	Waste-LfL <sup>2</sup>	306-4	Recycled: 34 307 tonnes	Recycled: 59 986 tonnes	78-79, 278
✓		306-4	Reused: 0 tonne	Reused: 157 tonnes	78-79, 278
✓		306-4	Composted: 3 tonnes	Composted: 0 tonne	78-79, 278
✓		306-5	Incinerated: 2 896 tonnes	Incinerated: 12 093 tonnes	78-79, 278
✓		306-5	Buried or landfilled: 4 tonnes	Buried or landfilled: 160 tonnes	78-79, 278

External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2021	Data 2020	Page ref.
<b>ENVIRONMENTAL SUSTAINABILITY PERFORMANCE MEASURES</b>					
✓	Cert-Tot	CRE8	BREEAM New construction/ refurbishment   Excellent   3 buildings	BREEAM New construction/ refurbishment   Excellent   3 buildings	81, 259
✓			BREEAM New construction/ refurbishment   Very Good   5 buildings	BREEAM New construction/ refurbishment   Very Good   6 buildings	81, 259
✓			BREEAM New construction/ refurbishment   Good   1 building	BREEAM New construction/ refurbishment   Good   3 buildings	81, 259
✓			BREEAM New construction/ refurbishment   Not certified   96 buildings	BREEAM New construction/ refurbishment   Non-certified   95 buildings	81, 259
✓			BREEAM In-Use   Very Good   0 building	BREEAM In-Use   Very Good   2 buildings	81, 259
✓			BREEAM In-Use   Good   1 building	BREEAM In-Use   Good   1 building	81, 259
✓			BREEAM In-Use   Not certified   104 buildings	BREEAM In-Use   Not certified   104 buildings	81, 259
✓			EPC   B   4 buildings <sup>1</sup>	-	81, 259
✓			EPC   C   11 buildings <sup>2</sup>	-	81, 259
✓			EPC   Not certified   90 buildings <sup>3</sup>	-	81, 259
<b>SOCIAL PERFORMANCE MEASURES</b>					
✓	Diversity-Emp (M/F)	405-1	54% (M) - 46% (F)	54% (M) - 46% (F)	88, 269
✓	Executive Committee	405-1	50% (M) - 50% (F)	50% (M) - 50% (F)	88, 269
✓	Management	405-2	70% (M) - 30% (F)	73% (M) - 27% (F)	88, 269
✓	Other team members	405-2	53% (M) - 47% (F)	52% (M) - 48% (F)	88, 269
✓	Diversity-Pay (M/F)	405-2	30.2%	29.7%	88, 271
✓	Executive Committee	405-2	70.1%	70.1%	271
✓	Management	405-2	-8.9%	-13.9% <sup>4</sup>	271
✓	Other team members	405-2	32.3%	31.5%	271

1. One building included in the total with a surface area of ±10.000 m² has been sold in 2021. The validity of the certificate for a second building with a surface of 5.000 m² ended in 2021. For this building, a new certificate will be established in 2022.

2. The validity of the certificates for three of these buildings, representing a surface area of 28.000 m², expired in 2021. Two of them will be renewed in 2022 while the third will be established after renovation.

3. Office buildings in Flanders and Wallonia are not eligible for the "sale and rental" certificate. The two buildings in Luxembourg do have a valid certificate but without a "class". They are therefore considered as not certified.

4. Due to a calculation error, the managers' wage gap for the year 2020, published in the Annual Financial Report 2020 and the Sustainability Report 2020, has been corrected.



External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2021	Data 2020	Page ref.
<b>SOCIAL PERFORMANCE MEASURES</b>					
✓	Emp-Training	404-1	34.9 hours/year	9.3 hours/year	88, 270
✓	Executive Committee	404-1	87.8 hours/year	18.4 hours/year	270
✓	Management	404-1	116.0 hours/year	18.0 hours/year	270
✓	Other team members	404-1	24.0 hours/year	6.9 hours/year	270
✓	Emp-Dev	404-3	100%	100%	88, 270
✓	Executive Committee	404-3	100%	100%	270
✓	Management	404-3	100%	100%	270
✓	Other team members	404-3	100%	100%	270
✓	Emp-Turnover - new arrivals (total number)	401-1	13	15	88, 271
✓	Emp-Turnover - new arrivals (rate)	401-1	13.0%	16.0%	88, 271
✓	Emp-Turnover - Turnover (total number)	401-1	7	7	88, 271-272
✓	Emp-Turnover - Turnover (rate)	401-1	7.0%	7.4%	88, 271-272
✓	H&S Emp - Lost day rate	403-9	0.0%	0.0%	90, 272
✓	H&S Emp - Injury rate	403-9	0.0%	0.0%	90, 272
✓	H&S Emp - Absentee rate	403-9	4.3%	5.0%	90, 272
✓	H&S Emp - Absentee rate (short term)	403-9	1.4%	1.4%	90, 272
✓	H&S Emp - number of work related fatalities	403-9	0	0	272
✓	H&S-Asset	416-1	87%	81%	92, 272
✓	H&S-Comp	416-2	2	1	92, 272
✓	Comty-Eng <sup>1</sup>	413-1	32%	29%	93, 272
<b>GOVERNANCE PERFORMANCE MEASURES</b>					
✓	Gov-Board	2-9	10	10	131, 269
n.a.	Gov-Select	2-10	Narrative on process	Narrative on process	138
n.a.	Gov-Col	2-15	Narrative on process	Narrative on process	163-165

1. The value of the indicator is notable directly related to and/or influenced by the number of permit applications that depend on ongoing and/or development projects.



## MANAGEMENT REPORT

# Risk Factors.

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This chapter covers residual risks identified as potentially affecting the Company. The risks and impacts, which are described, already take into account the measures the Company has taken to anticipate them and mitigate their potential impact. Doing business involves taking risks: it is not possible to eliminate the potential impact of all risks identified, nor of any residual risk that may be borne by the Company and indirectly by its shareholders. The global economic and financial climate and current geopolitical context may accentuate certain risks related to Befimmo's business. This list of risks is based on information known at the time of writing this Annual Financial Report, and reflects only the specific and most material risk factors faced by the Company.



# Main environmental, social and governance risks

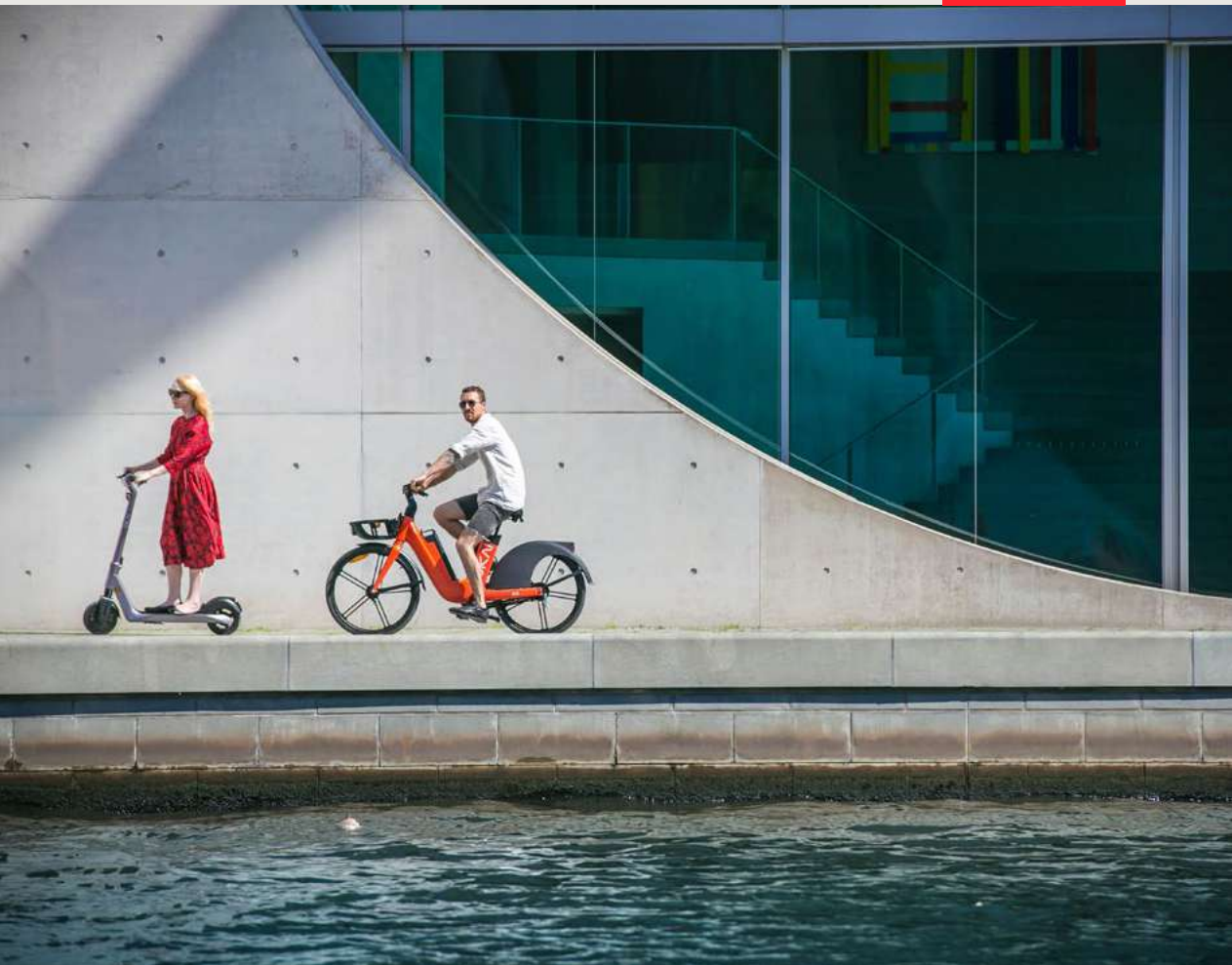
DESCRIPTION OF RISK	POTENTIAL IMPACT
<b>E1. RISK RELATED TO CLIMATE CHANGE</b>	
Physical risk: <ul style="list-style-type: none"><li>- Extreme weather events (e.g., storms, floods, etc.)</li><li>- Changes in precipitation patterns and extreme variability in weather patterns (e.g. increased average temperatures, etc.)</li></ul> Transition risk: <ul style="list-style-type: none"><li>- Increased cost of resources (water, energy) and building materials and techniques (e.g. recourse to geothermal energy, etc.)</li><li>- Increasing regulatory requirements and stakeholder expectations regarding sustainability (energy efficiency, cost of carbon, circularity, etc.)</li></ul> We refer to page 70-76 for a description of the actions undertaken of the Company for combatting climate change.	Deterioration of buildings (P3) and potential decrease in the value of buildings (P1). Interruption or slowing down of construction sites (S3).  Obsolescence of buildings (P3) and potential decrease in the value of buildings (P1). Additional investments and costs which entail higher costs for the Company in ongoing projects. Additional requirements to access financing (F1).
<b>E2. ENVIRONMENTAL RISK</b>	
During construction sites, there is a risk of water and soil pollution linked to the presence of hydrocarbons, chemicals, etc.	Negative impact on the Company's reputation and risk of litigation.
There is also a risk of air pollution due to dust emissions, fine particles, etc.	Loss of recognitions (certifications, etc.).
Redevelopment projects may impact biodiversity due to the loss of vegetation as a result of soil sealing. We refer to the Sustainability report for a description of the actions undertaken of the Company to reduce pollution and pressure on biodiversity (p. 79-80).	
<b>E3. SOCIAL RISK</b>	
Despite the policies and procedures (e.g. charter, code of ethics, code of conduct for suppliers, etc.) it has put in place, Befimmo cannot totally exclude the risk that its counterparties may not fully comply with Befimmo's ethical standards.	Negative impact on the Company's reputation.
Risk linked to the health, safety and well-being of the team.	
We refer to the Corporate Governance Statement (p. 129) and to the chapter "Taking care of our team" (p. 85) for additional information.	

# 05

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## Non-Financial statements.

Befimmo



# 05

## Non-Financial statements.



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# ESG foundations: GRI Content Index

<b>Statement of use</b>	Befimmo has reported the information cited in this GRI content index for the period of 1 January 2021 to 31 December 2021 with reference to the GRI Standards.			
<b>GRI 1 used</b>	GRI 1: Foundation 2021			
<b>GRI standard</b>	<b>Disclosure</b>	<b>Location</b>	<b>External assurance<sup>1</sup></b>	<b>SDG</b>
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	278		
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	2-6 Activities, value chain and other business relationships	17, 35, 45		
	2-7 Employees	85, 269		
	2-8 Workers who are not employees	269		
	2-9 Governance structure and composition	130		
	2-10 Nomination and selection of the highest governance body	138		5,16
	2-11 Chair of the highest governance body	138		16
	2-12 Role of the highest governance body in overseeing the management of impacts	138		
	2-13 Delegation of responsibility for managing impacts	138		
	2-14 Role of the highest governance body in sustainability reporting	57		
	2-15 Conflicts of interest	163		16
	2-16 Communication of critical concerns	160		
	2-17 Collective knowledge of the highest governance body	131		4,16
	2-18 Evaluation of the performance of the highest governance body	139		
	2-19 Remuneration policies	141, 148		
	2-20 Process to determine remuneration	148		
	2-21 Annual total compensation ratio	271		
	2-22 Statement on sustainable development strategy	20, 54		16
	2-23 Policy commitments	64		16
	2-24 Embedding policy commitments	64		16
	2-25 Processes to remediate negative impacts	60, 61, 140		16
	2-26 Mechanisms for seeking advice and raising concerns	61, 62, 160		16
	2-27 Compliance with laws and regulations	61, 87, 272		16
	2-28 Membership associations	264		17
	2-29 Approach to stakeholder engagement	264		17
	2-30 Collective bargaining agreements	87		8
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	60		
	3-2 List of material topics	62		
	3-3 Management of material topics	60, 274		
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	94, 184	V <sup>2</sup>	1,5,8
	201-2 Financial implications and other risks and opportunities due to climate change	180, 248	V <sup>2</sup>	8,13
	201-3 Defined benefit plan obligations and other retirement plans	223, 225	V <sup>2</sup>	8
<b>GRI 205: Anti-corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	64		16
	205-3 Confirmed incidents of corruption and actions taken	0 incidents		16
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	0 legal actions		16
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	253	V	7,8,12,13
	302-2 Energy consumption outside of the organization	253		7,8,12,13
	302-3 Energy intensity	253	V	7,8,12,13
	302-4 Reduction of energy consumption	253		7,8,12,13
	302-5 Reductions in energy requirements of products and services	253		7,8,12,13

- 1 External assurance: In the context of the GRI reporting of its sustainable development indicators, Befimmo calls upon an external consultant to carry out a limited assurance review of the non-financial data. All data marked with a V has been verified by the auditor. The report can be found on page 276 of the present Report.
- 2 External assurance only for the "Consolidated statement of financial position" (Statutory Auditor's report on page 234).

<b>GRI 303: Water and Effluents 2018</b>	303-3	Water withdrawal	77		6,12
	303-5	Water consumption	257	✓	6,12
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	252	✓	3,12,13,15
	305-2	Energy indirect (Scope 2) GHG emissions	252	✓	3,12,13,15
	305-3	Other indirect (Scope 3) GHG emissions	252	✓	3,12,13,15
	305-4	GHG emissions intensity	252	✓	13,15
	305-5	Reduction of GHG emissions	252		13,15
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	78		3,6,11,12
	306-2	Management of significant waste-related impacts	78		3,8,11,12
	306-3	Waste generated	258	✓	3,6,11,12
	306-4	Waste diverted from disposal	258	✓	3,11,12
	306-5	Waste directed to disposal	258	✓	3,6,11,12
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	66		12
	308-2	Negative environmental impacts in the supply chain and actions taken	66		12
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	88, 271	✓	5,8,10
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	87		3,5,8
<b>GRI 402: Labor/ Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	87		8
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	89		3,8
	403-3	Occupational health services	89		3,8
	403-4	Worker participation, consultation, and communication on occupational health and safety	89		3,8,16
	403-5	Worker training on occupational health and safety	89, 90		3,4,8
	403-6	Promotion of worker health	89		3
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	89		3,8
	403-8	Workers covered by an occupational health and safety management system	89		3,8
	403-9	Work-related injuries	90, 272	✓	3,8,16
	403-10	Work-related ill health	272		3,8,16
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	88, 270	✓	4,5,8,10
	404-2	Programs for upgrading employee skills and transition assistance programs	87		8
	404-3	Percentage of employees receiving regular performance and career development reviews	270	✓	5,8,10
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	88, 269		5,8
	405-2	Ratio of basic salary and remuneration of women to men	88, 271	✓	5,8,10
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	87		5,8,16
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	64, 66, 87		8
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labor	64, 66, 87		5,8,16
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	64, 66, 87		5,8
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	93	✓	4,17
	413-2	Operations with significant actual and potential negative impacts on local communities	93		1
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	66		5,8,16
	414-2	Negative social impacts in the supply chain and actions taken	66		5,8,16
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions	265		16,17
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	92, 272	✓	3
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	92, 272	✓	16

<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling	81, 259	12
	417-2	Incidents of non-compliance concerning product and service information and labeling	0 incidents	16
	417-3	Incidents of non-compliance concerning marketing communications	0 incidents	16
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	64, 167	16

**SECTOR-SPECIFIC DISCLOSURE: CONSTRUCTION & REAL ESTATE (CRESS)**

Category	Disclosure	Location	External assurance <sup>1</sup>	SDG
<b>Environment</b>	CRE1 Building Energy Intensity	253	✓	7,8,12,13
	CRE2 Building Water Intensity	257	✓	6,8,12
	CRE3 Greenhouse gas emissions intensity from buildings	253	✓	13,15
<b>Product Responsibility</b>	CRE8 Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	259	✓	4,6,7,8, 10,11,12,13

<sup>1</sup> External assurance: In the context of the GRI reporting of its sustainable development indicators, Befimmo calls upon an external consultant to carry out a limited assurance review of the non-financial data. All data marked with a ✓ has been verified by the auditor. The report can be found on page 276 of the present Report.

# Environmental performance

## TCFD recommendations

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organisation’s governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

### GOVERNANCE

#### Board oversight

The Board of Directors guides the ESG strategy, including climate- and sustainability-related aspects. It sets and approves budgets and major decisions related to this strategy.

The Audit Committee is responsible for the monitoring of risk management, while the Appointment and Remuneration Committee is in charge of determining the variable remuneration of the Executive Committee members linked to ESG targets.

#### Management oversight

The ESG Cell consists of seven people, including all four members of the Executive Committee (CEO, CFO, COO and General Counsel & Secretary General). The Head of Environmental Management (HEM), the Head of Transformation & Impact (HT&I) and the Head of Human Resources (HHR) (as from 2022) are also part of this Cell. This Cell meets at least three times a year. Sustainability topics are also discussed every two weeks during Executive Committee meetings and Manager meetings.

### RELEVANT DISCLOSURES

TCFD recommended disclosures	Befimmo disclosures
<b>Governance</b>	
a) Describe the board’s oversight of climate-related risks and opportunities.	CDP question C1.1b ESG governance structure, p.57
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	CDP questions C1.2, C1.2a ESG governance structure, p.57

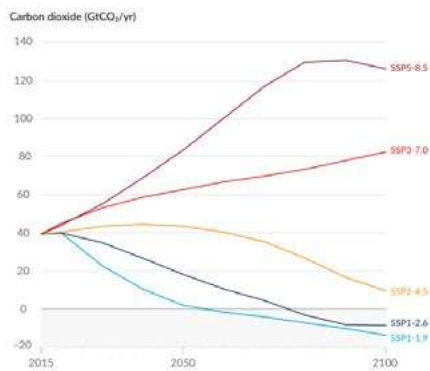
### STRATEGY AND RISK MANAGEMENT

Since the industrial revolution, the accumulation of greenhouse gases in the atmosphere at an unprecedented level has led to climate change with multiple consequences. Furthermore, in order to limit global warming to below 1.5°C and thus limit its consequences, policies are gradually being put in place to steer the economy towards a low-carbon transition.

These trends introduce two types of risks and opportunities:

- > physical: risks and opportunities related to exposure to the physical consequences of climate change (sea level rise, heat domes, droughts, etc.)
- > transitional: consequences of the transition to a low-carbon world (regulatory, political, market developments, etc.)

FUTURE ANNUAL CO<sub>2</sub> EMISSIONS ACROSS FIVE ILLUSTRATIVE SCENARIOS (SOURCE: 6<sup>TH</sup> IPCC REPORT / WORKING GROUP I)



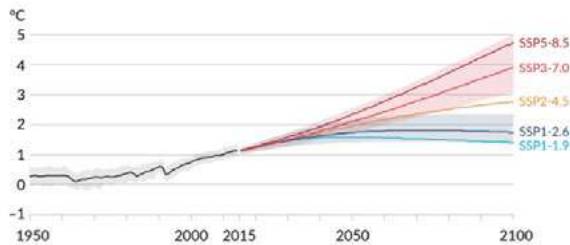
Physical risks and opportunities

Befimmo's portfolio is increasingly exposed to extreme weather conditions such as floods, storms and hail. These weather conditions are becoming more frequent and harsh. This evolution pushes the Company to take preventive actions, as they both affect the robustness of the buildings and the safety of occupants.

In order to understand to what extent Befimmo's core portfolio is exposed to future weather patterns and natural hazards, the Company is currently conducting an analysis using the GRESB tool. This tool is using the "Munich Re" database as a source of information. The physical risk analysis is based on three scientific climate scenarios adopted by the Intergovernmental Panel on Climate Change (IPCC):

- > RCP2.6: global average temperature increases by 1.3 to 2.4°C
- > RCP4.5: global average temperature increases by 2.1 to 3.5°C
- > RCP8.5: global average temperature increases by 3.3 to 5.7°C

GLOBAL SURFACE TEMPERATURE CHANGE RELATIVE TO 1850-1900 (SOURCE: 6<sup>TH</sup> IPCC REPORT / WORKING GROUP I)



Befimmo's response to physical impacts is as follows:

- > conduct a physical climate risk assessments to determine which core assets need to be upgraded
- > for each critical asset, conduct an assessment to determine what measures need to be taken to mitigate the identified risks
- > secure the risk through insurance policies covering the portfolio against loss of rent due to natural disasters like floods, fires and storms, with a total insured value at least as high as the balance sheet value of the assets

Transitional risks and opportunities

The COP21 (2015) enabled to set a goal of stabilising global warming due to human activities "significantly below" 2°C by 2100 (relative to the temperature of the pre-industrial era) and even aim to limit this temperature rise to 1.5°C.



On 13 November 2021, COP26 concluded in Glasgow with all countries agreeing the Glasgow Climate Pact to keep 1.5°C alive and finalise the outstanding elements of the Paris Agreement.

The Glasgow Climate Pact, combined with increased ambition and action from countries, means that 1.5°C remains in sight and scales up action on dealing with climate impacts, but it will only be delivered with concerted and immediate global efforts.

Achieving these objectives at the European level would involve an 80-95% reduction in greenhouse gas emissions by 2050, compared to 1990 emission levels. However, Europe is struggling to maintain this ambitious objective, leading the European Council at the end of 2020 to raise the European objective of reducing greenhouse gases by 2030. This European target was initially set at -40% and was later adapted to -55% in order to achieve the objective of temperature rise limitation at 1.5°C. According to the European Commission's impact assessment, the greatest efforts to achieve the -55% target must come from the building and electricity production sectors. Belgium's commitment to this process has led to the development of a low carbon strategy for 2050. For the tertiary sector, each region aims to have an energy or carbon neutral building stock by 2050 in terms heating, hot water, cooling and lighting.

These European targets will certainly accelerate the renovations among building portfolios. A company which doesn't take climate risks into account may suffer reputational and financial loss. Assets would loose their attractiveness as occupants are no longer searching for just comfortable and nice-looking work spaces. The global tendency for occupants to challenge landlords in terms of environmental performance of their buildings is increasing rapidly. A decrease of the attractiveness of the assets could therefore lower rental potential of buildings, ultimately leading to a company's revenue and value decrease. Next to climate-change awareness, cost considerations following an increase in environmental taxes is also shaping occupants' behaviour.

Befimmo's response to transitional impacts is as follows:

- > ongoing monitoring and compliance with applicable laws and standards
- > participate in industry bodies to monitor emerging legislation early on and analyse occupant preferences continuously
- > assess the Company's carbon footprint across its value chain, define a strategy to reduce it, and identify action levers

RELEVANT DISCLOSURES

TCFD recommended disclosures	Befimmo disclosures
<b>Strategy</b>	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	CDP questions C2.1a, C2.3, C2.3a, C2.4, C2.4a
b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.	CDP questions C2.3a, C2.4a, C3.1, C3.2a, C3.3, C3.4, C3.4a
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CDP questions C3.2, C3.2a Contribute to climate change mitigation, p.70
<b>Risk management</b>	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	CDP questions C2.1, C2.1a, C2.2, C2.2a
b) Describe the organisation's processes for managing climate-related risks.	CDP questions C2.1, C2.1a, C2.2, C2.2a
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	CDP questions C2.1, C2.1a, C2.2, C2.2a

METRICS AND TARGETS

Details on our emissions can be found in "Contribute to climate change mitigation" on pages 70 and 252 of the present Report. Our most recent CDP climate questionnaire has details of methodologies, climate mitigation and climate adaptation efforts. Both documents are available on the Befimmo website.

RELEVANT DISCLOSURES

TCFD recommended disclosures	Befimmo disclosures
<b>Metrics and targets</b>	
a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	CDP questions C4.2, C4.2b, C9.1
b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	CDP questions C6.1, C6.3, C6.5 Contribute to climate change mitigation, p.70 Environmental indicators, p.252
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	CDP questions C4.1, C4.1a, C4.1b, C4.2, C4.2b

# Environmental indicators

All data marked with a V has been verified by the auditor.

## CARBON FOOTPRINT

	GHG Protocol categories	Units	GRI Standard	External assurance	2021	2018
<b>Scope 1</b>	Company facilities	tCO <sub>2</sub> e	305-1	<span style="color: green;">V</span>	3 245	4 851
	Company vehicles	tCO <sub>2</sub> e	305-1	<span style="color: green;">V</span>	195	240
	Refrigerants leakages	tCO <sub>2</sub> e	305-1	<span style="color: green;">V</span>	1 615	1 615
<b>Scope 2</b>	Electricity - market-based and location-based	tCO <sub>2</sub> e	305-2	<span style="color: green;">V</span>	155	310
<b>Scope 3</b>	Purchased goods and services	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	5 580	3 910
	Capital goods	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	157 880	20 840
	Fuel- and energy-related activities	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	120	330
	Upstream transport and distribution	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Waste generated in operations	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	1 606	2 675
	Business travel	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	1	45
	Employee commuting	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	15	40
	Upstream leased assets	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Downstream transportation and distribution	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Processing of sold products	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Use of sold products	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	End-of-life treatment of sold products	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Downstream leased assets	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	8 705	7 425
	Franchises	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	Excluded (not relevant)	Excluded (not relevant)
	Investments	tCO <sub>2</sub> e	305-3	<span style="color: green;">V</span>	95	0

## CO<sub>2</sub>E EMISSIONS LINKED TO BEFIMMO'S OWN ACTIVITIES

	Units		2021	2020	2019	2018
Befimmo corporate space	m <sup>2</sup>	<span style="color: green;">V</span>	1 668.00	1 668.00	1 668.00	1 668.00
# people (PP)	#	<span style="color: green;">V</span>	98.20	83.42	82.78	77.52
<b>Total emissions related to direct energy</b>	<b>tCO<sub>2</sub>e</b>	<span style="color: green;">V</span>	<b>274.44</b>	<b>234.68</b>	<b>314.98</b>	<b>320.97</b>
Of which total emissions for heating (Befimmo Goemaere & Central)	tCO <sub>2</sub> e	<span style="color: green;">V</span>	22.93	17.52	18.63	18.10
Emissions PP (heating)	tCO <sub>2</sub> e/PP	<span style="color: green;">V</span>	0.23	0.21	0.23	0.23
Emissions per m <sup>2</sup> (heating)	kgCO <sub>2</sub> e/m <sup>2</sup>	<span style="color: green;">V</span>	13.75	10.50	11.17	10.85
Of which emissions from diesel cars <sup>1</sup>	tCO <sub>2</sub> e	<span style="color: green;">V</span>	195.98	184.05	247.22	278.48
Of which emissions from petrol & CNG cars <sup>1</sup>	tCO <sub>2</sub> e	<span style="color: green;">V</span>	50.72	32.92	49.01	24.39
Of which emissions from electric cars <sup>1</sup>	tCO <sub>2</sub> e	<span style="color: green;">V</span>	4.81	0.19	0.12	-
<b>Total emissions related to indirect energy</b>	<b>tCO<sub>2</sub>e</b>	<span style="color: green;">V</span>	<b>22.69</b>	<b>17.29</b>	<b>18.83</b>	<b>18.02</b>
Of which total emissions electricity (Befimmo Goemaere & Central)	tCO <sub>2</sub> e	<span style="color: green;">V</span>	22.69	17.29	18.72	17.91
Emissions PP	tCO <sub>2</sub> e/PP	<span style="color: green;">V</span>	0.23	0.21	0.23	0.23
Emissions per m <sup>2</sup>	kg/m <sup>2</sup>	<span style="color: green;">V</span>	13.60	10.36	11.22	10.74
<b>Total emissions related to travel and paper consumption</b>	<b>tCO<sub>2</sub>e</b>	<span style="color: green;">V</span>	<b>1.72</b>	<b>1.68</b>	<b>63.19</b>	<b>30.86</b>
Short-haul flights	tCO <sub>2</sub> e	<span style="color: green;">V</span>	-	0.37	4.38	1.69
Long-haul flights	tCO <sub>2</sub> e	<span style="color: green;">V</span>	1.09	-	54.73	25.18
High-speed train	tCO <sub>2</sub> e	<span style="color: green;">V</span>	0.02	0.52	0.66	0.79
Vehicles other than Befimmo	tCO <sub>2</sub> e	<span style="color: green;">V</span>	-	-	1.42	0.97
Paper consumption	tCO <sub>2</sub> e	<span style="color: green;">V</span>	0.61	0.79	2.00	2.23

1 This table showing emission factors can be found in the methodology hereafter.

ENERGY CONSUMPTION AND RELATED GHG EMISSIONS

All data marked with a V has been verified by the auditor.

EPRA-SPM		GRI	2008	2007	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021
Total portfolio		GLA	945 269 m²	938 656 m²	905 979 m²	910 993 m²	780 767 m²	789 642 m²	100 420 m²	419 908 m²	269 34 m²
Total - Absolute		Total building energy consumption	119,66 GWh	133,21 GWh	128,03 GWh	111,98 GWh	101,87 GWh	102,24 GWh	12,24 GWh	56,56 GWh	33,44 GWh
		Total fuel consumption	69,13 GWh	64,07 GWh	62,56 GWh	54,95 GWh	62,48 GWh	58,18 GWh	8,42 GWh	33,47 GWh	16,29 GWh
		DH&C Abs	302-1		2,41 GWh	2,06 GWh	1,82 GWh	2,19 GWh	0,00 GWh	0,93 GWh	1,26 GWh
		Total district heating and cooling	302-1		65,60 GWh	63,07 GWh	47,58 GWh	41,86 GWh	3,81 GWh	22,16 GWh	15,89 GWh
		Bec-Abs	302-1		50,53 GWh	47,58 GWh	34,06 GWh	20,35 tCO <sub>2</sub> e	18,70 tCO <sub>2</sub> e	6,70 tCO <sub>2</sub> e	3,52 tCO <sub>2</sub> e
		Total building electricity consumption			12 762 tCO <sub>2</sub> e	11 061 tCO <sub>2</sub> e	10 820 tCO <sub>2</sub> e	12 102 tCO <sub>2</sub> e	2 476 tCO <sub>2</sub> e	11 181 tCO <sub>2</sub> e	6 700 tCO <sub>2</sub> e
		GHG emissions on total energy consumption (market-based)			22 892 tCO <sub>2</sub> e	21 786 tCO <sub>2</sub> e	19 838 tCO <sub>2</sub> e	20 35 tCO <sub>2</sub> e	2 476 tCO <sub>2</sub> e	11 181 tCO <sub>2</sub> e	6 700 tCO <sub>2</sub> e
		GHG emissions on total energy consumption (location-based)			22 892 tCO <sub>2</sub> e	21 786 tCO <sub>2</sub> e	19 838 tCO <sub>2</sub> e	20 35 tCO <sub>2</sub> e	2 476 tCO <sub>2</sub> e	11 181 tCO <sub>2</sub> e	6 700 tCO <sub>2</sub> e
Total - Intensity		Perimeter	377 441 m²	746 259 m²	768 359 m²	683 487 m²	634 154 m²	624 988 m²	56 746 m²	379 623 m²	188 589 m²
		Building primary energy intensity	22,6 kWh/m²	15,07 kWh/m²	14,79 kWh/m²	14,29 kWh/m²	13,21 kWh/m²	14,30 kWh/m²	135,8 kWh/m²	139,6 kWh/m²	161,8 kWh/m²
		Building primary energy intensity	368,9 kWh/m²	261,5 kWh/m²	256,2 kWh/m²	247,7 kWh/m²	222,0 kWh/m²	231,4 kWh/m²	202,2 kWh/m²	225,8 kWh/m²	248,3 kWh/m²
		GHG emissions intensity from building energy consumption (market-based)	370,9 kg CO <sub>2</sub> e/m²	14,20 kg CO <sub>2</sub> e/m²	14,43 kg CO <sub>2</sub> e/m²	13,76 kg CO <sub>2</sub> e/m²	14,21 kg CO <sub>2</sub> e/m²	16,70 kg CO <sub>2</sub> e/m²	19,5 kg CO <sub>2</sub> e/m²	15,9 kg CO <sub>2</sub> e/m²	16,5 kg CO <sub>2</sub> e/m²
		GHG emissions intensity from building energy consumption (location-based)	50,24 kg CO <sub>2</sub> e/m²	26,43 kg CO <sub>2</sub> e/m²	26,20 kg CO <sub>2</sub> e/m²	27,80 kg CO <sub>2</sub> e/m²	25,71 kg CO <sub>2</sub> e/m²	28,34 kg CO <sub>2</sub> e/m²	27,2 kg CO <sub>2</sub> e/m²	27,5 kg CO <sub>2</sub> e/m²	30,4 kg CO <sub>2</sub> e/m²
		Perimeter	288 287 m²	580 412 m²	610 749 m²	592 551 m²	616 256 m²				
Total - LUL		Total fuel consumption for related sites (year = 2021)	317,7 GWh	46,95 GWh	47,31 GWh	46,44 GWh	51,21 GWh				
		Total fuel consumption for related sites (year = column header)	43,13 GWh	41,87 GWh	42,32 GWh	41,48 GWh	43,98 GWh				
		Fuels-LUL	302-1		42,32 GWh	41,48 GWh	43,98 GWh				
		Like-for-Like total fuel consumption			11,7%	11,9%	16,4%				
		Total district heating & cooling consumption for related sites (year = 2021)	0,00 GWh	21,9 GWh	21,9 GWh	21,9 GWh	21,9 GWh				
		Total district heating & cooling consumption for related sites (year = column header)	0,00 GWh	3,55 GWh	2,41 GWh	2,08 GWh	1,82 GWh				
		DH&C-LUL	302-1		-9,2%	5,3%	20,4%				
		Like-for-Like total district heating & cooling consumption (year = 2021)			-9,2%	5,3%	20,4%				
		Total electricity consumption for related sites (year = 2021)	214,8 GWh	33,96 GWh	36,09 GWh	35,55 GWh	37,14 GWh				
		Total electricity consumption for related sites (year = column header)	29,22 GWh	40,17 GWh	43,24 GWh	42,01 GWh	38,25 GWh				
		Like-for-Like total electricity consumption			-16,5%	-16,4%	-2,9%				
		Elec-LUL	302-1		-16,5%	-16,4%	-2,9%				

Landlord-controlled buildings		GLA	2008	2017	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021
Scope 1 - Absolute			260 212 m²	328 962 m²	342 709 m²	342 709 m²	257 050 m²	240 971 m²	58 078 m²	110 205 m²	72 688 m²
Perimeter			240 069 m²	322 452 m²	333 083 m²	329 833 m²	221 400 m²	234 329 m²	55 257 m²	106 384 m²	72 688 m²
Total landlord obtained fuels			2784 GWh	23.0 GWh	24.88 GWh	18.57 GWh	1747 GWh	16.15 GWh	4.31 GWh	9.02 GWh	2.83 GWh
of which gas			2106 GWh	23.62 GWh	22.70 GWh	16.59 GWh	15.51 GWh	15.51 GWh	4.31 GWh	8.37 GWh	2.83 GWh
of which heating oil (fuel)			6.78 GWh	0.00 GWh	2.18 GWh	228 GWh	2.15 GWh	0.65 GWh	0.00 GWh	0.65 GWh	0.00 GWh
Total direct GHG emissions		GHG-Dir-Abs 306-1	5 818 tCO <sub>2</sub> e	4 441 tCO <sub>2</sub> e	4 847 tCO <sub>2</sub> e	3 726 tCO <sub>2</sub> e	3 451 tCO <sub>2</sub> e	3 242 tCO <sub>2</sub> e	853 tCO <sub>2</sub> e	1 829 tCO <sub>2</sub> e	560 tCO <sub>2</sub> e
Perimeter			180 303 m²	212 509 m²	232 477 m²	207 360 m²	149 382 m²	149 428 m²	36 018 m²	106 384 m²	70 026 m²
Total landlord obtained fuels			109.3 MWh/m²	71.6 MWh/m²	76.2 MWh/m²	71.3 MWh/m²	77.6 MWh/m²	89.3 MWh/m²	87.2 MWh/m²	84.8 MWh/m²	169.4 MWh/m²
Total direct GHG emissions			22.4 kg CO <sub>2</sub> e/m²	14.6 kg CO <sub>2</sub> e/m²	14.3 kg CO <sub>2</sub> e/m²	15.4 kg CO <sub>2</sub> e/m²	15.7 kg CO <sub>2</sub> e/m²	18.0 kg CO <sub>2</sub> e/m²	17 kg CO <sub>2</sub> e/m²	17 kg CO <sub>2</sub> e/m²	34 kg CO <sub>2</sub> e/m²
Perimeter			86 195 m²	123 847 m²	120 721 m²	139 524 m²	144 422 m²				
Total landlord obtained fuels for related sites (year = 2021)			7 92 GWh	10.97 GWh	10.83 GWh	12.82 GWh	13.07 GWh				
Total landlord obtained fuels for related sites (year = column header)			10.21 GWh	8.75 GWh	9.31 GWh	11.56 GWh	11.26 GWh				
Like-for-Like evolution (kWh)			- 22.4%	25.3%	16.2%	10.9%	16.1%				
Total direct GHG emissions for related sites (year = 2021)			15 691 tCO <sub>2</sub> e	2 171 tCO <sub>2</sub> e	2 143 tCO <sub>2</sub> e	2 582 tCO <sub>2</sub> e	2 632 tCO <sub>2</sub> e				
Total direct GHG emissions for related sites (year = column header)			2 094 tCO <sub>2</sub> e	1 646 tCO <sub>2</sub> e	1 751 tCO <sub>2</sub> e	2 351 tCO <sub>2</sub> e	2 285 tCO <sub>2</sub> e				
Like-for-Like direct GHG emissions		GHG-Dir-LIL 306-1	- 25.1%	31.9%	22.4%	9.8%	15.2%				



EPRA SPM		GRI	2008	2017	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021
Scope 2 - Absolute	Per meter		240 069 m²	322 452 m²	335 083 m²	329 833 m²	221 400 m²	234 329 m²	55 257 m²	106 384 m²	72 688 m²
Scope 2 - Intensity	Heating network		0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh
	Total building electricity consumption		2187 GWh	2689 GWh	2617 GWh	2227 GWh	1865 GWh	1414 GWh	296 GWh	843 GWh	275 GWh
	Renewable electricity generated and consumed on-site by landlord		0.00 GWh	260 GWh	247 MWh	354 MWh	353 MWh	269 MWh	0.00 GWh	269 MWh	0.00 GWh
	Other electricity generated and consumed on-site by landlord (cogeneration)		0.00 GWh	298 MWh	480 MWh	357 MWh	203 MWh	298 MWh	0.00 GWh	0.00 GWh	298 MWh
	Renewable electricity generated on-site and exported by landlord		0.00 GWh	0.00 GWh	1 MWh	3 MWh	4 MWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh
	Other electricity generated on-site and exported by landlord (cogeneration)		0.00 GWh	68 MWh	38 MWh	76 MWh	59 MWh	177 MWh	0.00 GWh	0.00 GWh	177 MWh
	Renewable electricity generated off-site and purchased by landlord		16 903 MWh	15 992 MWh	18 963 MWh	17 977 MWh	15 554 MWh	12 073 MWh	1999 MWh	820 MWh	1873 MWh
	Renewable electricity generated off-site, purchased by landlord, for mobility purpose		0.00 GWh	5 MWh	10 MWh	20 MWh	24 MWh	35 MWh	3 MWh	32 MWh	0.00 GWh
	Other electricity purchased by landlord		0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh
	Renewable electricity generated and consumed on-site by tenant		0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh
	Renewable electricity generated off-site and purchased by tenant		2 642 MWh	7 895 MWh	7 588 MWh	2 332 MWh	1 667 MWh	879 MWh	179 MWh	0.00 GWh	701 MWh
	Other electricity purchased by tenant		2 322 MWh	2 514 MWh	1 826 MWh	1 344 MWh	963 MWh	780 MWh	780 MWh	0.00 GWh	0.00 GWh
	of which electricity for shared services and common area		1210 GWh	1376 GWh	1482 GWh	1068 GWh	984 GWh	623 GWh	137 GWh	390 GWh	096 GWh
	of which electricity for tenant area		878 GWh	1313 GWh	1396 GWh	1159 GWh	881 GWh	791 GWh	158 GWh	453 GWh	180 GWh
	GHG indirect emissions (market-based)	GHG- Indirect	5901 CO <sub>2</sub> e	4281 CO <sub>2</sub> e	3091 CO <sub>2</sub> e	2691 CO <sub>2</sub> e	1921 CO <sub>2</sub> e	1561 CO <sub>2</sub> e	1561 CO <sub>2</sub> e	01 CO <sub>2</sub> e	01 CO <sub>2</sub> e
Scope 2 - Intensity	GHG indirect emissions (location-based)		5 554 t CO <sub>2</sub> e	4 571 t CO <sub>2</sub> e	4 863 t CO <sub>2</sub> e	4 449 t CO <sub>2</sub> e	3 727 t CO <sub>2</sub> e	2 825 t CO <sub>2</sub> e	590 t CO <sub>2</sub> e	1 684 t CO <sub>2</sub> e	550 t CO <sub>2</sub> e
	Per meter		19 756 m²	210 32 m²	252 418 m²	206 873 m²	138 525 m²	149 428 m²	36 018 m²	106 384 m²	7 026 m²
	Gross total		119.5 kWh/m²	103.8 kWh/m²	100.4 kWh/m²	89.2 kWh/m²	75.8 kWh/m²	74.2 kWh/m²	59.4 kWh/m²	79.2 kWh/m²	73.9 kWh/m²
	of which heating network		-	-	-	-	-	-	-	-	-
	of which electricity for shared services and common area		52.0 kWh/m²	54.5 kWh/m²	52.6 kWh/m²	41.8 kWh/m²	37.5 kWh/m²	35.4 kWh/m²	31.5 kWh/m²	36.6 kWh/m²	35.5 kWh/m²
	of which electricity for tenant area		67.5 kWh/m²	49.3 kWh/m²	47.7 kWh/m²	47.4 kWh/m²	38.4 kWh/m²	38.8 kWh/m²	27.8 kWh/m²	42.6 kWh/m²	38.4 kWh/m²
	GHG indirect emissions (market-based)		3.44 kg CO <sub>2</sub> e/m²	1.85 kg CO <sub>2</sub> e/m²	1.14 kg CO <sub>2</sub> e/m²	1.19 kg CO <sub>2</sub> e/m²	0.92 kg CO <sub>2</sub> e/m²	0.91 kg CO <sub>2</sub> e/m²	3.78 kg CO <sub>2</sub> e/m²	0.00 kg CO <sub>2</sub> e/m²	0.00 kg CO <sub>2</sub> e/m²
	GHG indirect emissions (location-based)		30.36 kg CO <sub>2</sub> e/m²	17.65 kg CO <sub>2</sub> e/m²	16.97 kg CO <sub>2</sub> e/m²	17.83 kg CO <sub>2</sub> e/m²	15.16 kg CO <sub>2</sub> e/m²	14.82 kg CO <sub>2</sub> e/m²	11.9 kg CO <sub>2</sub> e/m²	15.8 kg CO <sub>2</sub> e/m²	14.8 kg CO <sub>2</sub> e/m²
	Per meter		97 886 m²	123 847 m²	142 889 m²	117 234 m²	141 584 m²	148 820 m²	119 kg CO <sub>2</sub> e/m²	15.8 kg CO <sub>2</sub> e/m²	14.8 kg CO <sub>2</sub> e/m²
Scope 1+2 - Intensity	Total for related sites (year = 2021)		701 GWh	8.31 GWh	10.36 GWh	10.25 GWh	10.25 GWh	10.25 GWh	36 018 m²	106 384 m²	7 026 m²
	Total for related sites (year = column header)		1 031 09%	957 09%	1 233 5%	1 197 3%	1 063 7%	1 063 7%	36 018 m²	106 384 m²	7 026 m²
	Like-for-Like evolution (kWh)		-32.1%	-11.4%	-16.0%	-14.4%	-2.9%	-2.9%	36 018 m²	106 384 m²	7 026 m²
	Total GHG indirect emissions for related sites (year = 2021)		761 CO <sub>2</sub> e	141 CO <sub>2</sub> e	141 CO <sub>2</sub> e	140 CO <sub>2</sub> e	111 CO <sub>2</sub> e	111 CO <sub>2</sub> e	36 018 m²	106 384 m²	7 026 m²
	Total GHG indirect emissions for related sites (year = column header)		1881 CO <sub>2</sub> e	281 CO <sub>2</sub> e	2271 CO <sub>2</sub> e	191 CO <sub>2</sub> e	181 CO <sub>2</sub> e	181 CO <sub>2</sub> e	36 018 m²	106 384 m²	7 026 m²
	Like-for-Like evolution (market-based)	GHG- Indirect	-51.6%	-35.2%	-37.8%	-26.6%	-6.4%	-6.4%	36 018 m²	106 384 m²	7 026 m²
	Like-for-Like evolution (location-based)		-46.6%	41%	-07%	-14.6%	-2.9%	-2.9%	36 018 m²	106 384 m²	7 026 m²
	Per meter		74 264 m²	210 32 m²	230 280 m²	205 63 m²	138 525 m²	149 428 m²	36 018 m²	106 384 m²	7 026 m²
	Total operational energy		250.6 kWh/m²	181.6 kWh/m²	174.6 kWh/m²	167.1 kWh/m²	154.4 kWh/m²	163.5 kWh/m²	146.6 kWh/m²	164.0 kWh/m²	243.4 kWh/m²
	GHG indirect emissions (market-based)		29 35 kg CO <sub>2</sub> e/m²	16 47 kg CO <sub>2</sub> e/m²	15 63 kg CO <sub>2</sub> e/m²	16 01 kg CO <sub>2</sub> e/m²	16 90 kg CO <sub>2</sub> e/m²	18 89 kg CO <sub>2</sub> e/m²	21 05 kg CO <sub>2</sub> e/m²	17 19 kg CO <sub>2</sub> e/m²	33 54 kg CO <sub>2</sub> e/m²
	GHG indirect emissions (location-based)		60 46 kg CO <sub>2</sub> e/m²	32 27 kg CO <sub>2</sub> e/m²	30 97 kg CO <sub>2</sub> e/m²	33 33 kg CO <sub>2</sub> e/m²	31 13 kg CO <sub>2</sub> e/m²	32 80 kg CO <sub>2</sub> e/m²	29 13 kg CO <sub>2</sub> e/m²	33 02 kg CO <sub>2</sub> e/m²	48 32 kg CO <sub>2</sub> e/m²
	Per meter		74 264 m²	210 32 m²	230 280 m²	205 63 m²	138 525 m²	149 428 m²	36 018 m²	106 384 m²	7 026 m²
	Total operational energy		250.6 kWh/m²	181.6 kWh/m²	174.6 kWh/m²	167.1 kWh/m²	154.4 kWh/m²	163.5 kWh/m²	146.6 kWh/m²	164.0 kWh/m²	243.4 kWh/m²
	GHG indirect emissions (market-based)		29 35 kg CO <sub>2</sub> e/m²	16 47 kg CO <sub>2</sub> e/m²	15 63 kg CO <sub>2</sub> e/m²	16 01 kg CO <sub>2</sub> e/m²	16 90 kg CO <sub>2</sub> e/m²	18 89 kg CO <sub>2</sub> e/m²	21 05 kg CO <sub>2</sub> e/m²	17 19 kg CO <sub>2</sub> e/m²	33 54 kg CO <sub>2</sub> e/m²
	GHG indirect emissions (location-based)		60 46 kg CO <sub>2</sub> e/m²	32 27 kg CO <sub>2</sub> e/m²	30 97 kg CO <sub>2</sub> e/m²	33 33 kg CO <sub>2</sub> e/m²	31 13 kg CO <sub>2</sub> e/m²	32 80 kg CO <sub>2</sub> e/m²	29 13 kg CO <sub>2</sub> e/m²	33 02 kg CO <sub>2</sub> e/m²	48 32 kg CO <sub>2</sub> e/m²

Tenant-controlled buildings	GLA	EPRA SPM	GRI	2008	2017	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021	
Scope 3 - Absolute	Perimeter			325 790 m²	589 986 m²	550 454 m²	511 396 m²	509 373 m²	548 671 m²	35 950 m²	282 880 m²	186 518 m²	
	Gross total			70 GW/h	83 GW/h	74 GW/h	66 GW/h	66 GW/h	72 GW/h	5 GW/h	39 GW/h	28 GW/h	
	Total tenant-obtained fuels of which gas			4129 GW/h	4044 GW/h	3768 GW/h	3608 GW/h	3501 GW/h	4203 GW/h	412 GW/h	2446 GW/h	1346 GW/h	
	of which heating oil (fuel)			4042 GW/h	3978 GW/h	3710 GW/h	3547 GW/h	3449 GW/h	4135 GW/h	347 GW/h	2446 GW/h	1346 GW/h	
	Total district heating and cooling			0.87 GW/h	0.66 GW/h	0.58 GW/h	0.61 GW/h	0.61 GW/h	0.42 GW/h	0.68 GW/h	0.00 GW/h	0.00 GW/h	
	Total building electricity consumption			0.00 GW/h	3.55 GW/h	2.41 GW/h	2.08 GW/h	1.82 GW/h	2.19 GW/h	0.00 GW/h	0.93 GW/h	1.26 GW/h	
	Renewable electricity generated and consumed on-site by tenant			2867 GW/h	3871 GW/h	3429 GW/h	3248 GW/h	2892 GW/h	2775 GW/h	0.86 GW/h	1373 GW/h	1314 GW/h	
	Other electricity generated and consumed on-site by tenant ( cogeneration)			0 MW/h	183 MW/h	183 MW/h	153 MW/h	147 MW/h	168 MW/h	0 MW/h	41 MW/h	127 MW/h	
	Other electricity generated and consumed on-site by tenant ( cogeneration)			0 MW/h	38 MW/h	311 MW/h	889 MW/h	775 MW/h	763 MW/h	0 MW/h	0 MW/h	763 MW/h	
	Renewable electricity generated on-site and exported by landlord			0 MW/h	16 MW/h	18 MW/h	20 MW/h	18 MW/h	21 MW/h	0 MW/h	18 MW/h	2 MW/h	
	Other electricity generated on-site and exported by tenant ( cogeneration)			0 MW/h	0 MW/h	0 MW/h	0 MW/h	1 MW/h	0 MW/h	0 MW/h	0 MW/h	0 MW/h	
	Renewable electricity generated off-site and purchased by tenant			1107 MW/h	38 276 MW/h	33 584 MW/h	31 599 MW/h	26 553 MW/h	26 878 MW/h	858 MW/h	13 710 MW/h	12 310 MW/h	
	Renewable electricity generated off-site, purchased by tenant, for mobility purpose			0 MW/h	1 MW/h	2 MW/h	11 MW/h	27 MW/h	61 MW/h	0 MW/h	1 MW/h	59 MW/h	
	Other electricity purchased by tenant			27 558 MW/h	226 MW/h	236 MW/h	73 MW/h	1494 MW/h	0 MW/h	0 MW/h	0 MW/h	0 MW/h	
	GHG indirect emissions (market-based)		GHG-Indir-Abs	305-2	16 479 CO <sub>2</sub> e	7 892 CO <sub>2</sub> e	7 423 CO <sub>2</sub> e	7 092 CO <sub>2</sub> e	7176 CO <sub>2</sub> e	8704 CO <sub>2</sub> e	861 CO <sub>2</sub> e	4 879 CO <sub>2</sub> e	2 965 CO <sub>2</sub> e
	Scope 3 - Intensity	GHG indirect emissions (location-based)			15 760 CO <sub>2</sub> e	14 457 CO <sub>2</sub> e	13 182 CO <sub>2</sub> e	13 611 CO <sub>2</sub> e	12 660 CO <sub>2</sub> e	14 248 CO <sub>2</sub> e	1 033 CO <sub>2</sub> e	7 626 CO <sub>2</sub> e	5 589 CO <sub>2</sub> e
		Perimeter			30376 m³	335946 m³	339078 m³	478323 m³	495626 m³	475530 m³	20728 m³	278239 m³	181539 m³
		GHG indirect emissions (market-based)			468 kg CO <sub>2</sub> e/m²	1346 kg CO <sub>2</sub> e/m²	1357 kg CO <sub>2</sub> e/m²	1249 kg CO <sub>2</sub> e/m²	1319 kg CO <sub>2</sub> e/m²	1599 kg CO <sub>2</sub> e/m²	1679 kg CO <sub>2</sub> e/m²	1536 kg CO <sub>2</sub> e/m²	1580 kg CO <sub>2</sub> e/m²
		GHG indirect emissions (location-based)			4775 kg CO <sub>2</sub> e/m²	2414 kg CO <sub>2</sub> e/m²	2416 kg CO <sub>2</sub> e/m²	2543 kg CO <sub>2</sub> e/m²	2420 kg CO <sub>2</sub> e/m²	2694 kg CO <sub>2</sub> e/m²	240 kg CO <sub>2</sub> e/m²	233 kg CO <sub>2</sub> e/m²	297 kg CO <sub>2</sub> e/m²
Perimeter				246 599 m²	472 890 m²	478 877 m²	482 720 m²	481 335 m²					
Scope 3 - IUL	Total energy, consumption for related sites (year = 2021)			3709 GW/h	6107 GW/h	6180 GW/h	5909 GW/h	6598 GW/h					
	Total energy, consumption for related sites (year = column header)			5 015.7%	6 465.2%	6 398.6%	6 008.3%	6 118.9%					
	Like-for-Like evolution (kWh)			-26.1%	-5.8%	-3.4%	-1.7%	7.8%					
	Total GHG indirect emissions for related sites (year = 2021)			4 507 CO <sub>2</sub> e	7 008 CO <sub>2</sub> e	7 083 CO <sub>2</sub> e	6 628 CO <sub>2</sub> e	7 629 CO <sub>2</sub> e					
	Total GHG indirect emissions for related sites (year = column header)			1166 CO <sub>2</sub> e	6 042 CO <sub>2</sub> e	6 124 CO <sub>2</sub> e	5 566 CO <sub>2</sub> e	6 517 CO <sub>2</sub> e					
Like-for-Like evolution (market-based)			-59.3%	15.6%	15.7%	19.1%	17.1%						
Tenant-controlled buildings	Like-for-Like evolution (location-based)			-34.0%	7.7%	8.2%	1.1%	10.6%					

WATER CONSUMPTION

All data marked with a V has been verified by the auditor.

Total portfolio	GLA	EPRA SPM	GRI	2008	2017	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021
Water - Absolute	Total water consumption	Water-Abx	303-5	843 269 m³	938 588 m²	905 979 m²	910 593 m²	780 767 m²	789 642 m²	100 420 m²	419 908 m²	269 314 m²
	of which collected and stored rainwater			104 789 m³	242 308 m²	223 223 m²	194 211 m²	140 665 m²	103 867 m²	6 446 m²	40 278 m²	57 144 m²
	of which groundwater			-	7 332 m²	3 442 m²	2 914 m²	6 664 m²	4 620 m²	695 m²	2 057 m²	1 868 m²
	Total recycled and reused			-	5 328 m²	9 069 m²	8 197 m²	3 544 m²	1 826 m²	-	455 m²	1 371 m²
Water - Intensity	Perimeter	Water-Int	CRE2	0 m³	12 660 m²	12 511 m²	11 111 m²	10 208 m²	6 446 m²	695 m²	2 512 m²	3 238 m²
	Total water consumption			355 40,6 m²	742 264 m²	724 282 m²	605 764 m²	568 110 m²	517 301 m²	48 051 m²	292 637 m²	176 613 m²
	of which rainwater			284 39 l/m²	255 68 l/m²	246 95 l/m²	270 44 l/m²	213 80 l/m²	175 83 l/m²	106 02 l/m²	137 63 l/m²	258 12 l/m²
	of which groundwater			0 00 l/m²	8 24 l/m²	4 70 l/m²	4 81 l/m²	10 74 l/m²	8 93 l/m²	14 42 l/m²	7 03 l/m²	10 57 l/m²
Water - LUL	Perimeter	Total water consumption for related sites (year = 2021)	Water-LUL	147 730 m²	478 851 m²	479 543 m²	420 229 m²	481 715 m²	353 l/m²	0 00 l/m²	156 l/m²	7 76 l/m²
	Total water consumption for related sites			21 742 m³	81 169 m³	86 110 m³	79 709 m³	86 618 m³				
	Total water consumption for related sites (year = column header)			36 759 m³	125 658 m³	128 994 m³	128 339 m³	103 713 m³				
	Like-for-Like evolution (kWh)			-	-63,5%	-44,2%	-45,2%	-20,4%				

WASTE

All data marked with a V has been verified by the auditor.

Total portfolio	GLA	EPRA SPM	GRI	2008	2017	2018	2019	2020	2021	Low-Rise Office 2021	Mid-Rise Office 2021	High-Rise Office 2021
Waste - Absolute												
Total waste				843 269 m²	938 568 m²	905 979 m²	910 693 m²	780 767 m²	789 642 m²	100 420 m²	419 908 m²	269 314 m²
of which recycled				0 tonne	11 938 tonnes	54 762 tonnes	93 577 tonnes	72 943 tonnes	37 398 tonnes	171 tonnes	963 tonnes	36 264 tonnes
Total non-hazardous waste linked to works					9 201 tonnes	52 076 tonnes	74 546 tonnes	59 613 tonnes	36 665 tonnes	4 tonnes	561 tonnes	36 099 tonnes
of which reused					17 tonnes	41 tonnes	925 tonnes	157 tonnes	34 025 tonnes	4 tonnes	475 tonnes	33 546 tonnes
of which composted					2 tonnes		0 tonne					
of which incinerated					351 tonnes	223 tonnes	671 tonnes	11 738 tonnes	2 640 tonnes	1 tonne	86 tonnes	2 553 tonnes
of which buried or landfilled							15 100 tonnes					
Total non-hazardous waste linked to operational buildings			306-3		2 343 tonnes	2 184 tonnes	1 634 tonnes	1 269 tonnes	726 tonnes	V	165 tonnes	160 tonnes
of which recycled			306-4		1 353 tonnes	1 038 tonnes	992 tonnes	607 tonnes	400 tonnes	V	58 tonnes	96 tonnes
of which reused			306-4							V		
of which composted			306-4				1 tonne	2 tonnes	3 tonnes	V		
of which incinerated			306-5		990 tonnes	1 145 tonnes	640 tonnes	660 tonnes	323 tonnes	V	107 tonnes	64 tonnes
of which buried or landfilled			306-5							V		
Total hazardous waste linked to works			306-5		21 tonnes	234 tonnes	691 tonnes	162 tonnes	5 tonnes	V		
of which recycled					0 tonne		1 tonne	2 tonnes	1 tonne			5 tonnes
of which reused												1 tonne
of which composted												
of which incinerated												
of which buried or landfilled												
Total hazardous waste linked to operational buildings			306-3		3 tonnes	197 tonnes	690 tonnes	160 tonnes	4 tonnes			
of which recycled			306-4		18 tonnes	38 tonnes	5 tonnes	9 tonnes	2 tonnes	V	1 tonne	4 tonnes
of which reused			306-4		4 tonnes	5 tonnes	9 tonnes	4 tonnes	2 tonnes	V	1 tonne	0 tonne
of which composted			306-4		4 tonnes	5 tonnes	9 tonnes	4 tonnes	2 tonnes	V	1 tonne	0 tonne
of which incinerated			306-4							V		
of which buried or landfilled			306-5							V		
of which composted			306-5							V		
of which incinerated			306-5							V		
of which buried or landfilled			306-5							V		
Perimeter				0 m²	473 799 m²	614 441 m²	453 837 m²	530 249 m²				
Total waste linked to operational buildings				-	516 m²	419 m²	420 729 m²	2 kg/m²	2 kg/m²		2 kg/m²	1 kg/m²
Perimeter				147 730 m²	478 887 m²	479 543 m²	420 729 m²	481 767 m²				
Total recycled for related sites (year = 2021)				0 tonne	789 tonnes	1 843 tonnes	2 945 tonnes	34 307 tonnes				
Total recycled for related sites (year = column header)				0 tonne	9 343 tonnes	52 568 tonnes	64 117 tonnes	59 986 tonnes				
LUL recycled			306-4		-91.88%	-96.49%	-95.41%	-42.81%		V		
Total reused for related sites (year = 2021)				0 tonne	0 tonne	0 tonne	0 tonne	0 tonne				
Total reused for related sites (year = column header)				0 tonne	17 tonnes	41 tonnes	2 tonnes	157 tonnes				
LUL reused			306-4		-100.00%	-100.00%	-100.00%	-100.00%		V		
Total composted for related sites (year = 2021)				0 tonne	0 tonne	0 tonne	3 tonnes	3 tonnes				
Total composted for related sites (year = column header)				0 tonne	0 tonne	0 tonne	1 tonne	0 tonne				
LUL composted			306-4		-100.00%	-	82.07%	863.92%		V		
Total incinerated for related sites (year = 2021)				0 tonne	294 tonnes	513 tonnes	732 tonnes	2 896 tonnes				
Total incinerated for related sites (year = column header)				0 tonne	317 tonnes	853 tonnes	655 tonnes	12 093 tonnes				
LUL incinerated			306-5		92.69%	60.20%	111.77%	23.95%		V		
Total buried or landfilled for related sites (year = 2021)				0 tonne	0 tonne	4 tonnes	4 tonnes	4 tonnes				
Total buried or landfilled for related sites (year = 2021)				0 tonne	12 tonnes	38 tonnes	15 101 tonnes	160 tonnes				
Total buried or landfilled for related sites (year = column header)				0 tonne								
LUL buried or landfilled			306-5		-100.00%	-88.38%	-99.97%	-97.25%		V		

CERTIFICATION  
BREEAM

Buildings under construction		BREEAM New Construction / Refurbishment <sup>1</sup>	
Rating		surface (m²)	# buildings
Excellent		21 208	1
Not certified		114 692	1
Total		135 900	2

Buildings in operation		BREEAM New Construction / Refurbishment <sup>2</sup>		BREEAM In-Use <sup>3</sup>	
Rating		surface (m²)	# buildings	surface (m²)	# buildings
Excellent		49 730	3	-	-
Very Good		61 292	5	-	-
Good		4 623	1	22 139	1
Not certified		673 996	96	767 502	104
Total		789 641	105	789 641	105

ENERGY PERFORMANCE CERTIFICATES

Buildings in operation		
Rating	surface (m²)	# buildings
B	24 223	4 <sup>4</sup>
C	207 830	11 <sup>5</sup>
Not certified	557 588	90 <sup>6</sup>
Total	789 641	105

1 The "not certified" project is subject to certification, but is not yet at a sufficiently advanced stage to have a valid certification. Design phase certificates are included.

2 Design certificates are not included, only Post Construction certificates.

3 Among these buildings, a large part has been certified BREEAM In-Use in 2010 and 2011, but certificates are no longer valid.

4 One building included in the total with a surface area of ±10,000 m² has been sold in 2021. The validity of the certificate for a second building with a surface of 5,000 m² ended in 2021. For this building, a new certificate will be established in 2022.

5 The validity of the certificates for three of these buildings, representing a surface area of 28,000 m², expired in 2021. Two of them will be renewed in 2022 while the third will be established after renovation.

6 Office buildings in Flanders and Wallonia are not eligible for the "sale and rental" certificate. The two buildings in Luxembourg do have a valid certificate but without a "class". They are therefore considered as not certified.



# Methodology

## DIRECT ENERGY (GAS AND OIL), INDIRECT ENERGY (ELECTRICITY AND DISTRICT HEATING), WATER, GREENHOUSE GAS EMISSIONS

Since 2017, Befimmo has opted to report the data for the Befimmo and Fedimmo portfolios in consolidated form.

### General remarks

Some additional historical data, complete or partial, obtained after the publication of the last Annual Financial Report were verified and then integrated with previously published data. This could explain any differences with previous publications.

Other minor adjustments were also made to the data with a view to improving the quality and accuracy of the consolidated non-financial reporting data, notably:

- > the conversion factors needed to calculate the CO<sub>2</sub>e emissions were verified and updated and the conversion factors used in reporting associated with waste were adjusted
- > the alteration or adaptation of certain spaces following work and/or resurveying
- > the correction of missing or incorrect historical data, in particular following the receipt of credit notes or adjustment invoices for electricity and water

### Interpretation of data in the environmental reporting tables<sup>1</sup>

Befimmo intends to keep segmenting its reporting by the type of the buildings, by classing the buildings as Low-Rise Office buildings with at most three floors, Mid-Rise Office buildings with at least four floors and at most eight floors, and High-Rise Office buildings with at least nine floors. This approach allows an analysis from a different angle and the exploitation of certain specific data.

Low-rise office	Mid-rise office	High-rise office
100 420 m <sup>2</sup>	419 908 m <sup>2</sup>	269 314 m <sup>2</sup>

### Management of consumption data

Data and information relating to the energy consumption of the portfolio is obtained through (i) network operators and energy suppliers, (ii) maintenance companies, (iii) telemonitoring of consumption, (iv) internal managers, and (v) building occupants. Telemonitoring now covers a large proportion of the buildings in the portfolio and provides information directly from technical installations. The buildings involved are mostly under Befimmo’s control, so the Company can take immediate action to implement energy savings.

All data on building consumption is recorded in an internal database that can generate detailed reports useful for benchmarking, strategic thinking, providing information to occupants, and decision-making.

With regard to the management of electricity consumption data, Befimmo is continuing to work on separating consumption for private and common areas of the buildings in which it has control over the energy supply contract. Regarding the buildings in which the supply contracts are not in Befimmo’s name, the Environmental Technical Team directly asks the occupants for consumption data and/or the renewal of the mandates needed for obtaining data via the network managers.

Since 2015, 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.

For its 2021 reporting, Befimmo has chosen to disclose all the data available to it, even though for some buildings its level of control is limited, and consumption and/or generation data are not always accessible or available.

<sup>1</sup> The surfaces of the buildings sold or acquired during the year are included in the total surface of the portfolio used within the framework of environmental reporting.

## Determining the uncertainty level of the data

Befimmo is aware that the accuracy and reliability of the data it uses for monitoring the environmental performance of its portfolio are directly related to the quality of the information received, inaccuracies in the metering systems, transfer of partial or incorrect information, spurious data, inaccuracy of conversion factors, reading errors, missing data and in particular the degree of uncertainty of the metering instruments in its buildings.

In addition, Befimmo continues to strengthen and develop its requirements for the selection, installation, maintenance and preventive replacement of metering equipment in its buildings to minimise the risk of loss and distortion of information.

## Reporting perimeter

The Global Lettable Area mentioned above each table correspond to the areas of the buildings in use during the reporting year. The reporting perimeter for absolute indicators is expressed as the area covered by the data obtained for the period. It is directly affected by any sales and/or acquisitions.

## Calculation at constant perimeter

The calculation at constant perimeter (Like-for-Like (LfL)), expressed as a year-on-year percentage difference, helps to assess how an indicator changes over time. Indeed, by excluding variations due to changes in floor area (as a result of major renovations, acquisitions or sales), it is possible to analyse, compare and explain the results achieved in relation to the stated objectives. Note, however, that the calculation at constant floor area does not take account of changes in the occupancy of the buildings.

The reporting perimeter for Like-for-Like indicators is expressed as the area of buildings in use during the two complete periods which are compared for which all data are obtained.

## Calculation of specific consumption (kWh/m<sup>2</sup> and l/m<sup>2</sup>) and greenhouse gas emissions intensity (kg CO<sub>2</sub>e/m<sup>2</sup>)

The following buildings are excluded from the scope:

- > buildings under construction and/or renovation
- > buildings not used as offices (for 2021, part of a building that houses an indoor pool/fitness centre, a building housing only showers and a service building were excluded)
- > buildings with incomplete consumption data
- > building sold or acquired during the reporting year
- > buildings with an average annual occupancy rate below 50%<sup>1</sup> (calculated on the basis of the quarterly occupancy history and the floor area occupied)

## Reporting CO<sub>2</sub>e emissions and emission factors

When reporting CO<sub>2</sub>e emissions related to its activities, Befimmo follows the recommendations and methodology of the Greenhouse Gas Protocol (GHG Protocol). This international accounting method is the one most used by government leaders and business to understand, quantify and manage greenhouse gas emissions.

In practice, Befimmo distinguishes emissions as follows:

- > “directly-controlled” emissions, relating to fuels (gas, oil) purchased by the landlord for heating purpose
- > “indirectly-controlled” emissions, relating to the electricity and heat purchased by the landlord for (1) shared service installations (HVAC, lighting of common areas, parking, lifts, etc.) and (2) for tenant areas. (1) and (2) are figured separately in indicator tables
- > “indirectly-uncontrolled” emissions, relating to the use of electricity, heat, fuels (gas, oil) purchased by tenants in buildings not under Company control

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<sup>1</sup> Based on the long-term lease agreement with the Buildings Agency, the occupancy rate of Befimmo buildings is considered to be 100%. However, on certain specific occasions, this rate may not reflect the actual occupancy of the building and the figures announced in these few cases may not be representative.

Furthermore, calculations of CO<sub>2</sub>e emissions are reviewed and adjusted, including for historical data, on the basis of any new information provided by the tenants regarding their contracts for supplying energy for private areas.

For the calculation of uncontrolled indirect CO<sub>2</sub>e emissions, Befimmo uses the emission factor provided and updated by the International Energy Agency (IEA).

CO<sub>2</sub>E EMISSION FACTORS

Type	Units	2021	2020	2019	2018	2017
Gas <sup>1</sup>	kg CO <sub>2</sub> e/kWh	198	188	188	188	188
Non-renewable electricity Belgium <sup>2</sup>	kg CO <sub>2</sub> e/kWh	200	169	169	169	170
Green electricity	kg CO <sub>2</sub> e/kWh	0	0	0	0	0
District heating Luxembourg <sup>3</sup>	kg CO <sub>2</sub> e/kWh	43	43	0	0	0
District heating Brussels Airport	kg CO <sub>2</sub> e/kWh	227	227	227	227	227
Gas <sup>1</sup> Luxembourg	kg CO <sub>2</sub> e/kWh	231	-	-	-	-

Type	Units	2021	2020	2019	2018	2017
Diesel	kg CO <sub>2</sub> e/litre	2.515	2.515	2.515	2.511	2.511
Petrol	kg CO <sub>2</sub> e/litre	2.258	2.258	2.258	2.264	2.264
Cars (other than Befimmo)	kg CO <sub>2</sub> e/litre	0.170	0.170	0.170	0.167	0.167
Aircraft (short-haul flight) economy	kg CO <sub>2</sub> e/litre	0.233	0.233	0.233	0.233	0.233
Aircraft (long-haul flight) economy	kg CO <sub>2</sub> e/litre	0.202	0.202	0.202	0.202	0.202
Aircraft (short-haul flight) business	kg CO <sub>2</sub> e/litre	0.468	0.468	0.468	0.468	0.468
Aircraft (long-haul flight) business	kg CO <sub>2</sub> e/litre	0.477	0.477	0.477	0.477	0.477
Train	kg CO <sub>2</sub> e/litre	0.048	0.048	0.048	0.048	0.048

Type <sup>4</sup>	Units	2021	2020	2019	2018	2017
Textile: carpets, etc.	kg CO <sub>2</sub> e/t	500	500	500	500	n.a.
Paper, cardboard, etc.	kg CO <sub>2</sub> e/t	737	737	737	737	n.a.
Glass, glazing, etc.	kg CO <sub>2</sub> e/t	496	496	496	496	n.a.
PMC	kg CO <sub>2</sub> e/t	875	875	875	875	n.a.
Plastic, polystyrene, etc.	kg CO <sub>2</sub> e/t	877	877	877	877	n.a.
Wood	kg CO <sub>2</sub> e/t	23	23	23	23	n.a.
Bulky goods	kg CO <sub>2</sub> e/t	531	531	531	531	n.a.
Metal	kg CO <sub>2</sub> e/t	311	311	311	311	n.a.
Household waste	kg CO <sub>2</sub> e/t	386	386	386	386	n.a.
Composted kitchen waste	kg CO <sub>2</sub> e/t	140	140	140	140	n.a.
Earth	kg CO <sub>2</sub> e/t	1	1	1	1	n.a.
Concrete, bricks, brick rubble, tiles, etc.	kg CO <sub>2</sub> e/t	26	26	26	26	n.a.
Mixed construction waste	kg CO <sub>2</sub> e/t	13	13	13	13	n.a.
Sludge	kg CO <sub>2</sub> e/t	844	844	844	844	n.a.
Gypsum-based materials	kg CO <sub>2</sub> e/t	52	52	52	52	n.a.
Roofing	kg CO <sub>2</sub> e/t	129	129	129	129	n.a.
Cork waste	kg CO <sub>2</sub> e/t	31	31	31	31	n.a.
Wooden packaging	kg CO <sub>2</sub> e/t	6	6	6	6	n.a.
False ceiling (gypsum)	kg CO <sub>2</sub> e/t	110	110	110	110	n.a.
Chemical waste: batteries, paint, cooling gases, inorganic acids, inks, hazardous gases, etc.	kg CO <sub>2</sub> e/t	706	706	706	706	n.a.
Hazardous waste: asbestos, hazardous packaging, TL lamps, hazardous construction timber, etc.	kg CO <sub>2</sub> e/t	934	934	934	934	n.a.

1 Source: Engie  
2 Source: IEA (International Energy Agency)  
3 Source: Luxembourg city  
4 Sources: Ademe, Inies

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## Not applicable

The expression “n.a.” used several times in the data analysis tables means “not applicable”.

This applies:

- > where a building was not in the portfolio at the reporting date
- > where data are not available
- > for the scope relating to renewable energy production, which is not measured

Generally speaking, the electricity consumption data for private areas obtained directly from information received from tenants with a utility-company meter and unspecified own supply contracts are counted as non-renewable energy.

Where the type of supply contract is known, only contracts specified as “100% green” are considered renewable, and a zero CO<sub>2</sub>e emission rate is applied for market-based indicators.

# Social performance

## Stakeholders engagement

Befimmo has identified and mapped its external and internal stakeholders as follow:

Stakeholders	Expectations	Responses and communication mode	Frequency
Financial community (investors, analysts, shareholders and banks)	<ul style="list-style-type: none"> <li>&gt; Financial and strategic transparency</li> <li>&gt; In line with corporate governance principles</li> <li>&gt; Ethics</li> <li>&gt; Business longevity</li> <li>&gt; Financial performance</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Annual General meetings</li> <li>&gt; Financial reports</li> <li>&gt; Press releases</li> <li>&gt; Roadshows, fairs and investor days</li> <li>&gt; Information on the website and on social media (LinkedIn and Instagram)</li> <li>&gt; Contact with the IR &amp; Communication team</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Annually</li> <li>&gt; Occasionally</li> <li>&gt; Frequently</li> </ul>
Public authorities and politics	<ul style="list-style-type: none"> <li>&gt; Compliance with legislation</li> <li>&gt; Good relationship and open dialogue with various bodies</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Transparent and regular contact, mainly during (re)development projects</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Frequently</li> </ul>
Associations, partnerships and multi-stakeholder forums	<ul style="list-style-type: none"> <li>&gt; Awareness of challenges</li> <li>&gt; Information sharing, collaboration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Engagement with projects</li> <li>&gt; Meetings, workshops and seminars</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Occasionally</li> </ul>
Tenants and occupants	<ul style="list-style-type: none"> <li>&gt; Comfort, well-being, security</li> <li>&gt; Innovative solutions</li> <li>&gt; Adaptable spaces and flexibility</li> <li>&gt; Good contact with the Property Manager</li> <li>&gt; Interesting service offer, including alternative mobility solutions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Helpsite, contact service</li> <li>&gt; Punctual satisfaction surveys</li> <li>&gt; Newsletters</li> <li>&gt; Regular contact with the Commercial and Property Management teams</li> <li>&gt; Daily contact with the hospitality team of Silversquare</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Frequently</li> </ul>
Suppliers and subcontractors	<ul style="list-style-type: none"> <li>&gt; Fair working practices</li> <li>&gt; Security and well-being</li> <li>&gt; Good relationship with the main contact</li> <li>&gt; Compliance</li> <li>&gt; Collaboration opportunities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Charter of responsible procurement</li> <li>&gt; Encounters</li> <li>&gt; Regular communication</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Frequently</li> </ul>
Local communities and residents	<ul style="list-style-type: none"> <li>&gt; Transparent communication relative to (re)development projects</li> <li>&gt; Events and information sessions</li> <li>&gt; Improvement of community life</li> <li>&gt; Inclusive projects, open to city communities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Accurate and timely communication on (future) projects in the neighbourhood</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Occasionally</li> </ul>
Players involved in construction: architects, design offices, contractors, trades	<ul style="list-style-type: none"> <li>&gt; Clear and frequent communication relative to building sites</li> <li>&gt; Security on-site</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Construction site meetings</li> <li>&gt; Regular communication</li> <li>&gt; Specification</li> <li>&gt; Construction site visits</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Frequently</li> </ul>
Academic sector	<ul style="list-style-type: none"> <li>&gt; Partnerships in project development</li> <li>&gt; Information and knowledge sharing</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Partnership</li> <li>&gt; Participation in research</li> <li>&gt; Workshops and brainstorm sessions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Occasionally</li> </ul>
Team members	<ul style="list-style-type: none"> <li>&gt; Good and fair working conditions</li> <li>&gt; Professional development</li> <li>&gt; Global and personal performance</li> <li>&gt; Training</li> <li>&gt; Comfort, well-being, security at work</li> <li>&gt; Motivating compensation</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Permanent communication (through the Intranet, screens, Teams channels and Yammer)</li> <li>&gt; Team events and afterworks</li> <li>&gt; Transverse working groups (Comité B+, LynX programme)</li> <li>&gt; Annual assessments and satisfaction surveys, Vox Collector</li> <li>&gt; Employee Assistance Programme</li> <li>&gt; Permanent training opportunities (language and IT courses, mindfulness, time management)</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Daily</li> </ul>



## EXTERNAL STAKEHOLDERS

### Financial community (investors, analysts, shareholders, banks)

The IR & Communication department is responsible for communicating transparently about the Company's activities and their follow-up. The information is published in the form of (annual and half-yearly) reports and press releases. The department organises events such as roadshows and investors days for investors, conference calls and presentations for analysts, and general meetings for shareholders. Befimmo also participates in financial fairs. Within this framework, the media are therefore also considered important stakeholders because of their role in relaying information to the population and to our key stakeholders.

Befimmo engages with banks for all its financings, and since 2021 for its sustainable financings following its Green Financing Framework.

To improve its dialogue with the financial community, the IR & Communication department aims to identify new roadshow cities where Befimmo can meet (potential) investors. Assessments of its responses to investor ESG questionnaires allow Befimmo to see how it is evolving over time and to compare itself with its peers.

### Public authorities and politics

- > **European Union:** Befimmo is permanently monitoring developments in new EU legislation.
- > **Brussels: Leefmilieu Brussel | Bruxelles Environnement:** Befimmo endeavours to maintain good relations and synergies with Bruxelles Environnement. This ensures follow-up of regional legislation and facilitates interactions during the design phase of (re)development projects.
- > **Flanders:** all permit requests are made via the "Omgevingsloket" digital platform.
- > **Wallonia:** contacts are made directly with the administrations.

### Associations, partnerships and multi-stakeholder forums

Befimmo is member of various associations, with the main aim of sharing information. These associations have no political purpose whatsoever and are not considered as a lobbying activity. In order to maintain a broad dialogue with multiple parties, Befimmo needs to foster connections with companies, associations, and multi-stakeholder forums.

#### CO.STATION

In mid-2020, Befimmo became real-estate partner of **Co.Station**, an innovation and entrepreneurship platform. Befimmo is also co-founder of the "Co.Building" innovation ecosystem (now owned by Nova Reperta) that supports more than 20 companies in designing intelligent and sustainable buildings together, placing environmental quality at the heart of the workplace and housing. With this partnership, Befimmo is actively involved in a cutting-edge ecosystem open to societal themes, such as mobility, integration in the city, and use of resources, that have been built into its strategy for many years.

#### UPSI

Befimmo remains committed to its relationship with the **Professional Union of the Real-Estate Sector (UPSI)**. UPSI and Befimmo actively cooperated again in 2021 via working groups to incorporate federal and regional real-estate requirements. The CEO is a member of the UPSI board of directors, and the CFO participates in the UPSI Taxation Committee. The Head of Environment is chairman of the Technical and Sustainability Commission.

#### RICS

The **Royal Institution of Chartered Surveyors (RICS)** is a British professional body whose mission is to regulate and promote the real-estate profession, maintain a level of excellence and professionalism among its members through continuous training, and protect customers and consumers through a strict code of ethics. The CEO of Befimmo is a member of RICS.

## THE SHIFT

Befimmo is an active member of the Belgian network **The Shift** which brings together more than 530 organisations committed to sustainable development. Befimmo joined the **Belgian Alliance for Climate Action** (BACA) through The Shift. This alliance is a community of Belgian organisations that take their climate ambitions seriously and choose the path of Science Based Targets.

## CSTC

Befimmo participated actively in meetings organised by the **Scientific and Technical Construction Centre** (CSTC) on more technical questions, notably on the BIM, circularity, and environmental subjects.

## EPRA

The **European Public Real Estate Association** (EPRA) is a professional organisation that defends the real-estate sector's interests across Europe. In 2021, the General Counsel & Secretary General again sat on the Tax & Regulatory Committee, a working group on European regulatory issues. The CFO participated in the Reporting & Accounting Committee, a working party handling the standardisation of financial performance indicators and accountancy topics. The Head of IR & Communication took part in the IR Committee, on communication with investors.

## FEB

The General Counsel & Secretary General is a director of the **Belgian Association of Listed Companies** which is part of the **Federation of Enterprises in Belgium** (FEB), member of the Advisory Council of the **European Issuers** association (analysis and exchange on topics of common interest for listed companies, monitoring of financial regulations, governance issues, etc.) and member of the **Institut Des Juristes d'Entreprise** (institute of company lawyers).

## BE-REIT ASSOCIATION

The CFO and the General Counsel & Secretary General were members of the **BE-REIT Association**, founded in December 2015 to discuss accounting, legal and tax regulations impacting the sector. The CFO was the chairman and the General Counsel & Secretary General the head of the Legal & Regulatory Committee.

# Tenants and occupants

Regular and transparent communication with tenants is key to keeping a good relationship. Tenants must know how to get in contact with Befimmo in order to ask questions or report issues. On the other hand, Befimmo communicates proactively towards its occupants regarding works or spot initiatives in the different buildings.

## TARGETED COMMUNICATION

The Commercial department is the one in charge of explaining all benefits of a building to the potential tenant. This is done through regular contact and building visits. Whenever the tenant signs the contract, the Property Manager of the building shows them around, explaining all practical and technical aspects of the building such as security topics, but also information on infrastructure and services. All necessary information is sent to the tenant as well.

Befimmo's Communication and Hospitality teams supports the Property Managers for spot events to provide clear and cohesive communication using channels such as newsletters, screens in entrance halls, surveys, events, and information sessions.

## HELPSITE

This powerful system helps the Property Manager plan, implement and monitor incidents and requests for intervention. It is an online collaborative application offering secure external access for tenants (and suppliers). The Helpsite enables the Property Management to optimise incident management and to offer tenants effective follow-up of their submitted requests.

The Property Managers send the Helpsite user guide to each new tenant and provides the necessary explanation regarding this essential tool.

## Suppliers and subcontractors

In an effort to integrate the sustainability approach even more in its supply chain, Befimmo developed a Supplier Code of Conduct to communicate its expectations clearly during supplier engagement.

## Local communities and residents

Befimmo aims to ensure that every building in its portfolio integrates harmoniously into the neighbourhood where it is located, in terms of its architecture, the pooled services it offers, and the activities taking place inside.

Befimmo wants to meet the expectations of the external community by designing buildings that are open to the city, giving the opportunity to residents to enjoy the services offered within the building.

## Players involved in construction: architects, design offices, contractors, trades

- > The **Project department** coordinates the various players in the planning and design stages for its (re)development projects.
- > The **Property department** coordinates the players involved in improvement works in the buildings.
- > The **Building Information Management (BIM)** guides the implementation of construction processes, facilitates the communication, exchange, and management of data, and involves all players of the (re)development project.
- > Befimmo has been following up and applying **BRE Environmental Assessment Method (BREEAM)** certification since 2010 for all its portfolio, both operational buildings and (re)development projects.
- > The **Up4North** association brings together about ten real-estate partners of the North area, and has continued its work notably under Befimmo's leadership. The main objective of this non-profit association is to transform the monofunctional district of Brussels North into a lively and inclusive district of Brussels.

## Academic sector

In line with rethinking the digital transformation of its spaces, Befimmo decided to join, early 2019, other private partners (Joyn International, Thanksys, Belfius) in establishing and sponsoring the Smart Cities Chair organised by the Vrije Universiteit Brussel, its faculty of Economic and Social Sciences, the Solvay Business School, and its research centre Imec-SMIT.

A co-creation session about the workplace of the future was also organised together with the VUB and its research centre Imec-SMIT. During the workshop, participants discussed the needs of workers in the post-pandemic world and how companies like Befimmo can adapt the space using technologies and bring more flexibility for the users.

## INTERNAL STAKEHOLDERS

The best way to ensure good relations with our internal stakeholders is by creating links and maintaining a regular dialogue. Befimmo's objective is to continually improve dialogue with its team, enhancing communication tools by adapting them to each person or situation while emphasising human contact.

## The team

In addition to the day-to-day support work of the HR department, Befimmo has set up a number of internal communication and collaboration channels:

- > The **Intranet and the Teams Flash Info** are the main communication channels for formal and informal information.
- > In late 2021, all Befimmo staff were invited to rate their **satisfaction** with the Company's internal workings. In addition to this survey, Befimmo installed a **Vox Collector**. This system sends team members a new question each day. This survey method is quick and gives the opportunity to gather information throughout the whole year.
- > To improve communication between departments and to facilitate transverse projects, **collaborative IT tools** were introduced (Teams, SharePoint, and other programs under consideration and/or in development).
- > Creating links means offering an inspiring experience within an ecosystem that creates opportunities through a network of digital spaces and an efficient internal organisation. With this goal in mind, Befimmo grouped a series of digital transformation projects under the name "**LynX programme**". The management method of the programme is agile. The project leaders work in short iterations, which pushes them to test the relevance of their solutions rapidly.

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All these projects also follow a user-oriented approach. The programme is transverse, inviting team members to participate in some of the projects and become testers for new solutions.

## Board of Directors and Committees

The **Board** take part in defining and approving budgets and taking major decisions on sustainability, especially at strategy meetings and at the quarterly meetings when the results are published.

The **Executive Committee** ensures the effective leadership and management of the operational activities of the Company. Every month, sustainability topics are discussed during Executive Committee meetings.

Finally, the **ESG Cell** is responsible for developing and monitoring the 2030 Action Plan, releasing adequate resources, and takes an active part in the annual Management Review of the ISO 14001 Environmental Management System.

# Social indicators

All number of team members are expressed in headcount, except for training hours and expenses, which are expressed in Full-Time Equivalents (FTE). All data marked with a **V** has been verified by the auditor.

## TALENT AND PERFORMANCE

### TEAM BREAKDOWN

Team members (#)	EPRA SPM	GRI Standard	2021	2020	External assurance
Board of Directors		2-7	10	10	<b>V</b>
Executive Committee		2-7	4	4	
Management		2-7	10	11	
Other team members		2-7	90	83	

During the reporting year, Befimmo counts 100 members within its team (excluding external consultants and the Executive Committee). All team members are based at the head office of the Company in Belgium.

The Board consisted of ten Directors, specifically:

- > one executive Director
- > nine non-executive Directors, including five independent Directors who meet the criteria of Article 7:87 §1 of the Code of Companies and Associations and Article 3.5 of the 2020 Code, and two Directors linked to a shareholder

### GOVERNANCE BODIES DIVERSITY

Board diversity by gender (%)	EPRA SPM	GRI Standard	2021	2020	External assurance
Women	Diversity-Emp	405-1	30%	30%	<b>V</b>
Men	Diversity-Emp	405-1	70%	70%	<b>V</b>

Board diversity by age (%)	EPRA SPM	GRI Standard	2021	2020	External assurance
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	10%	0%	
Over 50 years		405-1	90%	100%	

### WORKFORCE DIVERSITY

Workforce diversity by gender per job category (%)	EPRA SPM	GRI Standard	2021	2020	External assurance
<b>Executive Committee</b>					
Women	Diversity-Emp	405-1	50%	50%	<b>V</b>
Men	Diversity-Emp	405-1	50%	50%	<b>V</b>
<b>Management</b>					
Women	Diversity-Emp	405-1	30%	27%	<b>V</b>
Men	Diversity-Emp	405-1	70%	73%	<b>V</b>
<b>Other team members</b>					
Women	Diversity-Emp	405-1	47%	48%	<b>V</b>
Men	Diversity-Emp	405-1	53%	52%	<b>V</b>

Globally, Befimmo has a great gender balance within its team (54%-46% M/W).

Workforce diversity by age per job category (%)	EPRA SPM	GRI Standard	2021	2020	External assurance
<b>Executive Committee (average age)</b>			<b>50</b>	<b>53</b>	
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	50%	25%	
Over 50 years		405-1	50%	75%	
<b>Management (average age)</b>			<b>44</b>	<b>42</b>	
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	70%	72%	
Over 50 years		405-1	30%	27%	
<b>Other team members (average age)</b>			<b>41</b>	<b>41</b>	
Under 30 years		405-1	12%	11%	
Between 30 and 50 years		405-1	68%	71%	
Over 50 years		405-1	20%	18%	

## SENIORITY

Average seniority (years)	EPRA SPM	GRI Standard	2021	2020	External assurance
Executive Committee			12.57	17.05	
Management			8.01	9.63	
Other staff members			5.02	5.54	

The global seniority of the team is 5.43 years.

## INTERNAL ORGANISATION

Working time	EPRA SPM	GRI Standard	2021	2020	External assurance
<b>Full-time team members</b>		<b>2-7</b>	<b>85</b>	<b>79</b>	
Women (#)		2-7	35	32	
Men (#)		2-7	50	47	
Women (%)		2-7	35%	41%	
Men (%)		2-7	50%	59%	
<b>Part-time team members</b>		<b>2-7</b>	<b>15</b>	<b>15</b>	
Women (#)		2-7	11	11	
Men (#)		2-7	4	4	
Women (%)		2-7	11%	73%	
Men (%)		2-7	4%	27%	

Contract type	EPRA SPM	GRI Standard	2021	2020	External assurance
<b>Fixed contracts</b>		<b>2-7</b>	<b>100</b>	<b>94</b>	
Women (#)		2-7	46	43	
Men (#)		2-7	54	51	
Women (%)		2-7	46%	46%	
Men (%)		2-7	54%	54%	
<b>Temporary contracts</b>		<b>2-7</b>	<b>0</b>	<b>0</b>	
Women (#)		2-7	0	0	
Men (#)		2-7	0	0	
Women (%)		2-7	0%	0%	
Men (%)		2-7	0%	0%	
<b>Non-guaranteed hours employees</b>		<b>2-7</b>	<b>0</b>	<b>0</b>	
Women (#)		2-7	0	0	
Men (#)		2-7	0	0	
Women (%)		2-7	0%	0%	
Men (%)		2-7	0%	0%	
<b>Workers who are not employees (#)</b>		<b>2-8</b>	<b>6</b>	<b>4</b>	

Workers who are not employees include the members of the Executive Committee and external workers.

## CAREER DEVELOPMENT

Workforce training and development	EPRA SPM	GRI Standard	2021	2020	External assurance
<b>Employees receiving annual appraisal by gender</b>					
Women (%)	Emp-Dev	404-3	100%	100%	✓
Men (%)	Emp-Dev	404-3	100%	100%	✓
<b>Employees receiving annual appraisal by job category</b>					
Executive Committee (%)	Emp-Dev	404-3	100%	100%	✓
Management (%)	Emp-Dev	404-3	100%	100%	✓
Other team members (%)	Emp-Dev	404-3	100%	100%	✓
<b>Hours of training per team member by gender</b>					
Women (total hours)	Emp-Training	404-1	1 690 h	511 h	✓
Men (total hours)	Emp-Training	404-1	2 090 h	340 h	✓
<b>Hours of training per team member by job category</b>					
Executive Committee (average hours)	Emp-Training	404-1	88	18	✓
Management (average hours)	Emp-Training	404-1	116	18	✓
Other team members (average hours)	Emp-Training	404-1	24	7	✓
Training expenses (in €)			€2 352.9	€722.4	
Permanent team members trained per year (#)			93	71	
Internal mobility cases (#)			3	2	
Internal promotion cases (#)			7	9	

On average, team members had 34.9 hours of training per person.



## ANNUAL TOTAL COMPENSATION

Ratio of the annual total compensation (%)	EPRA SPM	GRI Standard	2021	2020	External assurance
Annual total compensation ratio		2-21	2.2%	2.2%	
Change in the annual total compensation ratio		2-21	0%	0%	

## WORKFORCE PAY RATIO

Gender pay gap (% women/men)	EPRA SPM	GRI Standard	2021	2020	External assurance
Executive Committee	Diversity-Pay	405-2	70.1%	70.1%	✓
Management	Diversity-Pay	405-2	-8.9%	-13.9%	✓
Other staff members	Diversity-Pay	405-2	32.3%	31.5%	✓

The overall gender pay gap is 30.2% in 2021, compared to 29.7% in 2020.

## WORKFORCE ARRIVALS

Arrivals by gender	EPRA SPM	GRI Standard	2021	2020	External assurance
Women (#)	Emp-Turnover	401-1	8	6	✓
Women (%)	Emp-Turnover	401-1	8%	6%	✓
Men (#)	Emp-Turnover	401-1	5	9	✓
Men (%)	Emp-Turnover	401-1	5%	9%	✓

Arrivals by age	EPRA SPM	GRI Standard	2021	2020	External assurance
Under 30 years (#)	Emp-Turnover	401-1	3	3	✓
Under 30 years (%)	Emp-Turnover	401-1	3%	3%	✓
Between 30 and 50 years (#)	Emp-Turnover	401-1	9	12	✓
Between 30 and 50 years (%)	Emp-Turnover	401-1	9%	13%	✓
Over 50 years (#)	Emp-Turnover	401-1	1	0	✓
Over 50 years (%)	Emp-Turnover	401-1	1%	0%	✓

The average age of new team members is 35 years.

Arrivals by region	EPRA SPM	GRI Standard	2021	2020	External assurance
Belgium (#)	Emp-Turnover	401-1	13	15	✓
Belgium (%)	Emp-Turnover	401-1	13%	16%	✓

In total, Befimmo welcomed 13 new team members during the reporting year. The Company only employs team members in Belgium.

## WORKFORCE TURNOVER

Turnover by gender	EPRA SPM	GRI Standard	2021	2020	External assurance
Women (#)	Emp-Turnover	401-1	6	3	✓
Women (%)	Emp-Turnover	401-1	6%	3%	✓
Men (#)	Emp-Turnover	401-1	1	4	✓
Men (%)	Emp-Turnover	401-1	1%	4%	✓

Turnover by age	EPRA SPM	GRI Standard	2021	2020	External assurance
Under 30 years (#)	Emp-Turnover	401-1	0	1	✓
Under 30 years (%)	Emp-Turnover	401-1	0%	1%	✓
Between 30 and 50 years (#)	Emp-Turnover	401-1	6	5	✓
Between 30 and 50 years (%)	Emp-Turnover	401-1	6%	5%	✓
Over 50 years (#)	Emp-Turnover	401-1	1	1	✓
Over 50 years (%)	Emp-Turnover	401-1	1%	1%	✓

The average age of team members leaving the Company is 42 years.

Turnover by region	EPRA SPM	GRI Standard	2021	2020	External assurance
Belgium (#)	Emp-Turnover	401-1	7	7	✓
Belgium (%)	Emp-Turnover	401-1	7%	7%	✓

In total, seven team members left Befimmo during the reporting year. The Company only employs team members in Belgium.

Turnover split	EPRA SPM	GRI Standard	2021	2020	External assurance
Number of voluntary leaves (#)	Emp-Turnover	401-1	3	4	
Number of voluntary leaves (%)	Emp-Turnover	401-1	3%	4%	
Number of dismissals (#)	Emp-Turnover	401-1	4	2	
Number of dismissals (%)	Emp-Turnover	401-1	4%	2%	
Number of retirements (#)	Emp-Turnover	401-1	0	1	
Number of retirements (%)	Emp-Turnover	401-1	0%	1%	

## WELL-BEING

### TEAM MEMBERS

Workforce health and safety	EPRA SPM	GRI Standard	2021	2020	External assurance
Absentee rate - short term (%)	H&S Emp	403-9	1.4%	1.4%	✓
Absentee rate - long term (%)	H&S Emp	403-9	4.3%	5.0%	✓
Injury rate (%)	H&S Emp	403-9	0.0%	0.0%	✓
Lost day rate (%)	H&S Emp	403-9	0.0%	0.0%	✓
Work-related fatalities (#)	H&S Emp	403-9	0	0	✓
Work-related fatalities (%)	H&S Emp	403-9	0.0%	0.0%	✓
Work-related accidents with serious consequences (excluding fatalities) (#)		403-9	0	0	
Work-related accidents with serious consequences (excluding fatalities) (%)		403-9	0.0%	0.0%	
Recordable work-related accidents (#)	H&S-Comp	403-9	3	2	✓
Recordable work-related accidents (%)		403-9	3.0%	2.1%	
Total hours worked (hours)		403-9	144 155	153 674	
Staff members with disabilities (#)			1	1	
Fatalities due to occupational disease (#)		403-10	0	0	
Recordable occupational disease cases (#)		403-10	0	0	

The main types of accidents at work occurred on working sites and on the way to work.

### ASSETS

Asset health and safety	EPRA SPM	GRI Standard	2021	2020	External assurance
Rate of asset health and safety assessments (%)	H&S-Asset	416-1	87%	81%	✓
Non-compliance cases on asset health and safety (#)	H&S-Comp	416-2	2	1	✓

There were no cases of non-compliance with regulations and/or voluntary codes concerning the safety and health impacts of products and services during the reporting period.

## COMMUNITY

Community engagement	EPRA SPM	GRI Standard	2021	2020	External assurance
Community engagement (%)	Comty-Eng	413-1	32%	29%	✓
Charitable activities (#)			9	7	
Team members participating in charitable activities (#)			50	Not calculated	
Budget allocated to charitable activities (€)			€18 280	Not calculated	

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# Governance

This is an overview of the regulations that concern Befimmo directly and indirectly.

## Taxonomy Regulation

As a classification system establishing a list of environmentally sustainable economic activities, the EU Taxonomy was adopted to address greenwashing by enabling market participants to identify and invest in sustainable assets and help shift investments where they are most needed. The Taxonomy Regulation sets out four overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable. It establishes six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems. Pursuant to the Taxonomy Regulation and its delegated acts, companies in scope will have to disclose the proportion of environmentally sustainable economic activities in their business activities. Befimmo has already structured the Environment commitment of the present Report according to these objectives.

## Proposal for a Corporate Sustainability Reporting Directive (CSRD)

The proposal for a CSRD aims at imposing additional requirements in terms of ESG reporting to improve transparency and comparability. It would introduce a more detailed and intensified information disclosure obligation on all three aspects of ESG, according to mandatory EU sustainability reporting standards. It would further establish a mandatory audit (assurance) of the reported information and require companies to digitally “tag” the reported information, so it feeds into the European single access point. Befimmo has already analysed the gaps in its ESG reporting and is gradually putting actions into place in order to supplement the non-financial reporting.

## Proposal for a Sustainable corporate governance directive

The proposal for a Sustainable corporate governance directive aims to improve the EU regulatory framework on company law and corporate governance, by introducing, amongst others, a due diligence duty towards the value chain, especially with regard to respect for human rights and take into account all stakeholders’ interests. The draft proposal is expected to be published in 2022.

## Sustainable Finance Disclosure Regulation (SFDR)

The Sustainable Finance Disclosure Regulation aims at increasing transparency on sustainability among financial institutions and market participants. It provides for sustainability disclosure obligations for manufacturers of financial products and financial advisers toward end-investors, most notably regarding sustainability risks and adverse sustainability impacts. As a market participant with a significant ESG focus, Befimmo is indirectly subject to such disclosure obligations, especially in terms of reporting on its ESG initiatives towards manufacturers of financial products and financial advisers.

## Fit for 55 package

The Fit for 55 package refers to all regulatory initiatives linked to the EU's target of reducing net greenhouse gas emissions by at least 55% by 2030. As an owner of a large property portfolio, Befimmo has a role to play. For the past years, the Company has already been working on reducing its portfolio emissions through ambitious targets. It will continue its efforts to reduce emissions by adopting the Science Based Target approach.

# 2030 Action Plan

## Environmental targets

SDGs	Ambition	Action	Result 2021	Target	Timeframe
13	Contribute to climate change mitigation	Reduce the absolute scope 1 & 2 GHG emissions (vs 2018)	26%	50%	2030
13	Contribute to climate change mitigation	Reduce the specific scope 1 & 2 GHG emissions (vs 2018)	Increase of 21%	50%	2030
13	Contribute to climate change mitigation	Reduce on 2/3 of absolute scope 3 GHG emissions (until 2030)	New objective	2.5% per year (vs 2018)	2030
13	Contribute to climate change mitigation	Increase green electricity consumption of landlord-controlled buildings	88%	100%	2023
7, 13	Contribute to climate change mitigation	Increase renewable installed capacity	1 124 kWp	2 200 kWp	2025
13	Contribute to climate change mitigation	Reduce energy intensity of landlord-controlled buildings (vs 2018)	175 kWh/m <sup>2</sup>	95 kWh/m <sup>2</sup>	2030
13	Contribute to climate change adaptation	Align with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)	Ongoing	Fully aligned	2023
6	Contribute to the sustainable use and protection of water	Reduce water consumption	175.8 l/m <sup>2</sup>	226.5 l/m <sup>2</sup>	2030
12	Contribute to the transition to a circular economy	Maintain existing elements and reuse materials by submitting projects <sup>1</sup> to an inventory of materials	100%	100%	Permanent target
12	Contribute to the transition to a circular economy	Build flexible and adaptable projects <sup>2</sup>	84%	100%	2030
13, 15	Contribute to pollution prevention and control	Strengthen and improve selection criteria for building materials	Ongoing	Qualitative target	Permanent target
15	Contribute to the protection and restoration of biodiversity	Study biodiversity management on portfolio	Ongoing	100%	2025
9	Use certification systems to deliver sustainable assets	Obtain certifications for projects <sup>2</sup>	100%	100%	Permanent target
9	Use certification systems to deliver sustainable assets	Obtain "In-Use" certifications for buildings	2.8%	35%	2022
9	Use certification systems to deliver sustainable assets	Cover the eligible portfolio with an energy performance certificate	65%	100%	2022
9	Create innovative and sustainable buildings	Create innovative projects <sup>2</sup> ; promote sustainability, technical, and technological improvements	84%	100%	2025
11	Provide buildings accessible through sustainable transport systems	Invest near public transport hubs. Invest in mobility hubs if no public transport system is available	67%	100%	2030
11	Provide buildings accessible through sustainable transport systems	Equip the parking spaces with charging points	5%	100%	2030
12	Reduce the environmental impact of the team	Reduce paper use by asking for electronic incoming invoices	88%	100%	2022
12	Reduce the environmental impact of the team	Reduce paper use by sending electronic outgoing invoices	91%	100%	2022
11	Reduce the environmental impact of the team	Promote a flexible and sustainable mobility	24%	40%	2025
12	Reduce the environmental impact of the team	Reduce waste by composting organic waste and sorting of waste	Not measured	0 kg/FTE	2030

1 Projects: committed ongoing (re)development projects (ZIN).

2 Projects: committed ongoing (re)development projects (Paradis Express, ZIN).

# Social targets

SDGs	Ambition	Action	Result 2021	Target	Timeframe
3, 4, 5, 8, 10	Take care of the team and the community	Increase the overall team satisfaction	89%	95%	Permanent target
3, 4, 5, 8, 10	Take care of the team and the community	Increase workload satisfaction	4.2/10	8/10	Permanent target
3, 4, 5, 8, 10	Take care of the team and the community	Improve work-life balance	6/10	8/10	Permanent target
1, 3, 4	Take care of the team and the community	Promote participation to transverse working groups	50%	75%	2030
3, 8	Build and animate communities	Extend the coworking network and meeting opportunities	34 900 m <sup>2</sup>	51 800 m <sup>2</sup> 85 000 m <sup>2</sup>	2023 2025
3, 9	Improve comfort, security and safety	Reduce the number of incidents involving people	0	2	Permanent target
3, 9	Improve comfort, security and safety	Improve safety through inspections on fire prevention, lifts, electricity and heating	87%	100%	Permanent target
3	Improve comfort, security and safety	Decide on a method to rate the overall satisfaction of tenants	New objective	80% or NPS of 8/10	2023
11	Integrate buildings into cities	Open up buildings to the city and its community	100%	100%	2030
4, 10	Integrate buildings into cities	Be in dialogue with the different stakeholder groups	100%	100%	2021

# Governance targets

SDGs	Ambition	Action	Result 2021	Target	Timeframe
5, 10, 16	Behave ethically	Create new Human Rights policy	Ongoing	Published	2022
16	Behave ethically	Control all digitalisation projects within the framework of GDPR	100%	100%	Permanent target
16	Use ESG regulation to accelerate the sustainability transition	Align with future ESG regulations	Ongoing	Fully aligned	2024
12	Adopt a due diligence strategy	Receive the new code of conduct signed by the suppliers	New objective	100%	2023
12	Adopt a due diligence strategy	Assess significant <sup>1</sup> suppliers on ESG aspects	New objective	100%	2024
4, 12	Adopt a due diligence strategy	Engage significant <sup>1</sup> suppliers on ESG aspects	New objective	100%	2030
17	Promote green investment opportunities	Implement a Sustainability Linked Loan Framework	New objective	Implemented	2022
17	Maintain a transparent communication	Participate in voluntary investor assessments on an annual base	3	Min. 2	Permanent target

<sup>1</sup> Significant suppliers are suppliers having a potential risk on ESG aspects.

# Limited assurance report

**Independent assurance report on selected environmental, social and governance performance indicators published in the document “Annual Financial report” of Befimmo SA for the year ended 31 December 2021**

To the board of directors

We have been engaged to conduct a limited assurance engagement on selected environmental, social and governance performance indicators (“the ESG KPI’s”) published in the document “Annual Financial report” of Befimmo SA (the “Company”) for the year ended 31 December 2021 (“the Document”). The ESG KPI’s have been defined following the Best Practices Recommendations of the “European Public Real Estate Association” (EPRA) regarding sustainable development reporting (EPRA sBPR on Sustainability Reporting, 3rd version). The ESG KPI’s have been selected by Befimmo and are identified with the symbol ✓ in the tables<sup>1</sup> as mentioned on pages 53-93, 116-118 and 244-275 of the Document.

Based on our work as described in this report, nothing has come to our attention that causes us to believe that the ESG KPI’s related to Befimmo SA identified with the symbol ✓ in the Document, have not been prepared, in all material respects, in accordance with EPRA Best Practices Recommendations on Sustainability Reporting (3<sup>rd</sup> version), (the “EPRA sBPR on Sustainability Reporting”).

## Responsibility of the board of directors

The board of directors of the Company is responsible for the preparation of ESG KPI’s and the references made to it presented in the Document as well as for the declaration that its reporting meets the requirements of the EPRA sBPR on Sustainability Reporting.

This responsibility includes the selection and application of appropriate methods for the preparation of the ESG KPI’s, for ensuring the reliability of the underlying information and for the use of assumptions and reasonable estimations. Furthermore, the board of directors is also responsible for the design, implementation and maintenance of systems and procedures relevant for the preparation of the ESG KPI’s that is free from material misstatement, whether due to fraud or error.

## Nature and scope of our work

Our responsibility is to express a conclusion on the ESG KPI’s based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB), in order to state whether anything had come to our attention that causes us to believe that the ESG KPI’s have not been prepared, in all material respects, in accordance with the applicable criteria.

We apply International Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Applying these standards, our procedures are aimed at obtaining limited assurance on the fact that the ESG KPI’s do not contain material misstatements. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The scope of our work has been limited to the ESG KPI’s covering the year 2021 and includes only the environmental performance indicators of the buildings and the social and governance indicators retained within the reporting scope defined by Befimmo SA and its subsidiaries Befimmo Property Services SA, Fedimmo SA, Meirfree SA, Vitalfree SA, Axento SA, Kubissimmo SARL, Loi 52 SA, ZIN in Noord SA, ZIN in Noord 2025 SA and Silversquare Belgium SA.

As indicated in the Document (chapter “EPRA Best practices — EPRA Sustainable Performance Indicators”), the scope of reporting for environmental performance indicators for the Company’s properties corresponds to all EPRA sBPR indicators. The perimeter per indicator is presented in the EPRA sBPR Tables of the chapter “Non-Financial Statements”.

Our work was performed on the data gathered and retained in the reporting scope by Befimmo SA. Our conclusion covers therefore only these ESG KPI’s and not all information included in the Document.

The scope of our work included, amongst others the following procedures:

- Obtaining an understanding of the Company’s business, including internal control relevant to collection of the information used to prepare the ESG KPI’s. This included discussions with the Company’s management responsible for operational performance in the areas responsible for the data underlying the ESG KPI’s, identified with the symbol ✓ in the tables as mentioned on pages 53-93, 116-118 and 244-275 of the Document.
- Considering the risk of material misstatement of the ESG KPI’s;
- Performing analytical procedures; and
- Examining, on a sample basis, internal and external supporting evidence and performing consistency checks on the consolidation of these ESG KPI’s.

Our report is made solely to the Company’s board of directors, as a body, in accordance with ISAE 3000. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s board of directors for our work, this report, or for the conclusions we have formed.

## Independence

In conducting our engagement, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and with the Belgian legal and regulatory framework.

Signed at Zaventem on 21 March 2022.

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**Deloitte Bedrijfsrevisoren / Réviseurs d’Entreprises BV/SRL**

Represented by Rik Neckebroeck

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1 The complete and detailed tables are published on the website of Befimmo ([www.befimmo.be](http://www.befimmo.be))





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## TRANSLATIONS

Dit Jaarlijks Financieel Verslag is ook verkrijgbaar in het Nederlands.  
Ce Rapport Financier Annuel est également disponible en français.

This Annual Financial Report has been written in English. In the event of any inconsistency between the English version and its translations, the English version shall prevail.

## PRINTING



## PHOTOS

Jean-Michel Byl, Filip Dujardin, Alix Bramoprod,  
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## CREATION, CONCEPT, DESIGN AND PRODUCTION

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