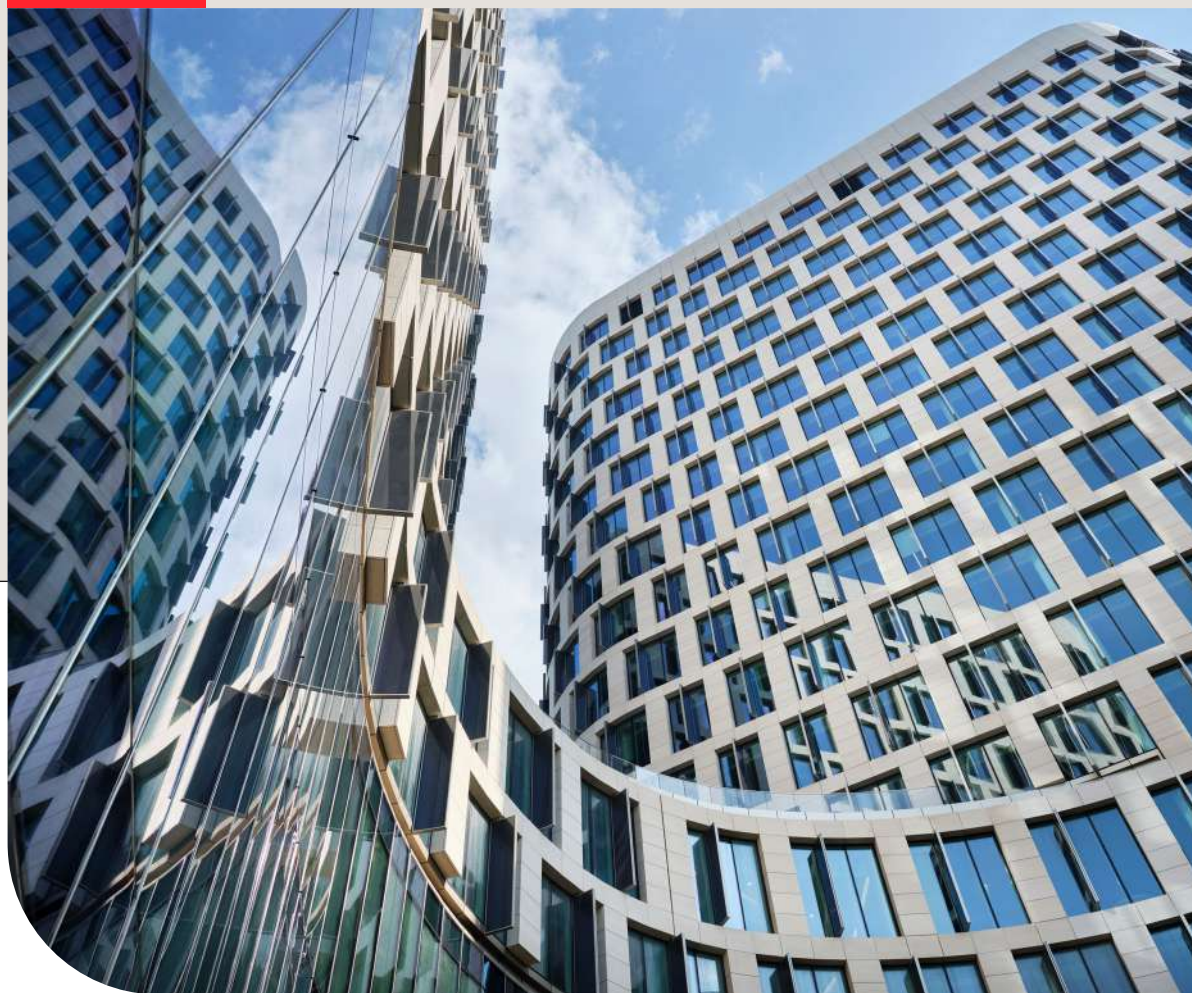


Annual Financial Report.

2022

→ [BEFIMMO.BE](https://www.befimmo.be)

Befimmo





Message from the Chairman and the CEO

“We would like to warmly
thank the shareholders
for having followed
Befimmo during the
major operations that
have marked its history.”

Dear Shareholders, Dear Partners,

It is not without emotion that we take up our pen today to look back on this year 2022, which will undoubtedly have marked the existence of Befimmo.

As you know, Befimmo is turning over a page in its history. At the end of 2022, Alexandrite Monnet Belgian Bidco SA bought back 100% of Befimmo's shares following a public takeover bid.

This acquisition will enable us to be better prepared for the years to come, to deploy the clear and ambitious strategy that we have put in place since the beginning of 2022. Befimmo will thus be better positioned as a leading real-estate investor, developer and operator in the interests of its customers, employees and all other stakeholders.

27 years of stock market listing

In 1995, Befimmo was first listed on the stock exchange. This represents 27 years of trust and privileged relationships with all our partners. 27 years of growth, development, ambitious and exemplary projects. 27 years of being listed on the stock exchange, 27 years marked by all the people who have crossed our path.

The evolution that Befimmo has experienced since its creation would not have been possible without you.

We would like to thank the Directors for their support and devotion, as well as the entire team for its professionalism, which has enabled us to make Befimmo grow and become a key real-estate player in Belgium.

We would also like to warmly thank the shareholders for having followed Befimmo during the major operations that have marked its history.

Whether it was during a capital increase or during a major purchase or sale, you have always had confidence in Befimmo and its Management. We thank you for this.

Finally, we would like to thank all the other stakeholders; architects, experts, banks and long-standing partners. We are starting a new chapter and we sincerely hope to continue our collaboration, based on mutual respect and a long history together.

As we have always done since the creation of Befimmo, we will continue to be transparent about our activities (both financial and non-financial) and we will not fail to keep you informed of our Company's evolutions and developments.

Thank you for everything.

Brussels, April 2023.



Jean-Philip Vroninks
CEO



Vincent Querton
Chairman of the Board of Directors



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 2022.

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

Real-estate, financial and environmental, social and 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) Standards¹.

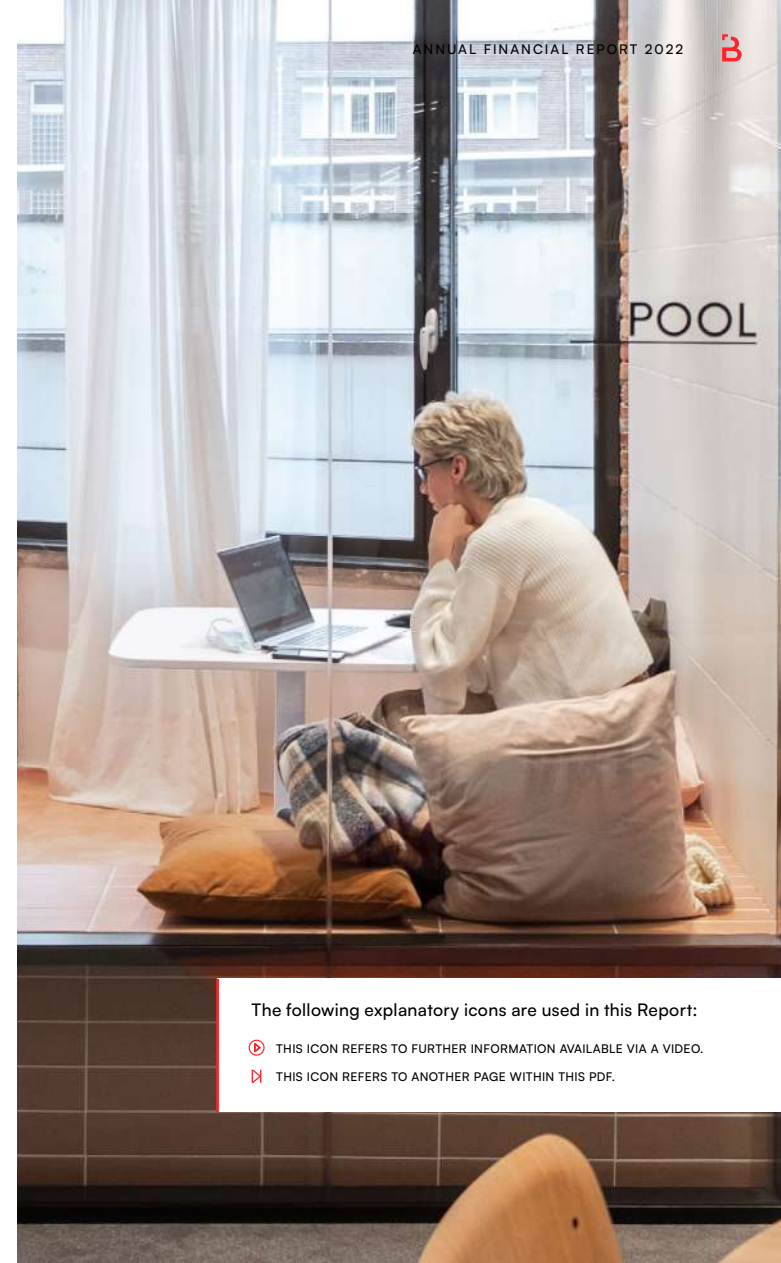
In the non-financial statements of this Report, all detailed information regarding Befimmo's 2030 Action Plan and all ESG indicators (set out in the GRI Content Index) can be consulted.

Alternative Performance Measures



The Alternative Performance Measures (APM) guidelines² 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.

1. 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).



The following explanatory icons are used in this Report:

-  THIS ICON REFERS TO FURTHER INFORMATION AVAILABLE VIA A VIDEO.
-  THIS ICON REFERS TO ANOTHER PAGE WITHIN THIS PDF.

Befimmo at a glance.



PROFILE OF THE COMPANY

06

MAIN RESULTS OF THE COMPANY

07



Profile of the Company

The Befimmo Group, including Befimmo and its subsidiaries, sister companies and affiliates (hereafter referred to as Befimmo) is a real-estate investor, operator and developer and includes certain companies with the status of a Specialised Real-Estate Investment Fund (FIIS/GVBF).

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

Our high-quality, performant and mixed-use portfolio is located in growing BeLux city centres. It is worth €2.7 billion and comprises around 40 office and mixed-use buildings as well as 10 coworking spaces, totalling more than 830,000 m² of space.

Our in-house coworking partner Silversquare and our recent partnership with Sparks allow us to deliver tailor-made coworking spaces and meeting venues.

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



Main results of the Company

High-quality portfolio



±40

Buildings

±830,000 M²

Workspace

9.5 YEARS

Duration of leases

€133 MILLION

Rental income

95.3%

Occupancy rate of properties available for lease

€2.7 BILLION

Fair value

Coworking operator



10

Coworking spaces

46,050 M²

Coworking space

88%

Occupancy rate of coworking spaces open since more than three years

€16 MILLION

Coworking turnover

Financial structure



46.9%

Debt ratio

43.1%

LTV ratio

2.3%

Average financing cost

Financial results



€2.44 per share

Consolidated EPRA earnings

€1.27 per share

Consolidated net result

€61.01 per share

Consolidated net asset value

Sustainability



38%

Reduction of absolute scope 1 & 2 GHG emissions (vs 2018)

81%

Construction waste diverted from landfill and incineration

Team



89

Team members

57% 43%

Gender diversity

33.7 HOURS

of training on average per employee

02

Management report.



VISION, MISSION, STRATEGY & BUSINESS MODEL	09
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Our vision

Befimmo aims to create, build and animate thriving work & life communities for a sustainable future.

Over time, Befimmo has the intention to diversify itself geographically, covering the major cities in the BeNeLux over the next years. Our ambition is to create and operate high-quality, mixed-use projects in growing economic, academic and research hubs.

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 needs and expectations in terms of work and living space.

The user is at the heart of our 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 ambition is to *create and operate high-quality, mixed-use projects* in growing economic, academic and research hubs.

Our mission

Our mission is to invest in, develop and 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 buildings are *user-centric*, *high-quality*, *ideally located*, *sustainable*, and *mixed-use*.



Our strategy & business model

→ SIX STRATEGIC OBJECTIVES

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

01

Activity-based
operating model

02

Sector
diversification

03

Adjusted
footprint

04

Portfolio
management

05

Client-centric
organisation

06

Disciplined financial
management

→ SIX STRATEGIC OBJECTIVES

01

Activity-based operating model

Befimmo is organised in an activity-based operational model structured into three separate business lines: Portfolio, Operator and Developer.

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

02

Sector diversification

Befimmo also focuses on driving sectorial diversification and limits 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.

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

03

Adjusted footprint

Over time, Befimmo has the intention to diversify itself geographically, covering the major cities in the BeNeLux over the next years. Our ambition is to create and operate high-quality, mixed-use projects in growing economic, academic and research hubs.

04

Portfolio management

Befimmo accelerates capital recycling through asset rotation and value-creation in the portfolio thanks to a smart and sustainable investment strategy. The portfolio is 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 drive value creation through the entire asset cycle. The focus is 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 brought 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 guides clients in defining, designing and building spaces that meet their expectations. The focus lays 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.

In the following years, we aim to keep expanding the Silversquare coworking network with the objective to reach a surface of 85,000 m². Moreover, in 2022, we opened our first meeting solutions concept Sparks, which represents a surface of 2,500 m² in a core location in front of the Central Station (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 allows us to drive synergies, improve cost management, deliver improved margins and offer more transparency.

Our new strategy accelerates 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.

→ THREE-BUSINESS-LINE MODEL

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

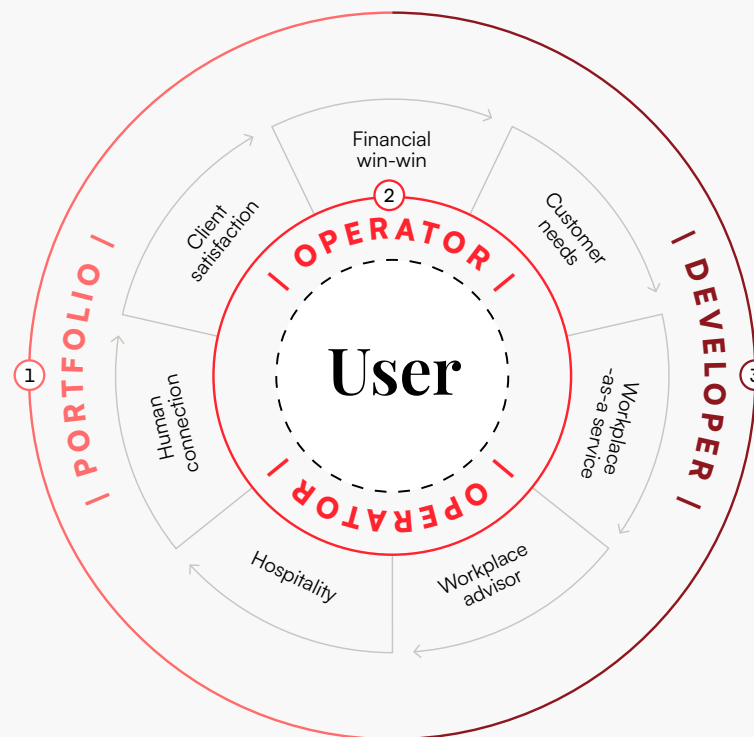
In the course of 2022, we re-organised Befimmo into three business lines:

- ① **PORTFOLIO:** Creating value by investing in and managing work and life hubs in growth cities;
- ② **OPERATOR:** Creating value by operating and designing work and life hubs that meet user needs and offer an ultimate experience;
- ③ **DEVELOPER:** Creating value by developing sustainable, SMART and high-performance buildings.

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 coworking, 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.

We intend to achieve a strict financial management, enhance opportunities and limit risks for each individual business line.



FINANCIAL WIN-WIN

Offer a fair price & reasonable investments for all parties

CUSTOMER NEEDS

Observe, analyse & understand customers' ever-changing needs

WORKSPACE-AS-A SERVICE

Offer flexible, hybrid, or HQ workspace solutions and meetings 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

Takeover offer

At the end of February 2022, Alexandrite Monnet Belgian Bidco SA, (the “Bidder”), an entity fully controlled by one of Brookfield’s real-estate private funds, filed a formal notice with the FSMA with a view to launching an all-cash voluntary and conditional public offer to acquire all shares of Befimmo at an offer price of €47.50 per share.

The Board of Directors expressed its support for the transaction, subject to review of the final offer prospectus.

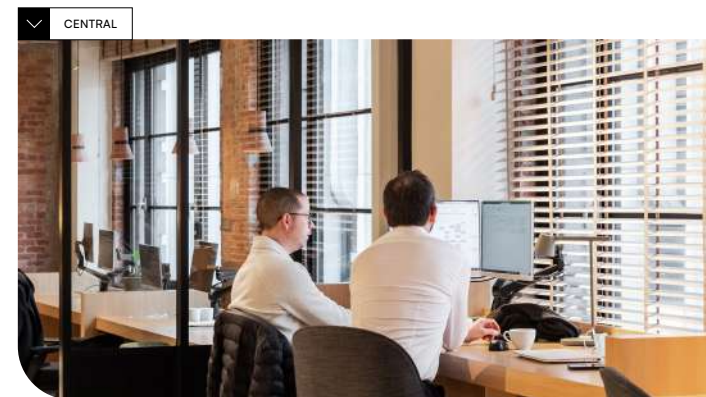
Befimmo’s two largest shareholders, AXA Belgium and AG Finance, have each entered into a soft irrevocable undertaking to tender Befimmo shares, representing respectively 9.6% and 5.6% of Befimmo’s share capital. Moreover, in August 2022, AG Real Estate, acting on behalf of its affiliate AG Finance, decided to tender the remaining stake of 3.5% in Befimmo that it had initially decided to retain. It ended the shareholders’ agreement between the Bidder and AG Finance.

Three different acceptance periods have been opened between early June and October 2022 to allow existing Befimmo shareholders to sell their shares at the price offered. As a result, the Bidder owned 96.9% of the Befimmo shares (including treasury shares held by Befimmo).

Early October, the Bidder decided to proceed to a final reopening of the offer for acceptance given that he held (directly and indirectly) more than 95% of the Befimmo shares. This had the effect of a simplified squeeze-out and resulted in the delisting of Befimmo SA, which occurred after the end of 2022.

➤ KEY EVENTS AFTER CLOSING, P.24

The prospectus relating to the Offer (including the response memorandum and the acceptance form) can be consulted on the corporate website: www.befimmo.be/en/takeover-offer.



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.

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.

ESG REPORT, P.54

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

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

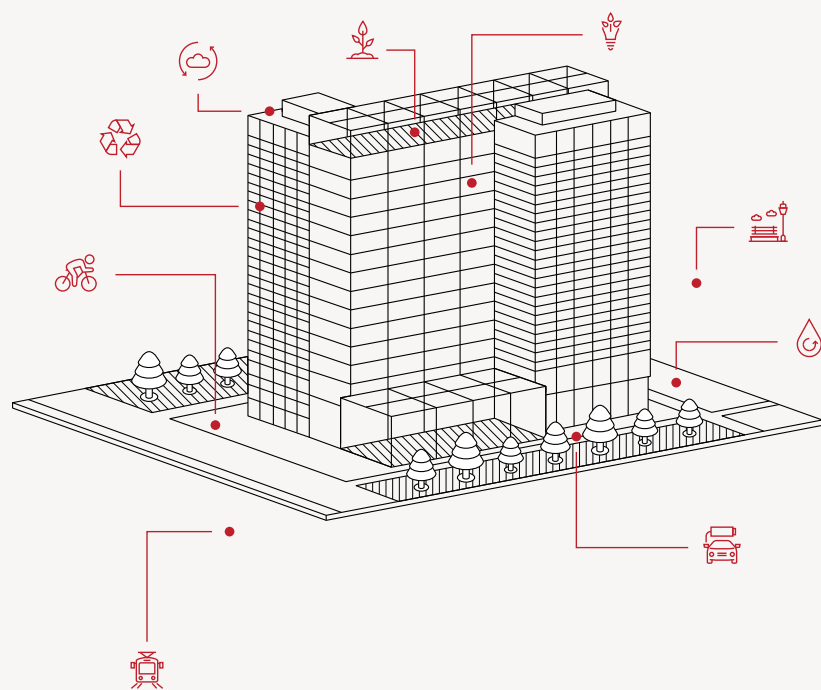
- It allows us to achieve our goals, measure the satisfaction of our customers, better understand and meet their ever-changing needs and communicate with our end-users;
- It allows our teams to focus on tasks with added value for our stakeholders, while automating processes and generating more agility;
- 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 life cycle;
- 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 and flexible. Accordingly, we have set up a series of targets we aim to achieve in the coming years.



BEFIMMO'S BUILDING VISION

High performance, user-centric & flexible



Accessible & integrating multimodality

- > Inner-city location
- > Public transport accessibility
- > Green transport solutions
- > Bicycle and scooter parks

User-centric - work & life

- > Sport facilities, showers and lockers
- > Restaurants
- > Hospitality services
- > Comfort (daylight, sound insulation, demand-controlled ventilation and heat)
- > Terrace for wellness and 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
- > Opening windows linked to sensors with the ability to adjust ventilation
- > Demand-controlled ventilation linked to sensors
- > SMART energy & water consumption monitoring
- > SMART car parks with electric charging stations
- > SMART lighting

Connecting to communities

- > Coworking, coliving, student housing, etc.
- > Accessible outside space (to local communities)
- > Connecting 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

- › 89 team members
- › Expertise and training

FINANCIAL CAPITAL

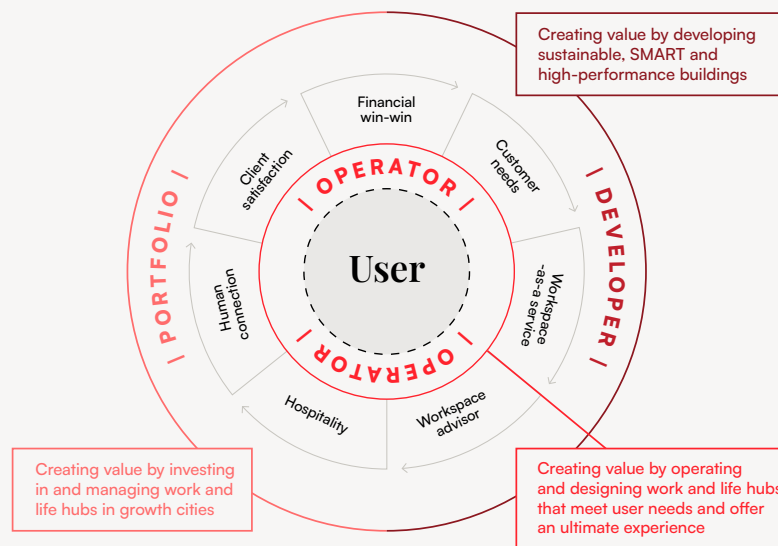
- › Fair value of €2,750 million
- › Confirmed credit facilities of €2,093 million (as of year-end 2022)

NATURAL CAPITAL

- › 50.39 GWh of electricity consumption
- › 49.42 GWh of fuel consumption
- › 174,559 m³ of water consumption
- › 2,119 tonnes of operational waste
- › 2,824 tonnes of construction waste

INFRASTRUCTURE

- › Around 40 buildings representing more than 830,000 m²
- › 10 coworking centres representing 46,050 m²



OUTPUTS

HUMAN AND INTELLECTUAL CAPITAL

- › Employee gender diversity: 57% (M) - 43% (F)
- › Employee training: 33.7 hours/emp/year

FINANCIAL CAPITAL

- › Consolidated EPRA earnings of €65.94 million

NATURAL CAPITAL

- › 38% reduction of absolute scope 1 & 2 GHG emissions (vs 2018)
- › 81% construction waste diverted from landfill and incineration

INFRASTRUCTURE

- › 157,000 m² letting activity
- › Around 170 corporate tenants
- › 88% occupancy rate of coworking spaces open since more than three years

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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About this chapter

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 as follows:

- › The section regarding Befimmo's **rationale to invest in ESG** summarises the link between the Company's history, DNA and purpose regarding ESG, but also the key market trends shaping the ESG strategy, and concludes with the ESG momentum for Befimmo.
- › The **ESG approach** describes the decision-making process regarding ESG aspects and how priorities are determined on the basis of a risk analysis.
- › **The environmental, social and governance sections** start from the ESG targets of the Action Plan in order to explain in practical terms the year's achievements and the future path to be followed.

Frameworks and regulations

The information disclosed in this chapter 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 Goals¹;
- › The EPRA Sustainability Best Practices Recommendations 2017;
- › The reference to the GRI Standards 2021;
- › The recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD).

In addition, Befimmo is already working on integrating the requirements of the EU Taxonomy and the CSRD regulation into its non-financial reporting. By doing so, the Company does not only get prepared for regulations, but also defines a clear strategy to address questions from external stakeholders and other standardisation bodies and organisations to whom Befimmo discloses information on voluntary basis.

Assurance

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: LIMITED ASSURANCE REPORT, 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.

ESG rationale

BEFIMMO'S PURPOSE

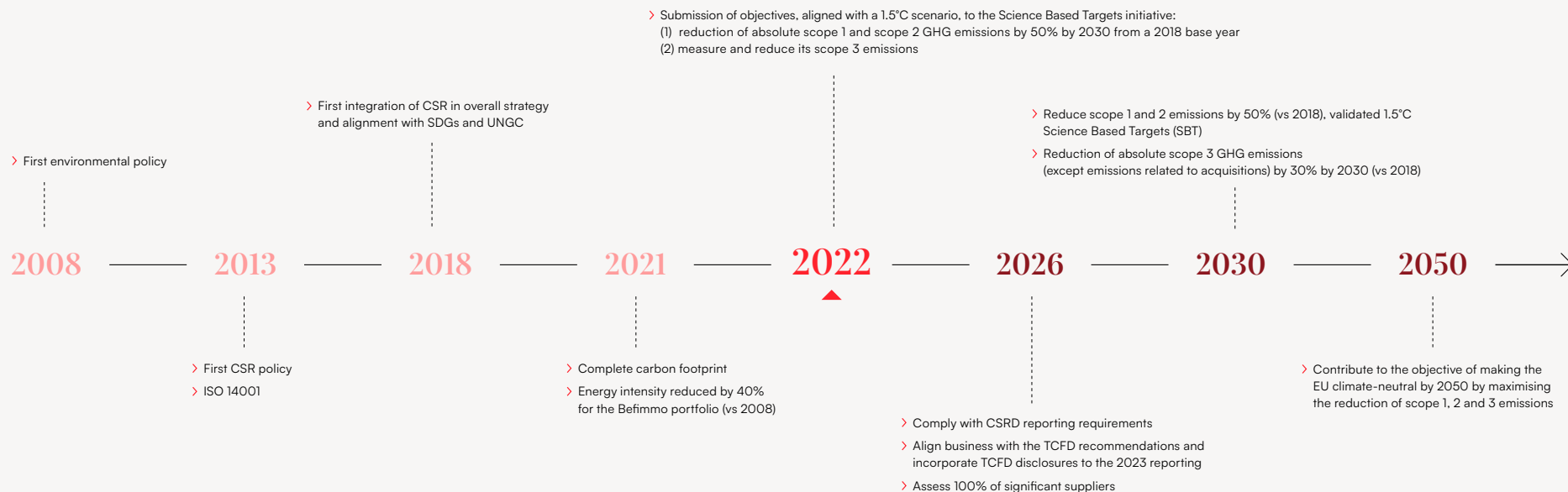
Since its creation in 1995, Befimmo has continuously been investing in sustainable and quality buildings, with the target of offering its tenants attractive working spaces.

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 targets 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 strategy section of the present Report), some specific trends are directly related to ESG aspects in particular.

OUR STRATEGY, P.14

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).

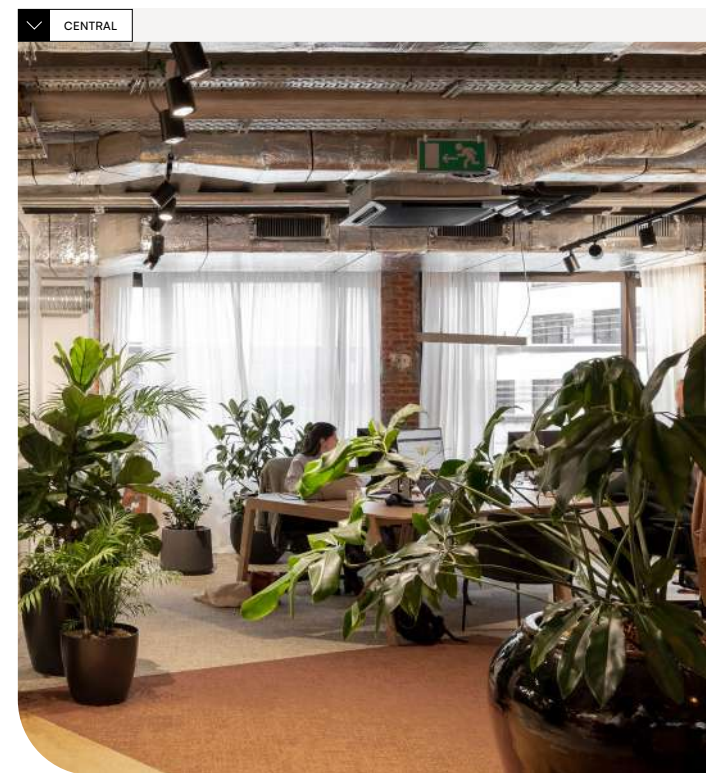
The operating model and reinforced specialisation across Befimmo's three business lines will reinforce even further the need for the Company to consider the specific needs from its different stakeholders, impacting its clients' segmentation and the associated services levels offered.

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.14



ESG approach

ESG MANAGEMENT

Unless expressly stated otherwise, the following reflects Befimmo's situation as at 31 December 2022.

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 its shareholding structure and those of other stakeholders.

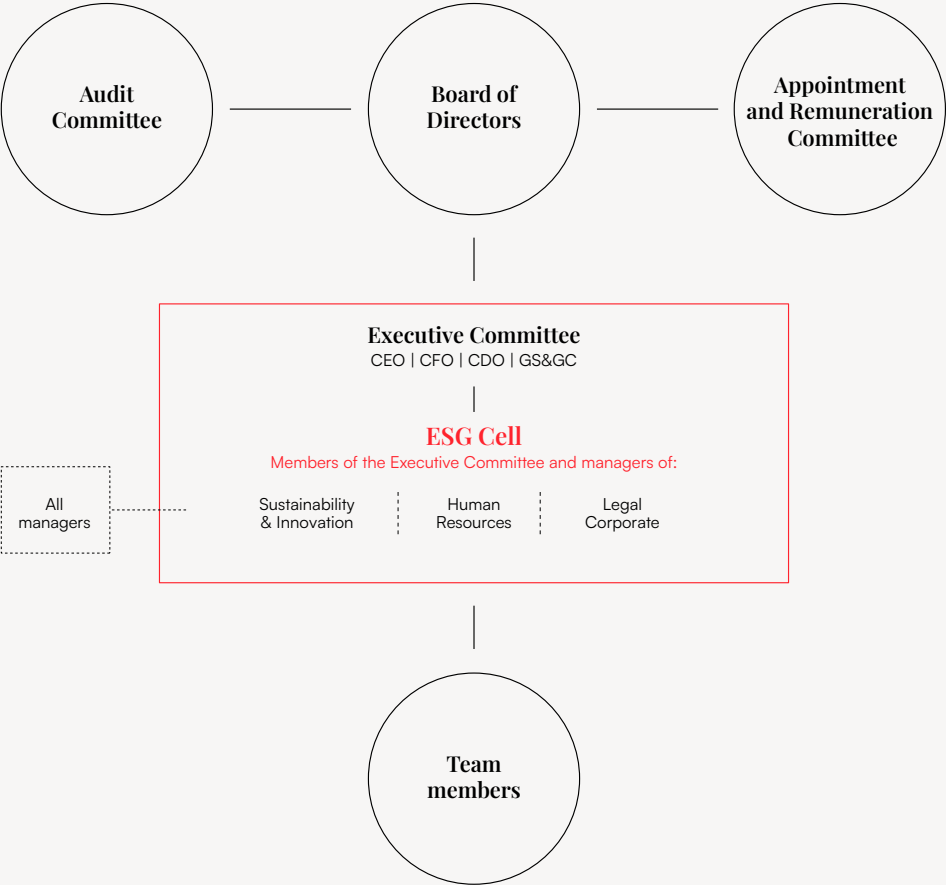
Befimmo has fully integrated the sustainability principles within its overall strategy and day-to-day operations by anticipating on environmental, social and governance evolutions. The Board of Directors has ultimate oversight of ESG risks and opportunities at a strategic level, alignment with business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

ESG GOVERNANCE STRUCTURE



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;
- Implementing a long-term incentive plan spread over several years;
- Ensuring diversity is reflected in the composition of the team.

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 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 eight strategic members:

- The Chief Executive Officer (CEO)
(member of the Executive Committee);
- The Chief Financial Officer (CFO)
(member of the Executive Committee);
- The Chief Development Officer (CDO)
(member of the Executive Committee);
- The General Counsel & Secretary General (GC&SG)
(member of the Executive Committee);
- The Chief Sustainability & Innovation Officer (CS&IO);
- The Chief Portfolio Officer (CPO);
- The Head of Environmental Management (HEM);
- The Head of Human Resources (HHR).

This Cell meets two times a year.

Sustainability topics are also discussed during Executive Committee and Managers' meetings.



At operational level

Sustainability topics are addressed on a weekly basis during department meetings of Sustainability & Innovation.

SUSTAINABILITY & INNOVATION

The Chief Sustainability & Innovation Officer, 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 Sustainability & Innovation team.

ENVIRONMENTAL MANAGEMENT

The Environmental Management team is part of the Sustainability & Innovation department and 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 Real Estate, Chief Portfolio 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 targets described in the 2030 Action Plan for each department are the driving force towards a more sustainable reflection.



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 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 targets to continue improving Befimmo's ESG performance.

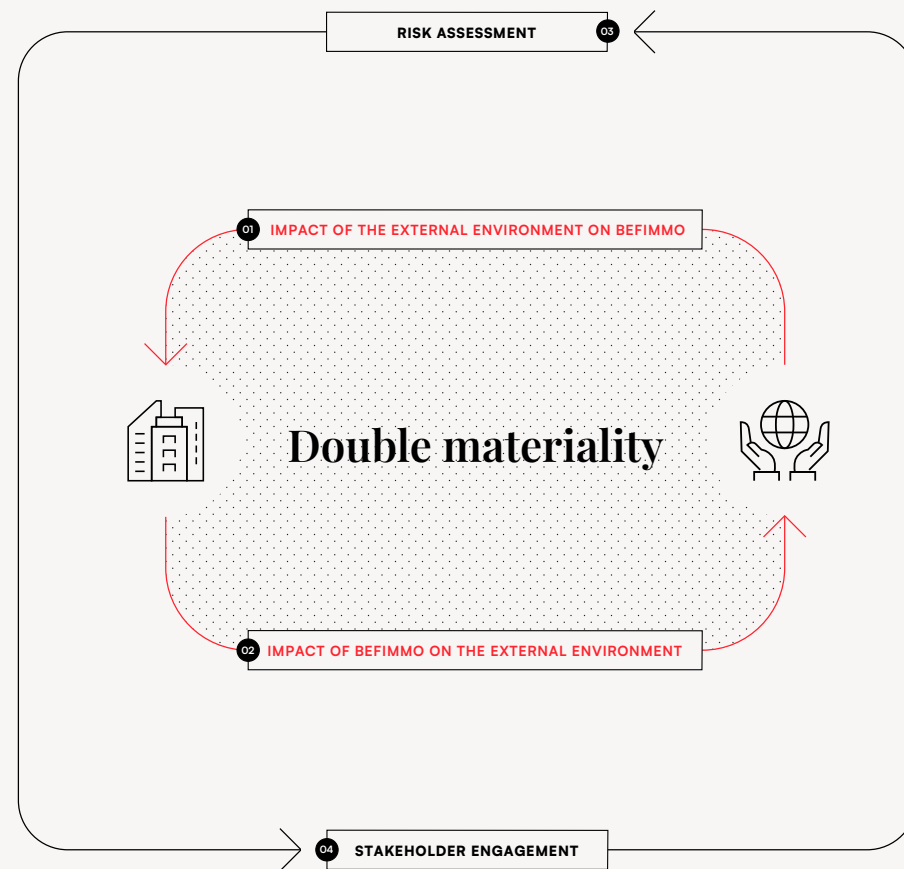
01. Impact of the external environment on Befimmo

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.

02. Befimmo's impact on the external environment

One of Befimmo's targets 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. All specific initiatives taken by the Company to reduce its impact on the external environment are thoroughly described in the following sections of this chapter.

DOUBLE-MATERIALITY APPROACH



03. Risk assessment

Befimmo 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, alongside the two existing non-financial risks (environmental and social). These three risks are detailed in the Risk Factors chapter of this Report.

✕ RISK FACTORS, P.145

In addition to the general risks, the table hereafter details all ESG risks according to the principle of double materiality, and shows the clear interaction between the risks related to the core activity of the Company and the ESG risks.

▼ ESG RISKS - 1/4

Risks	Impact from the external environment on Befimmo	Befimmo's impact on the external environment	Actions
ENVIRONMENTAL RISKS			
Climate			
Physical risk			
<ul style="list-style-type: none"> - Acute: Extreme weather events (e.g. storms, floods, etc.); - Chronic: Changes in precipitation patterns and extreme variability in weather patterns (e.g. increased average temperatures, etc.). 	<ul style="list-style-type: none"> - Possible reduction in the value of buildings (P1); - Costs of refurbishing the affected building (P2); - Degradation and obsolescence of buildings (P3); - Interruption or delay of construction works (S3). 	/	<ul style="list-style-type: none"> - Contribute to climate change mitigation, p.69; - Contribute to climate change adaptation, p.75; - Use ESG regulations to accelerate the sustainability transition, p.99; - Promote green investment opportunities, p.101; - Maintain a transparent communication, p.102.

✓

Risks	Impact from the external environment on Befimmo	Befimmo's impact on the external environment	Actions
ENVIRONMENTAL RISKS			
Climate			
Transition risks			
Current/Emerging regulation			
<ul style="list-style-type: none"> - Carbon pricing mechanisms; - Enhanced emissions-reporting obligations; - Mandates on and regulation of existing products and services. 	<ul style="list-style-type: none"> - Possible reduction in the value of buildings (P1); - Higher expenses for reporting; - Degradation and obsolescence of buildings (P3). 	/	<ul style="list-style-type: none"> - Contribute to climate change mitigation, p.69; - Contribute to climate change adaptation, p.75; - Use ESG regulations to accelerate the sustainability transition, p.99; - Promote green investment opportunities, p.101; - Maintain a transparent communication, p.102.
Legal			
<ul style="list-style-type: none"> - Exposure to litigation. 	<ul style="list-style-type: none"> - One or more of the Company's properties does not immediately meet all the applicable new standards and regulations (R1). 	/	
Technology			
<ul style="list-style-type: none"> - Substitution of existing products and services with lower emissions options. 	<ul style="list-style-type: none"> - Degradation and obsolescence of buildings (P3). 	/	
Market			
<ul style="list-style-type: none"> - Changing customer behaviour (sustainable buildings, sustainable company); - Increased cost of raw materials, waste treatment, energy, water. 	<ul style="list-style-type: none"> - Possible reduction in the value of buildings (P1); - Degradation and obsolescence of buildings (P3); - Adjustment of rents (P4); - Decline in occupancy rates and a reduction in the operating results of the portfolio (S2); - Interruption or delay of construction works (S3); - Change in perception of the Company's credit risk profile (F2). 	/	
Reputation			
<ul style="list-style-type: none"> - Increased stakeholder concern or negative stakeholder feedback. 	<ul style="list-style-type: none"> - Adverse repercussions, notably when negotiating lease agreements or seeking financing. 	/	



Risks	Impact from the external environment on Befimmo	Befimmo's impact on the external environment	Actions
ENVIRONMENTAL RISKS			
Sustainable buildings			
Non-performing buildings <ul style="list-style-type: none"> - High energy consumption and CO₂ emissions; - High water consumption; - Presence of polluting materials; - Lack of green spaces; - Lack of active mobility solutions. 	Impact of transition risks: <ul style="list-style-type: none"> - Current/Emerging regulation; - Legal; - Technology; - Market; - Reputation. 	<ul style="list-style-type: none"> - Contribution to climate change through CO₂ emissions; - Contribution to water resource pressure through water consumption and soil sealing; - Contribution to depletion of natural resources and climate change through use of raw materials; - Contribution to biodiversity loss through soil sealing and pollution; - Impacts on citizens' health and well-being (flooding, temperature control, air pollution); - Contribution to climate change, air pollution and traffic congestion through push to use the car. 	<ul style="list-style-type: none"> - Contribute to climate change mitigation, p.69; - Contribute to climate change adaptation, p.75; - Contribute to the sustainable use and protection of water, p.76; - Contribute to the transition to a circular economy, p.77; - Contribute to pollution prevention and control, p.78; - Contribute to the protection and restoration of biodiversity, p.79; - Use certification systems to deliver sustainable assets, p.80; - Create innovative and sustainable buildings, p.81; - Provide buildings accessible through sustainable transport systems, p.82.
Poorly-located buildings <ul style="list-style-type: none"> - Building not accessible by public transport; - Presence of soil pollution. 	Impact of transition risks: <ul style="list-style-type: none"> - Current/Emerging regulation; - Legal; - Technology; - Market; - Reputation. 	<ul style="list-style-type: none"> - Contribution to climate change, air pollution and traffic congestion through push to use the car; - Causing environmental pollution, which generates potentially high costs for society: health costs, clean-up costs (waste treatment, soil remediation, etc.) and loss of ecosystems. 	<ul style="list-style-type: none"> - Contribute to pollution prevention and control, p.78; - Provide buildings accessible through sustainable transport systems, p.82.



Risks	Impact from the external environment on Befimmo	Befimmo's impact on the external environment	Actions
SOCIAL RISKS			
External stakeholders <ul style="list-style-type: none"> - The building does not meet the expectations of the market in terms of comfort, services, safety and health. 	Impact of transition risks: <ul style="list-style-type: none"> - Legal; - Market. 	<ul style="list-style-type: none"> - Impact on the well-being and health. 	<ul style="list-style-type: none"> - Build and animate communities, p.93; - Improve comfort, security and safety, p.94; - Integrate buildings into cities, p.96.
Team <ul style="list-style-type: none"> - Difficulty in attracting and retaining staff; - Lack of staff engagement or motivation. 	<ul style="list-style-type: none"> - A loss of key skills in the Company could lead to a delay in achieving some of its objectives. 		<ul style="list-style-type: none"> - Take care of the team and the community, p.87.
GOVERNANCE RISKS			
Ethics <ul style="list-style-type: none"> - Bribery and non-compliance with regulations on advocacy; - Money laundering; - Fraud and conflicts of interest; - Business partners with poor CSR practices. 	Impact of transition risks: <ul style="list-style-type: none"> - Legal; - Reputation. 	/	<ul style="list-style-type: none"> - Behave ethically, p.98; - Adopt a due diligence strategy, p.100.

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.

QUATTOR - ACT OF LOVE

04. 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.

Therefore, the Company regularly takes part in seminars and conferences, gives interviews with journalists or presentations for associations.

But the Company is also open to communication and contacts from stakeholders. All stakeholder groups are included in the regular materiality exercise. Tenants have a dedicated hotline and Helpsite to get in touch with Property Management. Moreover, the Whistleblowing Policy enables 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 2022, 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.238

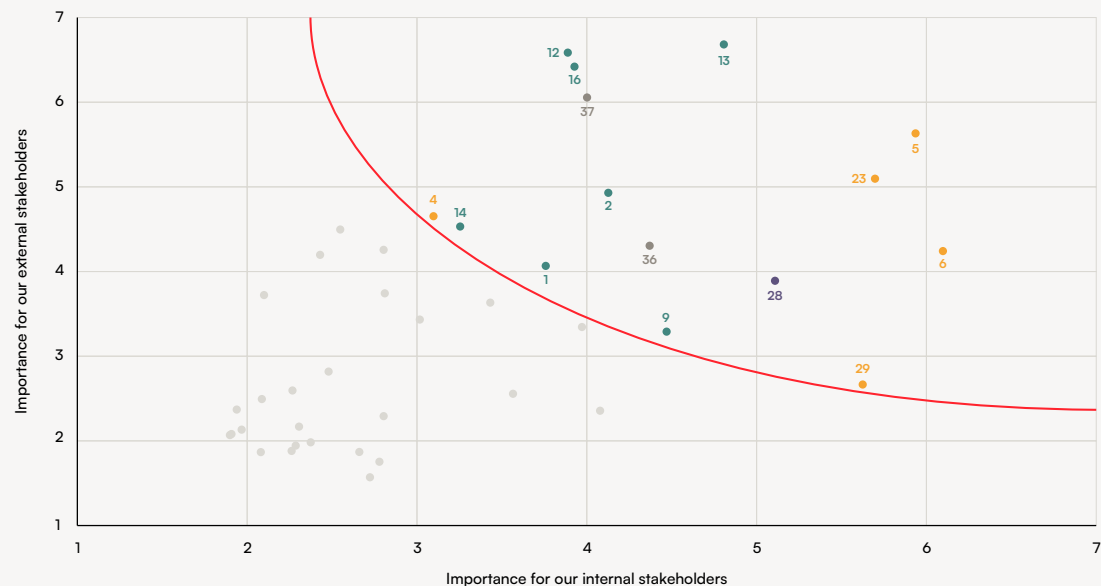
MATERIALITY EXERCISE

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.

The next materiality exercise will take place in 2023.

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



Environment

This section is focusing on all the main environmental targets and actions that are planned and/or ongoing in order to have a direct impact on Befimmo's "E" performance, and thus supporting the Company's overall value creation. The first six environmental subjects are aligned with the EU Taxonomy.



CONTRIBUTE TO CLIMATE CHANGE MITIGATION	69
CONTRIBUTE TO CLIMATE CHANGE ADAPTATION	75
CONTRIBUTE TO THE SUSTAINABLE USE AND PROTECTION OF WATER	76
CONTRIBUTE TO THE TRANSITION TO A CIRCULAR ECONOMY	77
CONTRIBUTE TO POLLUTION PREVENTION AND CONTROL	78
CONTRIBUTE TO THE PROTECTION AND RESTORATION OF BIODIVERSITY	79
USE CERTIFICATION SYSTEMS TO DELIVER SUSTAINABLE ASSETS	80
CREATE INNOVATIVE AND SUSTAINABLE BUILDINGS	81
PROVIDE BUILDINGS ACCESSIBLE THROUGH SUSTAINABLE TRANSPORT SYSTEMS	82
REDUCE THE ENVIRONMENTAL IMPACT OF THE TEAM	84

The full 2030 Action Plan, comprising all environmental targets, can be consulted in the Non-financial statements of this Report.

📄 NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.241



Contribute to climate change mitigation

2030 ACTION PLAN

38%

Reduction of absolute scope 1 & 2 GHG emissions

TARGET → **REDUCTION OF 50% BY 2030 (VS 2018)**

12%

Decrease of specific scope 1 & 2 GHG energy-related energy emissions

TARGET → **REDUCTION OF 50% BY 2030 (VS 2018)**

6%

Reduction of absolute scope 3 GHG emissions (except emissions related to acquisitions)

TARGET → **REDUCTION OF 30% BY 2030 (VS 2018)**

100%

Part of green electricity consumption of landlord-controlled buildings

TARGET → **100% BY 2023**

1,194 kWp

Renewable installed capacity

TARGET → **2,200 KWP BY 2025**

152 kWh/m²

Energy intensity of landlord-controlled buildings

TARGET → **116 KWH/M² BY 2030**

WHY IS THIS RELEVANT?

The Paris Agreement and the recent IPCC 6th 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 CO₂e emissions.

Description and approach

In order to measure the efforts already made and those still to be made to achieve the targets 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 CO₂e 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 target, 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 in-house by 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.



DEFINITION OF SCIENCE BASED TARGETS (SBTi)

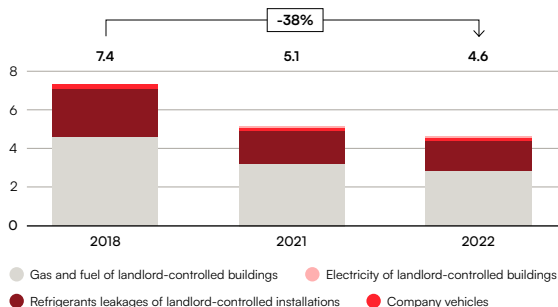
With the help of SBTi and following the complete revision of its carbon footprint in accordance with the GHG Protocol, Befimmo has set targets for reducing CO₂e emissions for each of the scopes.

Scopes 1 and 2

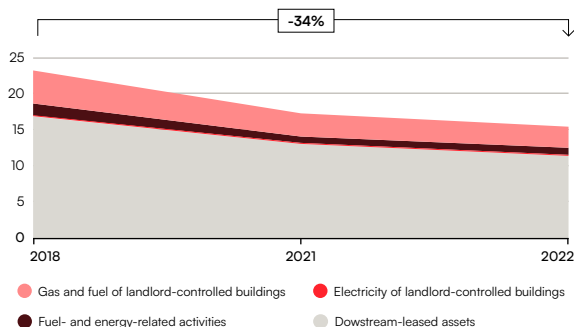
Befimmo confirms its commitment to the SBTi in order to reduce absolute CO₂e emissions related to scopes 1 and 2 by 50% by 2030, compared to the base year 2018.

In 2022, the total absolute reduction achieved compared to 2018 is 38% while absolute energy-related emissions over the same period have decreased by 34%.

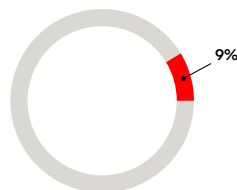
SCOPE 1 & 2 EMISSIONS (MARKET-BASED) (KT CO₂E)



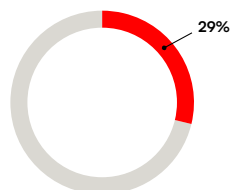
ENERGY-RELATED EMISSIONS (MARKET-BASED) (KT CO₂E)



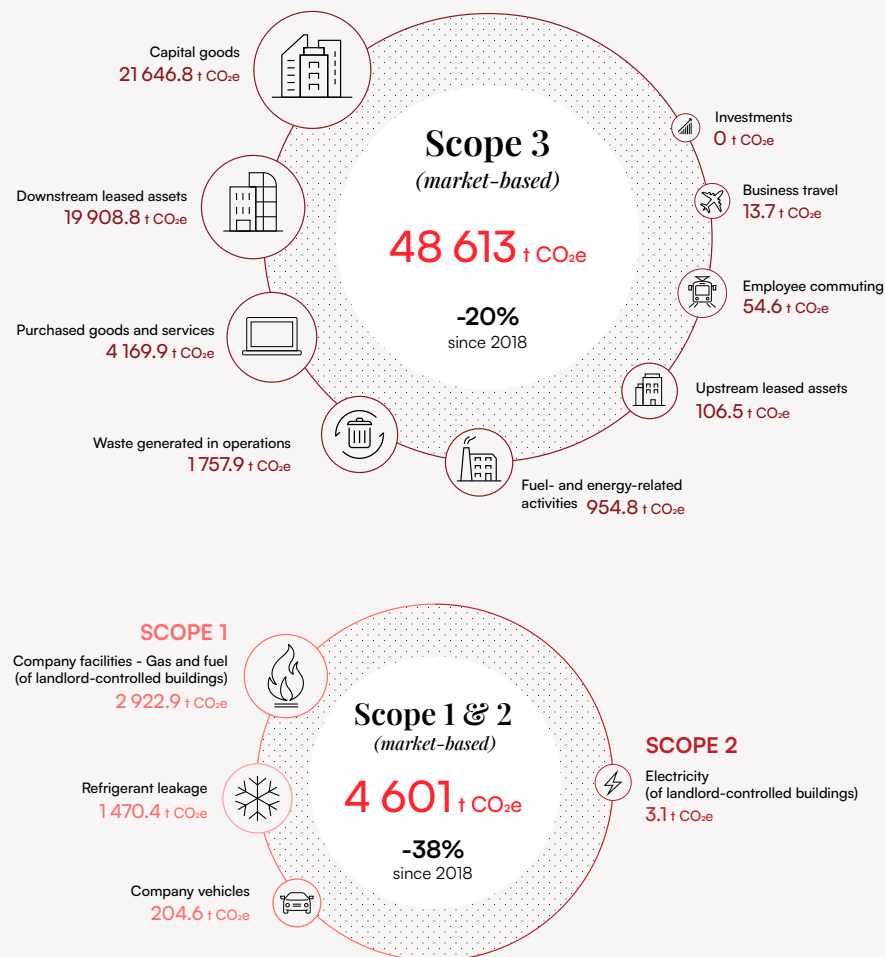
SCOPE 1 & 2 EMISSIONS
(% TOTAL CARBON FOOTPRINT IN 2022)



ENERGY-RELATED EMISSIONS
(% TOTAL CARBON FOOTPRINT IN 2022)



GHG PROTOCOL





More specifically, this means achieving an average level of specific emissions linked to the energy consumption of buildings controlled by the owners (scopes 1 and 2) equal to 8 kg CO₂e/m².

The emissions for the base year 2018 have been updated on the basis of the new methodology. These have been adjusted, increased and newly distributed across the scopes due to:

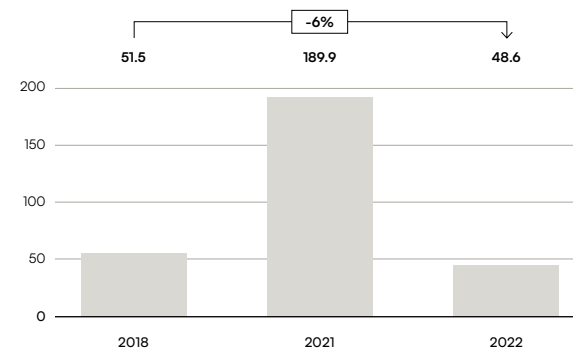
- The historical extrapolation of certain data (related to heating, electricity, operating waste, water consumption, use of back-up units, refrigerant losses, etc.) to cover all the buildings in the portfolio;
- The integration of data from Silversquare centres, including centres housed in buildings outside the Befimmo portfolio.

Scope 3

Given that a very large proportion of Befimmo's total emissions fall within scope 3, the Company is committed to reducing its absolute scope 3 GHG emissions (except emissions related to acquisitions) by 30% by 2030 (vs 2018).

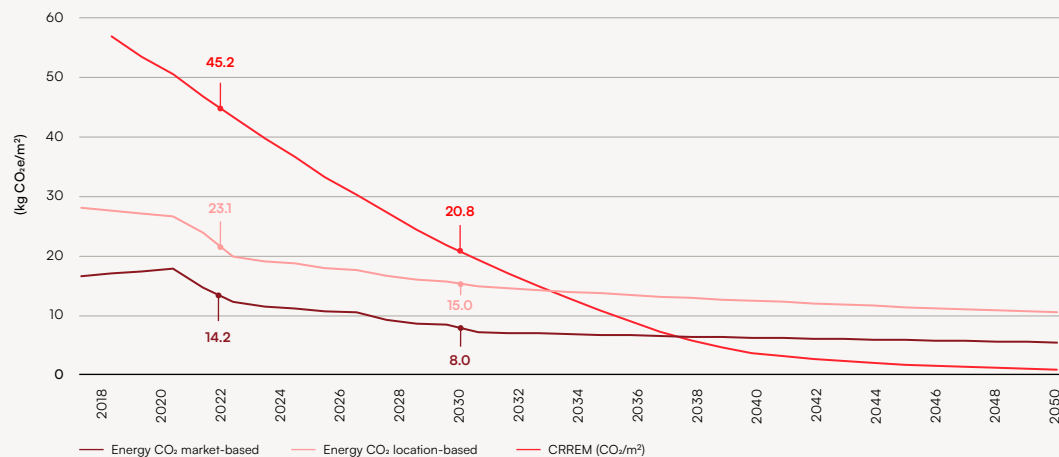
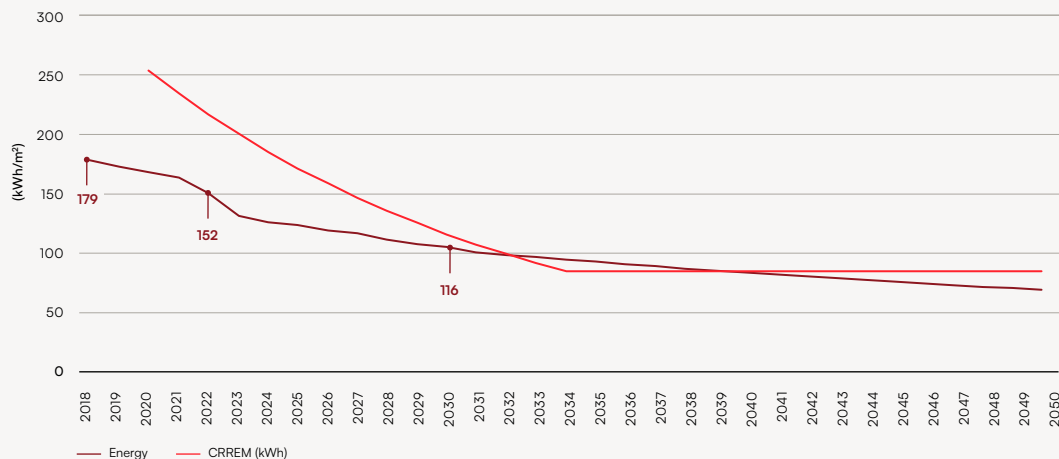
In 2018 the total scope 3 emissions excluding emissions from acquisitions were 51.5 kt. In 2022 the total emissions are 48.6 kt, i.e. a reduction of 6%.

SCOPE 3 EMISSIONS (MARKED-BASED) (KT CO₂E) WITHOUT ACQUISITIONS



The significant emissions in 2021 are related to the new construction project of the Quatuor building (60,000 m²) which was received in 2022.

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.

BEFIMMO'S GHG PERFORMANCE AGAINST THE CRREM BENCHMARK - LANDLORD-CONTROLLED BUILDINGS (KG CO₂E/M²)BEFIMMO'S ENERGY PERFORMANCE AGAINST THE CRREM BENCHMARK - LANDLORD-CONTROLLED BUILDINGS (kWh/M²)

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 CO₂e 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 left illustrates the reduction trajectory followed by Befimmo to reduce the emissions of scopes 1 and 2 of the landlord-controlled buildings respectively in marked-based and location-based.

The latter is based on known (re)development projects up to 2030 and is aligned with the new CRREM trajectory up to that date. Beyond that, it is imperative that Befimmo develops and establishes a detailed action plan to verify its alignment with the net zero carbon objective by 2050. This plan is currently being drawn up and will be completed in 2023.

In 2022, the specific marked-based emissions (14.2 kg CO₂e/m²) of landlord-controlled buildings are lower than in the 2018 base year (16.2 kg CO₂e/m²). This is a decrease of 12%, while the target is set at -50% by 2030. This is due in particular to the end of the mandatory measures to over-ventilate buildings due to the pandemic, but also to the energy crisis.

In addition, the return of some efficient buildings after renovation also contributed to this result.

Befimmo complements its CO₂e reduction targets with a target to reduce the specific energy consumption of landlord-controlled buildings. In 2018, the value obtained is 179 kWh/m²; it is 152 kWh/m² in 2022 while its target is to reach 116 kWh/m² by 2030 in accordance with the CRREM recommendations.

Role and importance of energy performance

The energy performance of buildings plays a key role in achieving Befimmo's ambitious targets for reducing CO₂e emissions by 2030-50.

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 CO₂e 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 20%¹ 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 2022 is 8% lower than in 2021. This is mainly due to the fact that the year 2022 was significantly colder than 2021. The impact of the end of the pandemic measures was certainly offset by the energy crisis.

The specific electrical energy consumption in 2022 of landlord-controlled buildings is slightly (5%) higher than in 2022 but still significantly (19%) lower than in 2018.

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

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

By 2030, Befimmo aims to reduce its direct CO₂e 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 all landlord-controlled buildings. This does not prevent the Company from pursuing its initiatives and concrete actions to reduce consumption.

In order to ensure that, in addition to the green electricity supply contract that it has set up for landlord-controlled buildings, Befimmo encourages the occupants of the tenant-controlled buildings to take themselves out green electricity supply contracts. Another alternative is to offer them the opportunity to join the green contract set up by Befimmo.

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

540 M²
of solar panels (113 kWp)
for Paradis Express

7,072.95 M²
of solar panels (1,194 kWp)
for the portfolio



1. Percentage calculated for the whole portfolio taking into account identified projects and renovations completed less than five years ago.

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"¹ 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.

In parallel, even if the energy market does not currently allow it, Befimmo will continuously 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 are working together 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.

Befimmo will continue its long-term CO₂e reduction plan by developing and completing its strategy with the help of SBTi, CRREM and its carbon footprint.

Looking ahead

Befimmo will continue its long-term CO₂e reduction plan by developing and completing its strategy with the help of SBTi, CRREM and its carbon footprint.

All its (re)development projects include consideration for the integration of solar panels; by 2025 Befimmo aims to double the installed capacity (kWp). To possibly exceed this target, studies are also underway on the possibility of equipping certain existing buildings, either through self-financing or via a third-party investor. End 2022, for example, Befimmo made a commitment with a third-party investor in order to carry out a detailed study aiming to equip all the buildings in the Ikaros Park with photovoltaic installations for a total of at least 750 kWp. These installations should make it possible to cover around 30% of the Park's electricity consumption.

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 target 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 2026**

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.229**

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 and protection of water

WHY IS THIS RELEVANT?

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.

2030 ACTION PLAN

231.1 l/m²

Specific water consumption

TARGET → 226.5 L/M² 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.

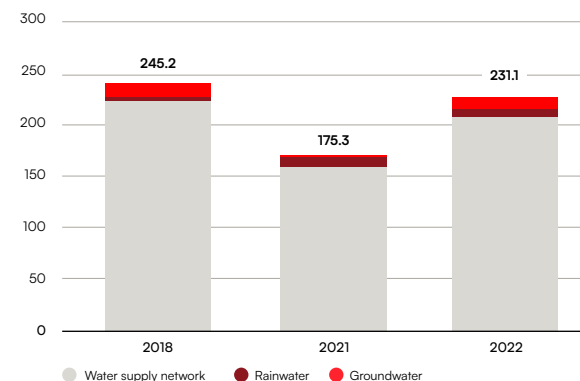
The specific water consumption of portfolio is significantly higher (+32%) in 2022 than in 2021. This increase is mostly explained by the end of the pandemic and the gradual return to building occupancy.

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.

WATER CONSUMPTION INTENSITY (L/M²)



3,947 M³
of rainwater recovered
 → 2.26% OF TOTAL ANNUAL CONSUMPTION

23
buildings equipped with rain or ground drainage system
 → 25% OF PORTFOLIO (M²/M²)

Contribute to the transition to a circular economy

WHY IS THIS RELEVANT?

Buildings are one of the largest energy consumers responsible for 36% of energy related CO_{2e} emissions, not including embodied emissions from production, construction, renovation and end-of-life. The building sector is also consuming 50% by weight of the materials we use in the EU and is responsible for 30% of the waste we generate¹.

2030 ACTION PLAN

100%

Part of the projects² subject to an inventory of materials

TARGET → 100% (PERMANENT TARGET)

100%

Part of adaptable projects²

TARGET → 100% BY 2030

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 2022, 51% of operational waste was diverted from landfill or incineration. For construction waste, the recycling rate was 81% and less than 1% was sent to landfill.

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 establishing a minimum level of reuse to be reached for in each new project.

WTC RENOVATIONS



1. www.bpie.eu.

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

Contribute to pollution prevention and control

WHY IS THIS RELEVANT?

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).

2030 ACTION PLAN

ONGOING

Strengthen and improve selection criteria for building materials

TARGET → PERMANENT TARGET

Description and approach

Choice of materials and products

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 (brownfields). These studies are also consistent with the expectations and criteria of the EU Taxonomy.

In addition, since 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 2022, Befimmo pursued the study initiated in 2021 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 be completed in 2023 and will also include consideration of the EU Taxonomy criteria.



ARTS 56

Contribute to the protection and 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.

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 2022 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.

In 2022, Befimmo decided to change the maintenance contract for the Ikaros site, as this site has the largest green area of the portfolio. Pesticides have been prohibited, and the lawn areas will be transformed

IKAROS



into flowering meadows. It represents around 3,800 m² of welcoming area for biodiversity. Moreover, only indigenous species will be planted in the future on this site.

Looking ahead

During 2023, the maintenance contracts for the green spaces of other Befimmo sites will be adapted in order to eliminate, as far as possible, all herbicides, plant only indigenous species, and maximise flowering meadows.

In 2023, Befimmo will develop a roadmap and a corporate strategic thinking on biodiversity aligned with its sustainability approach. The recommendations of this roadmap will be analysed, validated and deployed in the portfolio according to a timetable yet to be defined.

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 target assessment and definition of the sustainability of buildings. Certifications give stakeholders a comparable indication of portfolio performance.

2030 ACTION PLAN

100%

Part of certified projects¹

TARGET → 100% (PERMANENT TARGET)

44%

Part of "In-Use" certified portfolio

TARGET → 35% BY 2022

100%

Part of eligible portfolio² 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.

In November 2022, due to the voluntary takeover bid by Alexandrite Monnet Belgian Bidco SA, Befimmo decided to suspend its EMS certification.

The objective is to recertify the EMS when the internal reorganisation is fully implemented.

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.

In 2022, Befimmo has made the strategic choice to re-certify all its core buildings according to BREEAM "In-Use". As such, 24 buildings have applied for certification with the BRE. 20 of them were actually re-certified in 2022.

✎ NON-FINANCIAL STATEMENTS: ENVIRONMENTAL PERFORMANCE, P.218

✎ EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.213

Energy Performance Certifications

The energy performance of buildings is also reflected in their EPC level. Befimmo holds energy performance certificates for all its buildings in the Brussels Region and in Luxembourg².

✎ NON-FINANCIAL STATEMENTS: ENVIRONMENTAL PERFORMANCE, P.218

✎ EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.213

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 2022. The relevant lessons from this certification are used for the implementation of improvement measures for sites with biodiversity improvement potential.

Looking ahead

In 2023, Befimmo will review some of the BREEAM In-Use certifications obtained in 2022 to determine an action plan to further improve the score. Furthermore, according to the new Flanders' regulation, Befimmo aims to obtain Energy Performance Certificates for all its buildings located this region by 2023.



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

2. Excluding a building under redevelopment, for which the certificate has expired and will be renewed after renovation.

Create innovative and 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.

2030 ACTION PLAN

100%

Part of innovative projects¹

TARGET → 100% BY 2025

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

Description and approach

Befimmo aims to create innovative projects through various techniques such as BIM and smart building.

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".

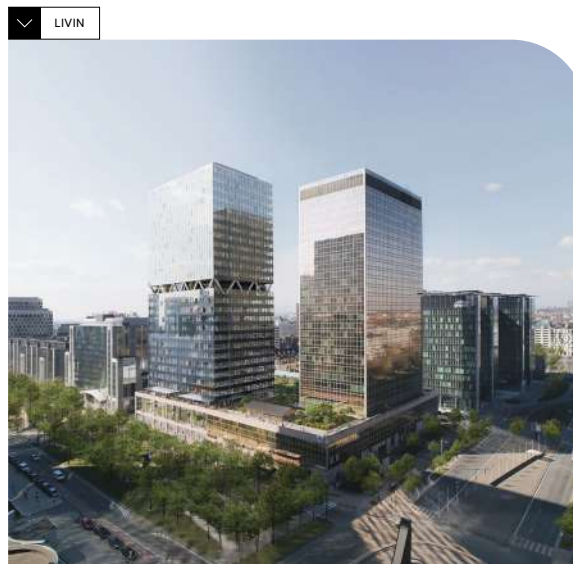
Those insights allow Befimmo to:

- 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;
- 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

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



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. 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.

2030 ACTION PLAN

68%

Part of the portfolio that offers real mobility solutions

TARGET → 100% BY 2030

12%

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

TARGET → 100% BY 2030

Description and approach

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 2022, 68% 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. In 2022, Befimmo carried out mobility audits for 26 of its buildings, analysing their accessibility, both in terms of public transport and active mobility, as well as their mobility infrastructures and their quality. On this basis, Befimmo can develop its mobility roadmap into concrete actions for the buildings concerned.

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 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. Befimmo will also adapt existing infrastructure to better meet the needs of the active commuters.

Building on the success of the five shared bikes made available to the tenants of Central from 2021, Befimmo has increased the fleet of shared bikes to 20 bikes in 2022, which are available to tenants via an application and are spread over four buildings. Between June and December 2022, Befimmo can boast of almost 1,500 uses of its bikes by up to 170 different users per month. With more than 9,000 km travelled, the shared bikes will have avoided 1.5 t CO₂e emissions compared to travelling by car.



CENTRAL - BICYCLE PARKING



9 ACCESSIBILITY SHEETS DEVELOPED IN 2022

IKAROS - CHARGING STATIONS



This service is therefore a success, a practical, efficient, fast and useful mobility solution to reduce the impact of our tenants' transport.

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.

After working on the digitalisation of its services in 2021, including the dematerialisation of the car park management in its smart buildings and after having integrated the parking management system into the Befimmo App, Befimmo has deployed the parking management system solution in four multi-tenant buildings. Thanks to this possibility, each tenant deploys its own parking policy according to its parking spaces and can thus improve the use of these spaces. In addition to this service, Befimmo offers even more options to its users in order to manage their parking spaces more efficiently (data, reporting, etc.) and to improve the user experience of their employees with, for example, automatic license plate recognition.

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

In order to comply with the safety guidelines, Befimmo focused its actions in 2022 on preparing a strategy for the installation of charging stations, in accordance with the legal and regulatory texts. As a result, installation projects in existing indoor car parks have had to be suspended. On the other hand, in its outdoor car parks, Befimmo has put 44 charging points into operation at Triomphe¹ and is completing the installation of 92 charging points at Ikaros. In its (re)development projects, Befimmo keeps the target of 30% of the parking spaces being equipped with a charging point, by considering the technical and practical implications at the design stage.

¹. LinkedIn | Befimmo & Allego partnership.

Looking ahead

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

- Implementation of quick wins based on the mobility audit in some buildings;
- Further deployment of the charging stations in the buildings with interior car park;
- Analysing and taking into account the needs in terms of accessibility for people with reduced mobility;
- Development of new bicycle parking and facilities based on the exemplary parking at Central;
- Extension of the shared bicycles ;
- Development of the functionalities of the parking management system: usage analyses, mutualisation of spaces, etc.;
- Provision of an efficient charging management system through the parking management system;
- Creation of additional accessibility sheets for the strategic buildings;
- Preparation of solutions to be compliant for the Cobrace legislation in Brussels.

> 450 *charging points*
in 23 buildings

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.

2030 ACTION PLAN

92%

Part of electronic incoming invoices

TARGET → 100% BY 2022

100%

Part of electronic outgoing invoices

TARGET → 100% BY 2022

36%

Part of the team who changed their mobility

TARGET → 40% BY 2025

43 kg/FTE

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:

- Information session around the federal mobility budget;
- Participation in the Bike Project;
- Organisation of some activities during the European mobility week.

For the team members who are eligible for a company car, already 36% have chosen a mobility budget or an electrical, hybrid or CNG vehicle. After one year in its new headquarters, 66% of the team use an active mobility to reach Central. Befimmo also decreased the number of parking spots available for his team by 39%.

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 2022, average emissions per vehicle (CO₂e/km) across the fleet were 23% lower than in 2016 - the result of applying an updated car policy to new and replacement vehicles.

Vehicle-related CO₂e emissions fell by 22%, from 296 tonnes in 2018 to 232 tonnes in 2022. At the end of 2022, Befimmo had no more thermic cars in order, but rather 53% plug-in hybrid and 47% electric vehicles.

16%
of team members
chose the federal
mobility budget



Energy consumption

Electricity and gas consumption increased overall in 2022 compared to 2021 despite a warmer year in 2022 and the savings measures taken by Befimmo due to the energy crisis. Water consumption has risen sharply and has returned to pre-pandemic levels.

In its 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 CO₂ 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. Data from all the building's sensors (presence detection, temperature, CO₂, 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

In 2022, following the pandemic and its relocation, Befimmo re-established a detailed accounting of the waste produced by its team. If the 2022 data is compared with the 2019 data, and considering the number of full-time equivalents, the reduction in the total weight of waste is more than 20%, from 54 kg to 43 kg per person. With a total weight of waste equal to 3.8 tonnes of waste, we are still far from reaching the zero waste target set for 2030.

Befimmo is now sending 100% of its invoices electronically and has greatly raised the awareness of its suppliers, as 92% of them now also send their invoices electronically.

Looking ahead

Befimmo will continue to promote green mobility, no longer with a car policy but rather with a mobility policy and through its cafeteria plan, where all team members can manage their mobility according to their needs and in combination with other mobility alternatives (public transport, soft mobility, etc.). The Company will also keep pushing all partners and suppliers to drop paper invoices.



Social

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



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The full 2030 Action Plan, comprising all social targets, can be consulted in the Non-financial statements of this Report.

📄 NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.241



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.

2030 ACTION PLAN

NOT CALCULATED¹

Overall team satisfaction rate

TARGET → 95% (PERMANENT TARGET)

NOT CALCULATED¹

Workload satisfaction

TARGET → 8/10 (PERMANENT TARGET)

NOT CALCULATED¹

Work-life balance satisfaction

TARGET → 8/10 (PERMANENT TARGET)

1. Due to the organisational changes related to the takeover bid, Befimmo has exceptionally postponed its employee satisfaction survey to H1 2023. The indicators related to this survey were therefore not calculated in 2022.

Befimmo's HR pillars

Befimmo's teams have developed exceptional know-how 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.

The three pillars of the HR philosophy are explained hereafter.



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 increasing 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.

Description and approach

TALENT AND PERFORMANCE

Develop the team individually and collectively

Maximising the talent of team members is key to Befimmo. In a lifelong learning perspective, the Company enables its team to access high-quality training courses and development opportunities in order to increase effectiveness within their work. Training can be:

- Business-oriented: specific real-estate related training or innovative topics;
- Based on soft skills: language or IT courses;
- Based on personal development: time management or mindfulness classes;
- Organised in-house training: IT courses, cybersecurity training, training on sustainability or environmental topics.

Since 2021, particular attention is being given to cybersecurity. Since then, the IT department has been organising regular training sessions to make all team members aware of the dangers.

Befimmo also organised an Insights Programme for its entire team in order to increase self-awareness and understanding of colleagues, therefore increasing good communication and efficiency internally.

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:

- The HR department welcomes new team members and shows them around all communication tools Befimmo is using to keep the staff up-to-date;
- The IT department gives all necessary information on the IT material, and the Back-Office Administrator explains all implemented security procedures;
- New team members receive a mandatory sustainability awareness and ISO 14001 training in the course of their onboarding year;

- They also meet with the Compliance Officer within the first week to receive a mandatory introduction to official governance documentation such as the Code of Ethics, Company policies and the EU General Data Protection Regulation.

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

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



89 **TEAM MEMBERS¹**
with employee status
and a permanent contract

Gender diversity
57% MEN & **43% WOMEN**

42 **YEARS**
average age

2 **NEW STAFF MEMBERS**
- 1 man and 1 woman
- average age: 34
- EPRA new hire rate: 2.25%

13 **DEPARTURES**
- 5 men and 8 women
- 6 resignations, 2 retirements and 5 dismissals
- average age: 44
- EPRA turnover rate: 14.61%

33.7 **HOURS**
of training per person, with an
average budget of €2,032.39/year
(including IT and languages)

100%
of staff appraised every year

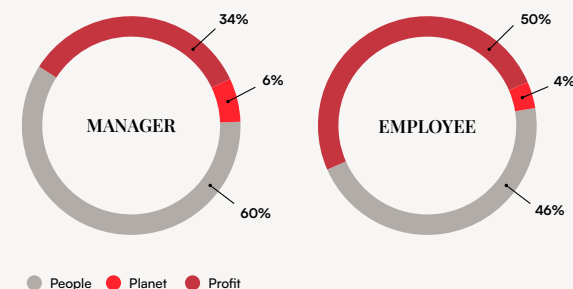
4 **CASES**
of internal mobility

7 **CASES**
of internal promotion

33.1%
WAGE GAP

6.4 **YEARS**
average seniority

BREAKDOWN OF TRAINING HOURS, EXCLUDING LANGUAGE AND IT TRAINING

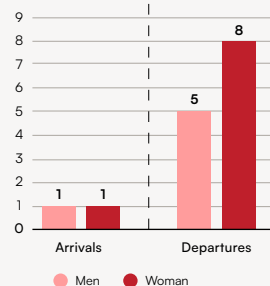


1. Excluding the Executive Committee and consultants.

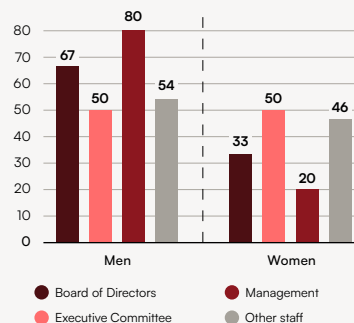
AVERAGE SENIORITY (YEARS)



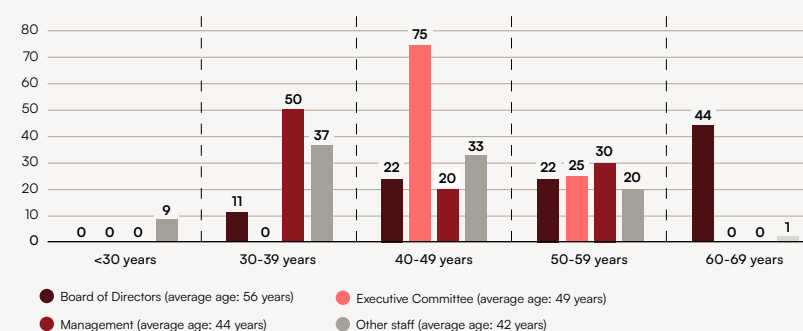
ARRIVALS/DEPARTURES (UNITS)



BREAKDOWN MEN/WOMEN (%)



BREAKDOWN AGE (%)



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 publishes its job vacancies on the corporate website, on LinkedIn and on the Intranet.

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:

- A base salary related to the Joint Committee 200;
- A non-recurring bonus plan (Collective Bargaining Agreement 90) linked to the Company's results and efforts in terms of sustainability;
- A set of non-statutory benefits such as a comprehensive retirement provision, life insurance, broad health care coverage, disability and invalidity coverage and parental leave;

- Lunch allowances and eco vouchers;
- The necessary equipment for the perfect job execution such as the latest laptops and mobile phones;
- Mobility solutions such as company cars, folding electric bikes, pooled vehicles, and mobility packs (mobility@BEFIMMO) allowing team members to choose the mobility solution that best meets their needs;
- Fruit baskets, healthy breakfasts or lunches, and access to sport and well-being classes for a healthy body and spirit;
- A monthly premium of €50 for all team members due to increased homeworking;
- A system of exchanging part of the annual bonus for extra-legal benefits such as additional days off, IT tools, reimbursement of private pension insurance, bicycle leasing, a mobility card, etc. (mychoice@BEFIMMO).

This package counts for all fixed team members, who are all working from the head office in Brussels (i.e. significant location of operation).

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.

Ensure social dialogue

Befimmo complies with the rules set out in the Belgian labour law and 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.

These rules stipulated in the abovementioned laws and regulations include, among others, respect for human rights, respect for freedom of association, the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, the elimination

of discrimination in employment, remuneration and occupation, and state clear conditions regarding minimum age for employment, minimum wage and working hours.

Befimmo aims to always keep a human-centred approach and open dialogue with its entire team on all subjects.

During 2022, the takeover bid by Brookfield led Befimmo to reorganise its legal structure. One of the consequences for the staff was to see 80% of the team transferred to another legal entity. This change was carried out under the terms of the Collective Labour Agreement 32 bis. The rules of information and respect for the working conditions of the employees were fully respected.

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 these social elections, the HR department informs all team members of their right to free association and collective bargaining.

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.

Diversity

The visible and non-visible characteristics of each individual

Inclusion

Combining the different characteristics of each person in order to achieve a common goal

Gender diversity

Befimmo has a good gender balance within its team (57%-43% 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. 8% of the team members is younger than 30, while 22% 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 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 2022 fiscal year, there were no cases of discrimination reported.

As of 2022, Befimmo also appointed 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.92

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.



0

COMPLAINTS ABOUT
EMPLOYMENT

1

OCCUPATIONAL
ACCIDENT

1.96%

"SHORT-TERM"
ABSENTEEISM RATE

> compared with the average rate of 3.43% for Belgium
> EPRA absenteeism rate: 4.92%

0.0%

INJURY RATE
(EPRA)

0.0%

LOST DAY RATE
(EPRA)

108.4 HOURS

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

13% *part-time*

> contractual, part-time credit and partial parental leave
> including 3 men and 9 women
> with the same non-statutory benefits

4

FIRST-AIDERS

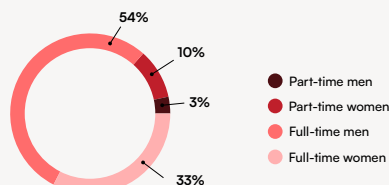
were given annual
refresher training

1

Advisor

level-3 prevention advisor
and one annual risk study

PART-TIME OCCUPATION



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 in 2020 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

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 support programme offers confidential advice or support with professional or personal questions. It aims to avoid mental illnesses and keep absenteeism rate as low as possible. Information on this programme is given to each newcomer.

One person within the HR department is officially certified as a person of trust. Team members can approach the person of trust at all times in case of problems with supervisors, psychosocial issues, discrimination and harassment. 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.

Team members have access to yoga classes within the building. Moreover, fruit baskets and healthy lunches are arranged for all team members on a regular basis.

Maintain a healthy work-life balance

Befimmo offers solutions to its team members in order to optimise their work-life balance within the limits of business organisation.

Befimmo created a homeworking charter that allows everyone to find their balance in time and space. As the way people 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 cybersecurity, enabling team members to be more aware of digital dangers, and on the use of Microsoft Teams.

Team members are also able to organise their working hours in a somewhat more flexible way. The need to adapt their working hours or schedule can be discussed with their direct manager.

An internal campaign has also been launched regarding the right to disconnect. A charter has been set up and presented to all team members. This document stipulates the fact that no one should feel pressured to respond to emails before or after working hours. Tips were also given by the IT department on how to switch off certain notifications on team members' phones.

❏ IMPLEMENT SERVICES IN THE PORTFOLIO, P.93

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, information screens, informal channels such as Teams Flash Info, and regular presentations of achievements to the entire team. The Company also organises so-called Speakers Corners, where the Executive Committee and Managers answers all questions the team may have.

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.

In 2022, Comité B+ organised 12 activities for the team. Moreover, the whole month of September was dedicated to movement. Therefore, numerous sports and exercise activities were organised over four weeks to get the team to move collectively. Each effort generated money for a good cause.

Finally, cultural activities have been put into place every two months for the team under the name “Culture Club”.

Undertake social actions

Befimmo chooses to give a greater support to some social activities by providing time and energy of 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 2022 and, next to non-financial donations, €7,000 has been spent on charity.

In practical terms:

- One blood donation day at its head office in collaboration with the Belgian Red Cross;
- The 20 km of Brussels, raising funds for L'Arche de Marie;
- Sport challenge for the Maison d'Enfants Reine Marie-Henriette ASBL using the AtlasGo app;
- Bags of chocolate (ordered at Make-A-Wish) offered to the children of the Maison d'Enfants Reine Marie-Henriette ASBL;
- A huge clothing collection for Solidarité Grands Froids;
- An entire month of volunteering every lunchtime at the Finistère church where meals were prepared for the homeless;
- A food collection and fundraising for Opération Thermos.

Befimmo is supporting local actors and partners with tenants to amplify the collective impact whenever possible.

QUATUOR - ATELIER CELESTE



Looking ahead

In 2023, the focus will be on young talent. A young worker engagement programme will be introduced. It consists of offering an apprenticeship contract to young graduates who want to take their first steps in the world of real estate. As such, these employees will be invited to choose a course of three departments over two years to be selected from six departments. The aim is to help them start their career and develop their skills.

In addition, at the end of 2023, social elections will be organised as every four years and as a legal obligation for every employer in Belgium.

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 offer services throughout the portfolio to improve the user experience and create connections and communities.

2030 ACTION PLAN

46,050 m²

Coworking space

**TARGET → 51,800 M² BY 2023
AND 85,000 M² BY 2025**

22 (GOOD)

Tenant satisfaction rate (NPS)

**TARGET → AT LEAST 30 (GREAT)
(PERMANENT TARGET)**

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.

Implement services in the portfolio

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 2022, Befimmo held its first satisfaction survey in the form of an NPS. For its first NPS, the Company included six multi-tenants buildings containing implemented services for the occupants. Taking into account a 7% tenant participation, the survey revealed a score of 22, which corresponds to GOOD according to the NPS respond scale. All feedback was sent to the Property Management in order to take action wherever necessary.

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 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 2022, Silversquare operated ten coworking spaces in Brussels, its Periphery, Wallonia and the Grand Duchy of Luxembourg, with a total space of 46,050 m².

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 and satisfaction of the tenants within its portfolio thanks to the development of the NPS. The scope of the assessed buildings will be enlarged and the tenants will be able to participate once a year.

All (re)development projects will be designed to include the right services for occupants. In order to integrate its buildings into cities, the Company will open its service offer to the neighbourhood whenever possible.

Regarding the coworking network, several new coworking spaces are planned, notably on the second, third, and fourth floors of the A-Tower and in Louvain-La-Neuve.



SPARKS



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.

2030 ACTION PLAN

9

Number of incidents involving people

TARGET → 0 (PERMANENT TARGET)

96%

Percentage of inspections on fire prevention, lifts, electricity and heating carried out

TARGET → 100% (PERMANENT TARGET)

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 an online incident management tool.

Since 2018, Befimmo installs software in some buildings to analyse data from the control systems for heating, cooling, and ventilation. This tool is useful for controlling energy consumption and improving occupant comfort. It also allows us to visualise the air quality of the buildings (CO₂ rate) and to adapt the ventilation accordingly.

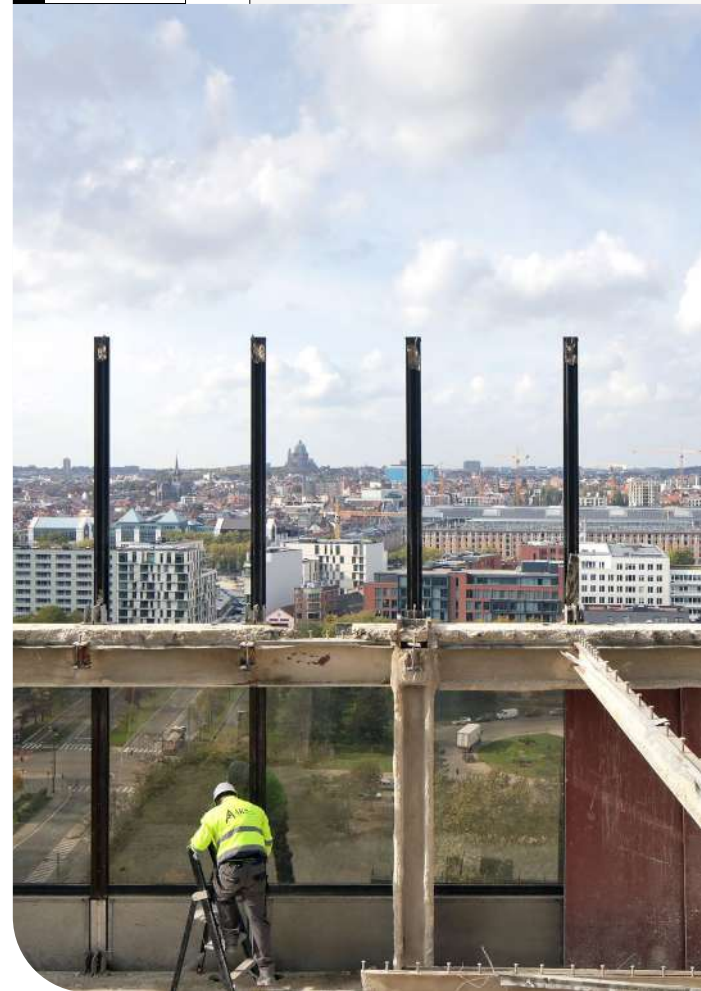


Within the framework of the **Breathe at work** initiative (launched in 2020 in the context of the pandemic), a campaign to measure the performance of ventilation and air conditioning systems has started in 2022 (according to the NBN EN 13779 and 12599 standards). The results of this campaign will enable actions to be taken to improve indoor air quality.

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.



WTC RENOVATIONS





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 2022, 96% of the multi-tenant portfolio was inspected during the year in four areas: fire prevention, lift, electricity, and heating.

In terms of first-aid, 75% of the multi-tenant buildings within the portfolio are equipped with defibrillators.

Finally, Befimmo is making sure all (re)development projects are accessible to people with disabilities.

Contractors and suppliers

(Re)development is one of Befimmo's main businesses. The Company must pay close attention to health, safety and security of the personnel present on the building sites, protecting them from all risks, as construction is an often hazardous. Respect for fundamental human rights (including effective abolition of child labour and elimination of forced or compulsory labour) is of major importance in projects involving many players of the value chain.

The contracts governing the work include clauses requiring contractors to take all legal or regulatory health and safety measures with regard to working conditions. Contractors must ensure that they are strictly observed by their personnel, their subcontractors or other third parties present on the building 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. The health and safety coordinator is responsible for drawing up a General Health and Safety Plan (GHSP) 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 2022, no fatalities were recorded and nine accidents on sites were reported.

Looking ahead

In order to better manage the comfort, safety and health of tenants, Befimmo aims to reduce the response time to incidents as much as possible, among other things by improving the incident management tool.



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.

2030 ACTION PLAN

100%

Part of the projects¹ open to the city

TARGET → 100% (PERMANENT TARGET)

100%

Part of the projects¹ carried out in dialogue with stakeholders

TARGET → 100% (PERMANENT TARGET)

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

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;
- Sustainability: In order to be a responsible 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, in order to maximise community interaction.

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. Befimmo maintains stable and lasting relationships with the local communities around its assets based on the creation of positive impacts and two-way communications using different channels. This enables the Company to identify their needs and expectations.

On the one hand, 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. On the other hand, local communities are informed on how they can get in touch with the Company for suggestions or questions. Feedback from local communities is massively important for Befimmo in order to develop the best possible projects for everyone.

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.

ZEN



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.

The Company calculated the EPRA Community Engagement indicator 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 2022, this approach covered 22%² of the consolidated portfolio, compared to 32% in 2021.

Looking ahead

Befimmo wants every (re)development projects to open up to the city and to be executed 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. The main target of Befimmo is to contribute to sustainable cities in which it operates and create safe and attractive areas to work and live in for the surrounding communities.



Governance

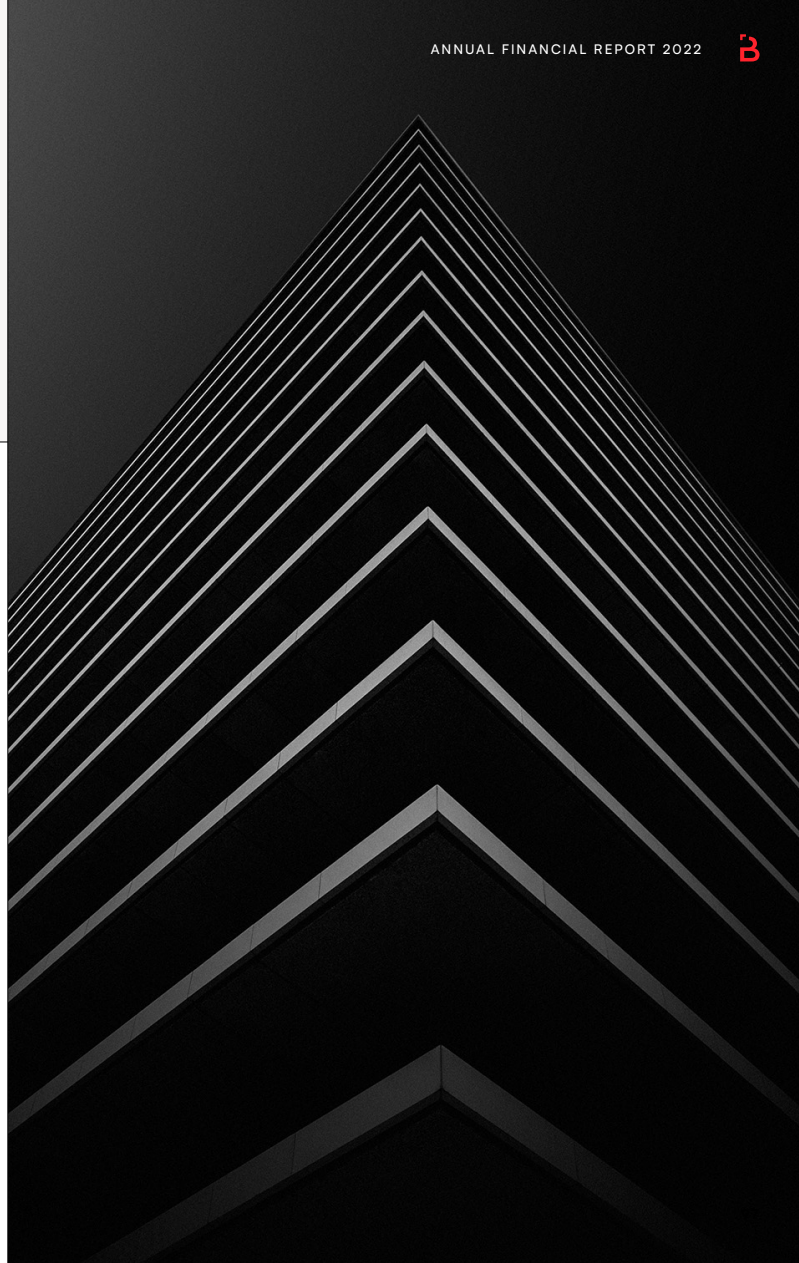
The governance part of this chapter is composed of transverse topics and targets which contribute indirectly to the environmental and social performance.



BEHAVE ETHICALLY	98
USE ESG REGULATIONS TO ACCELERATE THE SUSTAINABILITY TRANSITION	99
ADOPT A DUE DILIGENCE STRATEGY	100
PROMOTE GREEN INVESTMENT OPPORTUNITIES	101
MAINTAIN A TRANSPARENT COMMUNICATION	102

The full 2030 Action Plan, comprising all governance targets, can be consulted in the Non-financial statements of this Report.

 NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.241



Behave ethically

WHY IS THIS RELEVANT?

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.

2030 ACTION PLAN

ONGOING

Adoption of a Human Rights Policy

TARGET → **PUBLISHED BY END 2023**

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 regulatory 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 (2022)
- 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 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. In 2022, special training was provided to the team with regard to the updated Code of Ethics and the amended and newly adopted policies.

All abovementioned policies are a set of principles established to avoid any unwanted behaviour. The Chief Compliance Officer consistently ensures that stakeholders comply with these policies and, where applicable, takes appropriate action.

Looking ahead

Befimmo wants to increase transparency for its stakeholders, sharing statements on how Befimmo positions itself regarding ESG aspects. In 2023, Befimmo will work on the analysis and revision, as the case may be, of its existing policies in order to meet the ethical standards of its sole shareholder. In addition, Befimmo intends to adopt a Human Rights Policy in the future.



Use ESG regulations to accelerate the sustainability transition

WHY IS THIS RELEVANT?

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.

2030 ACTION PLAN

ONGOING

Alignment with future ESG regulations

TARGET → FULLY ALIGNED BY 2026

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.

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 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.

▢ BEHAVE ETHICALLY, P.98

▢ ADOPT A DUE DILIGENCE STRATEGY, P.100



Adopt a due diligence strategy

WHY IS THIS RELEVANT?

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.

2030 ACTION PLAN

36%

Part of the suppliers who signed the new code of conduct

TARGET → 100% BY 2023

TO BE INITIATED IN 2023

Part of the significant¹ suppliers assessed

TARGET → 100% BY 2024

TO BE INITIATED IN 2023

Part of the significant¹ suppliers engaged

TARGET → 100% BY 2030

1. Significant suppliers are suppliers having a potential risk on ESG aspects.

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.112

Suppliers

In an effort to reduce and minimise the negative impact on its external environment, Befimmo pursues its ESG strategy throughout its entire the value chain, which includes its providers and suppliers. In 2022, Befimmo adopted its Supplier Code of Conduct. By the end of the fiscal year, all suppliers were asked to sign the Code of Conduct and return it to Befimmo. New suppliers were asked to sign de Code of Conduct before entering the approved list of suppliers. As at 31 December 2022, 36% of Befimmo's suppliers signed the Supplier Code of Conduct.

Subsidiaries

Befimmo's ESG strategy is implemented at group level and thus including all of its subsidiaries.

Silversquare, which has an own team and management to run its coworking business is increasing efforts on ESG level. 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 2023, the Company will implement a supplier assessment process for all suppliers "at risk", according to its due diligence procedure. Befimmo has chosen the EcoVadis platform for this matter in an effort to align its entire supply chain to Befimmo's ESG values. Befimmo also participated in the EcoVadis certification and received the Platinum Medal, the highest award, which distinguishes the top 1% of companies active in the same industry sector as evaluated by the rating agency.

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.



Promote green investment opportunities

WHY IS THIS RELEVANT?

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

2030 ACTION PLAN

ONGOING

Analyse the opportunity to implement a Sustainability Linked Loan Framework

TARGET → 2023

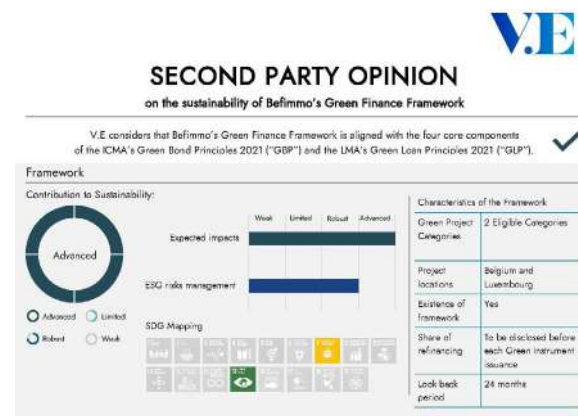
Description and approach

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 necessary information to evaluate the environmental impact of investments. 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.

Looking ahead

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. Therefore, it aims to analyse 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.



Maintain a transparent communication

WHY IS THIS RELEVANT?

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

2030 ACTION PLAN

3

Number of annual participations in ESG 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 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.213
- ✗ NON-FINANCIAL STATEMENTS: GRI CONTENT INDEX, P.216
- ✗ NON-FINANCIAL STATEMENTS: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD), P.229

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.
2. Disclaimer statement: the use by Befimmo of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Befimmo by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided "as-is" and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
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MANAGEMENT REPORT

Risk Factors



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About this chapter

This chapter covers 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. 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.



Risk Factors

We first present the risks related to the strategy, thereafter the risks related to the business, the financial risks, the ESG risks and finally the risks related to regulation. In each category, the risks are ranked in order of importance of the residual risk, according to the probability of their materialisation and the estimated extent of their negative impact on the Company.

The list is not exhaustive: there may be other risks which are unknown, improbable, non-specific, or unlikely to have an adverse effect on the Company, its business, or its financial situation.

STRATEGIC (S)	PROPERTY PORTFOLIO (P)	FINANCIAL (F)	ESG (E)	REGULATIONS (R)
> Evolving ways of working (S1)	> Fair value of properties (P1)	> Financial liquidity (F1)	> Climate change (E1)	> Non-compliance of the buildings with the applicable regulations (R1)
> Rental vacancy (S2)	> Inadequate insurance cover (P2)	> Changing credit margins (F2)	> Environmental risk (E2)	> FIIS status (R2)
> (Re)development activities (S3)	> Deterioration and obsolescence of buildings (P3)	> Changing interest rates (F3)	> Social risk (E3)	
> Segmental concentration (S4)	> Inflation and deflation (P4)	> Obligations contained in financing agreements (F4)		
> Geographical concentration (S5)				
> Default of tenants (S6)				

Main risks related to strategy

Description of risk

Potential impact

S1. RISK RELATED TO EVOLVING WAYS OF WORKING

Office space is being used in increasingly flexible and mobile ways. New technology and digitalisation are facilitating the transformation from a static and “sequential” mode of operation to more dynamic business environments.

Businesses are looking for pleasant and flexible working environments to help attract talent and develop collective intelligence.

This risk was accentuated by the pandemic, that accelerated the shift in working patterns (increased homeworking). The coworking business model is still developing.

As of 31 December 2022, the portfolio of Befimmo consists of nearly 100% of office buildings and coworking spaces. The revenues as real-estate operator represent 88% of the rental income and the coworking spaces 12%.

Tenants renting fewer square meters per employee) may lead to a decline in buildings’ occupancy rates. See S2 for the impact of an increase in rental vacancy.

Conventional office environments no longer meet expectations, which may result in greater investments to make the buildings attractive to the new requirements of the occupants (see S3 and P3).

Increased investments to prevent cybersecurity attack.

S2. RISK RELATED TO RENTAL VACANCY

Overall, the office property market is currently characterised by higher supply than demand, and by changing types of demand.

The Company is exposed to the risks of its tenants leaving or renegotiating their leases:

- Risk of loss of and/or reduced income;
- Risk of negative reversion of rents;
- Risk of pressure on renewal conditions, and to grant rent-free periods;
- Risk of loss of fair value of properties.

At 31 December 2022, the weighted average duration of Befimmo’s current leases and future signed leases until the next expiry of investment properties was 9.5 years. The occupancy rate of the properties available for lease at 31 December 2022 was 95.3%, compared with 95.5% at 31 December 2021.

Decline in occupancy rates and a reduction in the operating results of the portfolio.

On an annual basis as of 31 December 2022, a 1% fluctuation in the occupancy rate of the Company’s portfolio would have an impact of some €1.7 million on its property operating results, -€0.06 on the net asset value per share, and +0.06% on the debt ratio.

Direct costs related to rental vacancies, namely charges and taxes on unlet properties, are estimated on an annual basis at €1.9 million, equivalent to around 1.4% of total rental income.

Higher marketing expenses for properties available for lease.

Fall in the fair value of buildings (see P1).

❏ PROPERTY REPORT, P.25

Description of risk

Potential impact

S3. RISK RELATED TO (RE)DEVELOPMENT ACTIVITIES

Risk associated with the renovation or (re)construction of buildings.

In preparation for a new life cycle, the buildings in the portfolio must undergo a major renovation or be rebuilt. In this context Befimmo is exposed to risks related to:

- Changes in ways of working and tenants' requirements between obtaining permits and the commercialisation of the building;
- The choice of service providers (architects, contractors, specialist lawyers, etc.);
- Possible delays in permit obtention;
- Construction (costs, delays, environmental damage and organisational problems, compliance, etc.).

❖ (RE)DEVELOPMENT PROJECTS, P.39

As of 31 December 2022, the fair value of the buildings concerned by the mentioned projects represents 16% of the total fair value of the portfolio.

Construction and/or operating costs overrunning the budget.

Absence of rental income on completion of the works and costs related to the vacancy.

Pressure on marketing conditions and for granting rent-free periods.

Negative impact on the occupancy rate of the portfolio.

S4. RISK OF SEGMENTAL CONCENTRATION

The portfolio is almost entirely composed of office buildings and coworking spaces (with the exception of a few shops on the ground floor of some buildings).

Sensitivity in terms of occupancy (S2) and valuation of the portfolio (P1) to the evolution of the office and coworking property market.

S5. RISK OF GEOGRAPHICAL CONCENTRATION

The portfolio is not very diversified in terms of geography. It consists of office buildings and coworking spaces, mainly located in Brussels and its economic hinterland (73.4%¹ of the portfolio as at 31 December 2022).

Sensitivity to developments in the Brussels office and coworking property market in terms of valuation (P1) and occupancy (S2) of the portfolio, which is characterised by a significant presence of European institutions and related activities.

S6. RISK RELATED TO THE DEFAULT OF TENANTS

Risks related to insolvency of tenants, as well as non-payment of the rent and rental charges.

In 2022, 99.6% of rents due for 2022 were collected.

❖ TENANTS, P.35

❖ FINANCIAL STATEMENTS - NOTE 33A CREDIT RISK, P.188

Loss of rental income and increase in property charges due to non-recovery of rental charges and unexpected vacancy.

1. Calculated on the basis of the fair value of investment properties at 31 December 2022.

Main risks related to the property portfolio

Description of risk

Potential impact

P1. RISK RELATED TO THE FAIR VALUE OF PROPERTIES

Risk of a negative change in the fair value of the portfolio.

Risk of real-estate experts overvaluing or undervaluing properties in relation to their actual market value. This risk is accentuated in market segments where a limited number of transactions provide few points of comparison: this holds true to some extent in the Decentralised areas and Periphery of Brussels (5.4%¹ of the portfolio), and more generally in the Belgian provincial towns.

Risk accrued in case of an increase in rental vacancy (S2).

❖ CONCLUSIONS OF THE REAL-ESTATE EXPERT COORDINATOR, P.52

Impact on the Company's net results, equity, debt² and LTV³ ratios.

Impact on the Company's ability to distribute a dividend if the cumulative negative changes in fair value were to exceed the total value of distributable and non-distributable reserves and the distributable portion of share premiums.

❖ APPROPRIATION OF RESULTS (STATUTORY ACCOUNTS), P.110

❖ FINANCIAL STATEMENTS - SHAREHOLDERS' EQUITY THAT CANNOT BE DISTRIBUTED ACCORDING TO ARTICLE 7:212 OF THE COMPANY CODE, P.211

On the basis of the data as at 31 December 2022, a 1% decline in the value of the property assets would have an impact of around -€27.5 million on net results, entailing a change of around -€1.02 in the net asset value per share, around +0.44% in the debt ratio, and around +0.44% in the LTV ratio.

P2. RISK RELATED TO INADEQUATE INSURANCE COVER

Risk of a major loss affecting Befimmo's buildings with inadequate cover, especially in view of emerging unforeseen events related to climate change (e.g. floods, wildfires, etc.) (E1).

❖ ACQUISITION PRICE AND INSURED VALUE ON PROPERTIES OF BEFIMMO'S CONSOLIDATED PORTFOLIO, P.37

Costs of refurbishing the affected building.

Fall in operating results of the portfolio and in the fair value of the building (P1) following the termination of the lease on unused premises, and therefore an unexpected rental vacancy (S2).

P3. RISK OF DETERIORATION AND OBSOLESCENCE OF BUILDINGS

Risk of wear and tear and obsolescence relating to increasingly stringent (legislative, societal or environmental) requirements. Befimmo's asset rotation strategy aims to crystallize the value of a property at an optimum point in the asset's life cycle.

❖ BUILDINGS OF BEFIMMO'S CONSOLIDATED PORTFOLIO, P.49

Rental vacancies (S2).

Investments needed for buildings to meet regulatory requirements (R1) and tenants' expectations (S1).

At 31 December 2022, 88% of Befimmo's consolidated portfolio was covered by "total guarantee" maintenance or omnium agreements⁴.

1. Calculated on the basis of the fair value of investment properties at 31 December 2022.

2. The debt ratio is calculated in accordance with the Royal Decree of 13 July 2014.

3. Loan-to-value (LTV) = (nominal financial debts - cash)/fair value of the portfolio.

4. These agreements cover repairs and replacement to the same or identical function of a number of technical equipment (HVAC, electricity, lifts, etc.) to maintain the installation in good working order and to ensure that performance is maintained.

Description of risk

Potential impact

P4. RISK OF INFLATION AND DEFLATION

Risk of deflation on income, as Befimmo leases contain clauses indexing rents to changes in the Belgian health index.

The impact of the adjustment of rents can be estimated at €1.3 million on an annual basis per percentage point change in the health index.

In line with general practice, 97.2%¹ of the leases in Befimmo's consolidated portfolio contain provisions with a view to mitigating the effects of any negative indexing:

- 30.0% provide for a floor on the basic rent;
- 67.2% contain a clause that sets the minimum at the level of the last rent paid.

The remaining 2.8% of the leases do not provide for any minimum rent.

Risk of the costs the Company has to bear being indexed on a basis that changes faster than the health index.

▼ LIVIN



1. Based on the gross current rent as at 31 December 2022.

Main financial risks

Description of risk	Potential impact
F1. FINANCIAL LIQUIDITY RISK	
<p>Befimmo is exposed to a liquidity risk related to the renewal of its financing as it reaches maturity, or for any additional funding needed to meet its commitments. The Company could also be exposed to this risk if its financing agreements were terminated.</p> <p>As of 31 December 2022, the debt ratio provided by financing from banking institutions amounted to 98% spread over nine banks (Belfius, BNP Paribas Fortis, ING, KBC, BECM (CM-CIC group), Société Générale, Deutsche Bank AG, BNP Paribas S.A. and J.P. Morgan SE), representing €2,092.7 million of available credit lines. The remainder is provided by a number of private placements in Europe.</p> <p>As of 31 December 2022, the Company had confirmed unused credit lines of €816 million, including cash.</p> <p>The Company aims to continually anticipate its financing needs (notably for its investments) and keep a defined amount in confirmed unused lines at all times, so as to hedge this risk over a time frame of at least 12 months.</p> <p>The debt ratio (as per the Royal Decree of 13 July 2014) amounted to 46.9% at 31 December 2022 (the statutory limit being 65%) compared to 43.1% as at 31 December 2021.</p> <p>All other things being equal, the Company has covered its financing needs for the next 12 months.</p> <p>📄 FINANCIAL STRUCTURE, P.108</p>	<p>New financing arranged at a higher cost.</p> <p>Sale of assets under unfavourable conditions.</p>
F2. RISK RELATED TO CHANGING CREDIT MARGINS	
<p>The Company's financing cost also depends on the credit margins charged by banks and financial markets. These financing margins change in line with risk appetite in financial markets and with regulations, particularly in the banking sector (the "Basel IV" requirements) and the insurance sector (known as "CRD IV"). They also reflect the perception of the Company's credit risk profile.</p>	<p>An increase in financial charges and hence an adverse effect on EPRA earnings and the net result.</p> <p>In 2023, an amount of €1.5 billion will have to be refinanced. An increase in margins by 10 bps will have an impact of €1.5 million.</p>

Description of risk

Potential impact

F3. RISK ASSOCIATED WITH CHANGING INTEREST RATES

Financial charges, the Company's main expense item, are largely influenced by the interest rates prevailing in the financial markets.

Total borrowings as at 31 December 2022:

- Borrowings of €529.7 million (41.5% of total debt) are financed at fixed rates (fixed rates specified in agreements or rates fixed by IRS);
- The remainder of the debt, €746.6 million, is financed at floating rates, €100 million of which is hedged against rising interest rates by means of optional instruments (CAP). The remaining 50.7% of total borrowings is therefore unhedged.

The counterparty banks for the hedging instruments are BECM (CM-CIC group), Belfius, BNP Paribas Fortis, ING, and KBC.

As at 31 December 2022, the Company's debt ratio is 46.9% and its LTV ratio is 43.1%.

A change in interest rates alters the value of the financial assets and liabilities carried at fair value.

At 31 December 2022, the net fair value of all the hedging instruments was €110.2 million.

Part of Befimmo's borrowings at 31 December 2022 are arranged at floating rates (96%), which therefore means that the debt does not change in value in line with changes in interest rates.

Increase in financial charges and drop in EPRA earnings and the net result.

Without hedging, the impact of a rise in market rates of 0.25% would entail an increase in financial charges estimated at €3.2 million (annual amount calculated based on the debt structure as 31 December 2022).

With the hedging arranged at 31 December 2022, the impact of a rise in market rates of 0.25% would entail an increase in financial charges estimated at €1.6 million (annual amount calculated based on the debt structure as at 31 December 2022).

A change in interest rates could also have an impact, with a delayed effect, on valuations of the properties in the portfolio.

Had the Euro interest rate curve been 0.5% lower than the reference rate curves at 31 December 2022, the change in fair value of the financial assets and liabilities would have been -€21.8 million. In the opposite case, the change in fair value would have been €20.6 million.

F4. RISK RELATED TO OBLIGATIONS CONTAINED IN FINANCING AGREEMENTS

Risk of financing agreements being cancelled, renegotiated, or terminated early should the Company fail to abide by the covenants (or other obligations) it made when signing those agreements, notably regarding financial ratios. This could also include cross default.

Risk of a penalty if agreements are terminated prematurely.

When the Company carries out a financing transaction on a foreign market, it is subject to laws and counterparties with which it is less familiar.

A challenge to a financing agreement would expose the Company to having to arrange additional financing at a potentially higher cost, or sell assets under unfavourable conditions.

Main environmental, social and governance risks

Description of risk	Potential impact
E1. RISK RELATED TO CLIMATE CHANGE	
<p>Physical risk:</p> <ul style="list-style-type: none"> - Extreme weather events (e.g., storms, floods, etc.); - Changes in precipitation patterns and extreme variability in weather patterns (e.g. increased average temperatures, etc.). <p>Transition risk:</p> <ul style="list-style-type: none"> - Increased cost of resources (water, energy) and building materials and techniques (e.g. recourse to geothermal energy, etc.); - Increasing regulatory requirements and stakeholder expectations regarding sustainability (energy efficiency, cost of carbon, circularity, etc.). <p>✗ CONTRIBUTE TO CLIMATE CHANGE MITIGATION, P.69</p> <p>✗ CONTRIBUTE TO CLIMATE CHANGE ADAPTATION, P.75</p>	<p>Deterioration of buildings (P3) and potential decrease in the value of buildings (P1).</p> <p>Interruption or slowing down of construction sites (S3).</p> <p>Obsolescence of buildings (P3) and potential decrease in the value of buildings (P1).</p> <p>Additional investments which entail higher costs for the Company in ongoing projects.</p> <p>Additional requirements to access financing (F1).</p>
E1. RISK RELATED TO CLIMATE CHANGE	
<p>During construction sites, there is a risk of water and soil pollution linked to the presence of hydrocarbons, chemicals, etc.</p> <p>There is also a risk of air pollution due to dust emissions, fine particles, etc.</p> <p>(Re)development projects may impact biodiversity due to the loss of vegetation as a result of soil sealing.</p> <p>✗ CONTRIBUTE TO CLIMATE CONTRIBUTE TO POLLUTION PREVENTION AND CONTROL, P.78</p> <p>✗ CONTRIBUTE TO THE PROTECTION & RESTORATION OF BIODIVERSITY, P.79</p>	<p>Negative impact on the Company's reputation and risk of litigation.</p> <p>Loss of recognitions (certifications, etc.).</p>
E3. SOCIAL RISK	
<p>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.</p> <p>Risk linked to the health, safety and well-being of the team.</p> <p>✗ TAKING CARE OF THE TEAM AND THE COMMUNITY, P.87</p> <p>✗ CORPORATE GOVERNANCE STATEMENT, P.112</p>	<p>Negative impact on the Company's reputation.</p>

Main risks related to regulations

Description of risk	Potential impact
R1. RISK RELATED TO NON-COMPLIANCE OF THE BUILDINGS WITH THE APPLICABLE REGULATIONS	
The Company runs the risk that one or more of its properties does not immediately meet all the applicable new standards and regulations.	<p>Additional investments which entail higher costs for the Company and/or delays in ongoing projects renovations, etc.).</p> <p>Fall in the fair value of a building (P1).</p> <p>The Company could be liable for non-compliance (e.g. in case of fire for failing to comply with safety standards).</p> <p>An adverse impact on the Company's reputation, business and results.</p>
R2. RISK RELATED TO THE FIIS STATUS	
Risk of non-compliance with the regime of specialised real-estate investment fund (FIIS) ¹ .	Loss of registration on the list of FIIS held by the FPS Finance, and no longer qualifying for the transparent tax regime applicable to FIIS.
Risk of future adverse changes to that regime, making it less attractive.	Adverse tax consequences of the exit of the FIIS status.

1. Please note that this does not apply to Befimmo's subsidiaries that do not have the FIIS status.

04 Non-financial statements.



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ESG standards

EPRA SUSTAINABILITY PERFORMANCE INDICATORS

Befimmo reports according to the Sustainability Best Practices Recommendations of the EPRA¹. 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 **V** were checked as part of this assignment.

SUMMARY TABLE OF EPRA SUSTAINABLE PERFORMANCE INDICATORS

External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2022	Data 2021	Page ref.
Environmental Sustainability Performance Measures					
V	Elec-Abs not normalised	302-1	50.39 GWh	49.17 GWh	69-74, 219-222
V	Elec-LfL not normalised	302-1	3.2%	-	69-74, 219-222
V	DH&C-Abs not normalised	302-1	0 GWh	0 GWh	69-74, 219-222
V	DH&C-LfL not normalised	302-1	0.0%	-	69-74, 219-222
V	Fuels-Abs not normalised	302-1	49.42 GWh	66.93 GWh	69-74, 219-222
V	Fuels-LfL not normalised	302-1	-23.4%	-	69-74, 219-222
V	Energy-Int not normalised	CRE1	148 kWh/m ²	165 kWh/m ²	69-74, 219-222
V	GHG-Dir-Abs	305-1	2 857 t CO ₂ e	3 114 t CO ₂ e	69-74, 219-222
V	GHG-Indir-Abs - landlord-controlled building	305-2	0 t CO ₂ e	0 t CO ₂ e	69-74, 219-222
V	GHG-Indir-Abs - tenant-controlled building	305-2	11 237 t CO ₂ e	14 413 t CO ₂ e	69-74, 219-222
	GHG-Dir-LfL	305-1	-18.7%	-	69-74, 219-222
	GHG-Indir-LfL - landlord-controlled building	305-2	0.0%	-	69-74, 219-222
	GHG-Indir-LfL - tenant-controlled building	305-2	-16.5%	-	69-74, 219-222
V	GHG-Int	CRE3	19.1 kg CO ₂ e /m ²	20.9 kg CO ₂ e /m ²	69-74, 219-222
V	Water-Abs	303-5	174 559 m ³	119 901 m ³	76, 223
V	Water-LfL	303-5	26.0%	-	76, 223
V	Water-Int	CRE2	231 l/m ²	175 l/m ²	76, 223
V	Waste-Abs	306-3	Recycled: 1 090 tons	Recycled: 977 tons	77-78, 224
V			Reused: 0 ton	Reused: 0 ton	77-78, 224
V			Composted: 0.14 ton	Composted: 0.74 ton	77-78, 224
V			Incinerated: 1 028 tons	Incinerated: 858 tons	77-78, 224
V			Buried or landfilled: 0.78 ton	Buried or landfilled: 0.46 ton	77-78, 224
V	Waste-LfL	306-3	Recycled: -50.1%	-	77-78, 224
V			Reused: 0.0%	-	77-78, 224
V			Composted: -75.0%	-	77-78, 224
V			Incinerated: 4.8%	-	77-78, 224
V			Buried or landfilled: 252.4%	-	77-78, 224

1 EPRA Sustainability Best Practices Recommendations Guidelines — Third version September 2017.

External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2022	Data 2021	Page ref.
V	Cert-Tot	CRE8	BREEAM New Construction/ Refurbishment Outstanding 4 buildings	BREEAM New Construction/ Refurbishment Outstanding 0 building	80, 225
V			BREEAM New Construction/ Refurbishment Excellent 5 buildings	BREEAM New Construction/ Refurbishment Excellent 3 buildings	80, 225
V			BREEAM New Construction/ Refurbishment Very Good 8 buildings	BREEAM New Construction/ Refurbishment Very Good 5 buildings	80, 225
V			BREEAM New Construction/ Refurbishment Good 3 buildings	BREEAM New Construction/ Refurbishment Good 1 building	80, 225
V			BREEAM New Construction/ Refurbishment Not certified 76 buildings	BREEAM New Construction/ Refurbishment Not certified 96 buildings	80, 225
V			BREEAM In-Use Very Good 4 buildings	BREEAM In-Use Very Good 0 building	80, 225
V			BREEAM In-Use Good 8 buildings	BREEAM In-Use Good 1 building	80, 225
V			BREEAM In-Use Pass 4 buildings	BREEAM In-Use Pass 0 building	80, 225
V			BREEAM In-Use Acceptable 3 buildings	BREEAM In-Use Acceptable 0 building	80, 225
V			BREEAM In-Use Not certified 77 buildings	BREEAM In-Use Not certified 104 buildings	80, 225
V			EPC A 1 building	EPC A 0 building	80, 225
V			EPC B 8 buildings ¹	EPC B 4 buildings	80, 225
V			EPC C 12 buildings	EPC C 11 buildings	80, 225
V			EPC D 2 buildings	EPC C 0 building	80, 225
V			EPC Not certified 73 buildings ²	EPC Not certified 90 buildings	80, 225

¹ One building included in the total with a surface area of $\pm 5,000$ m² has been sold in 2022.

² Office buildings in Flanders and Wallonia were not eligible for the "sale and rental" certificate. In 2022, six buildings (one in Luxembourg and five in Flanders) do have a valid certificate but without a "class". They are therefore considered as not certified.

External assurance	EPRA sustainability performance measures	GRI & CRESS	Data 2022	Data 2021	Page ref.
Social Performance Measures					
V	Diversity-Emp (M/F)	405-1	57% (M) - 43% (F)	54% (M) - 46% (F)	88-89, 233
V	Executive Committee	405-1	50% (M) - 50% (F)	50% (M) - 50% (F)	88-89, 233
V	Management	405-2	80% (M) - 20% (F)	70% (M) - 30% (F)	88-89, 233
V	Other team members	405-2	54% (M) - 46% (F)	53% (M) - 47% (F)	88-89, 233
V	Diversity-Pay (M/F)	405-2	33.1%	30.2%	88, 235
V	Executive Committee	405-2	68.1%	70.1%	88, 235
V	Management	405-2	-9.4%	-8.9%	88, 235
V	Other team members	405-2	32.1%	32.3%	88, 235
V	Emp-Training	404-1	33.7 hours/year	34.9 hours/year	88, 235
V	Executive Committee	404-1	16 hours/year	87.8 hours/year	88, 235
V	Management	404-1	28 hours/year	116.0 hours/year	88, 235
V	Other team members	404-1	35 hours/year	24.0 hours/year	88, 235
V	Emp-Dev	404-3	100%	100%	88, 235
V	Executive Committee	404-3	100%	100%	88, 235
V	Management	404-3	100%	100%	88, 235
V	Other team members	404-3	100%	100%	88, 235
V	Emp-Turnover - New arrivals (total number)	401-1	2	13	88-89, 235
V	Emp-Turnover - New arrivals (rate)	401-1	2.2%	13.0%	88-89, 235
V	Emp-Turnover - Turnover (total number)	401-1	13	7	88-89, 236
V	Emp-Turnover - Turnover (rate)	401-1	14.6%	7.0%	88-89, 236
V	H&S Emp - Lost day rate	403-9	0.0%	0.0%	91, 236
V	H&S Emp - Injury rate	403-9	0.0%	3.0%	91, 236
V	H&S Emp - Absentee rate	403-9	4.9%	4.3%	91, 236
V	H&S Emp - Absentee rate (short term)	403-9	2.0%	1.4%	91, 236
V	H&S Emp - Number of work related fatalities	403-9	0	0	236
V	H&S-Asset	416-1	96%	87%	94-95, 237
V	H&S-Comp	416-2	9	2	94-95, 237
V	Comty-Eng	413-1	22%	32%	96, 237
Governance Performance Measures					
V	Gov-Board	2-9	9	10	114-115, 233
n.a.	Gov-Select	2-10	Narrative on process	Narrative on process	119
n.a.	Gov-Col	2-15	Narrative on process	Narrative on process	136-139

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.

GRI CONTENT INDEX

Statement of use	Befimmo has reported the information cited in this GRI content index for the period of 1 January 2022 to 31 December 2022 with reference to the GRI Standards.			
GRI 1 used	GRI 1: Foundation 2021			
GRI standard	Disclosure	Location	External assurance ¹	SDG
GRI 2: General Disclosures 2021	2-1 Organizational details	247		
	2-2 Entities included in the organization's sustainability reporting	250		
	2-3 Reporting period, frequency and contact point	250		
	2-4 Restatements of information	NA		
	2-5 External assurance	243	V	
	2-6 Activities, value chain and other business relationships	14, 34, 46		
	2-7 Employees	87, 233		
	2-8 Workers who are not employees	234		
	2-9 Governance structure and composition	114, 115		
	2-10 Nomination and selection of the highest governance body	119		5,16
	2-11 Chair of the highest governance body	119		16
	2-12 Role of the highest governance body in overseeing the management of impacts	119		
	2-13 Delegation of responsibility for managing impacts	119		
	2-14 Role of the highest governance body in sustainability reporting	58		
	2-15 Conflicts of interest	136		16
	2-16 Communication of critical concerns	133		
	2-17 Collective knowledge of the highest governance body	115		4,16
	2-18 Evaluation of the performance of the highest governance body	121		
	2-19 Remuneration policies	123, 130		
	2-20 Process to determine remuneration	130		
	2-21 Annual total compensation ratio	235		
	2-22 Statement on sustainable development strategy	18, 54		16
	2-23 Policy commitments	98		16
	2-24 Embedding policy commitments	98		16
	2-25 Processes to remediate negative impacts	66, 98, 122		16
	2-26 Mechanisms for seeking advice and raising concerns	66, 67, 133		16
	2-27 Compliance with laws and regulations	66, 89, 237		16
	2-28 Membership associations	239		17
	2-29 Approach to stakeholder engagement	238		17
	2-30 Collective bargaining agreements	90		8
GRI 3: Material Topics 2021	3-1 Process to determine material topics	61		
	3-2 List of material topics	67		
	3-3 Management of material topics	61, 241		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	103, 156		1.5,8
	201-2 Financial implications and other risks and opportunities due to climate change	62, 152, 229		8,13
	201-3 Defined benefit plan obligations and other retirement plans	194, 195, 196		8
	201-4 Financial assistance received from government	€0		8
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	98, 140		
	205-2 Communication and training about anti-corruption policies and procedures	98, 140		16
	205-3 Confirmed incidents of corruption and actions taken	0 incident		16
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	0 legal action		16
GRI 302: Energy 2016	302-1 Energy consumption within the organization	69, 219	V	7,8,12,13
	302-2 Energy consumption outside of the organization	69, 219		7,8,12,13
	302-3 Energy intensity	69, 219	V	7,8,12,13
	302-4 Reduction of energy consumption	69, 219		7,8,12,13
	302-5 Reductions in energy requirements of products and services	69, 219		7,8,12,13
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	76		6,12
	303-5 Water consumption	76, 223	V	6,12
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	218	V	3,12,13,15
	305-2 Energy indirect (Scope 2) GHG emissions	218	V	3,12,13,15
	305-3 Other indirect (Scope 3) GHG emissions	218	V	3,12,13,15
	305-4 GHG emissions intensity	218	V	13,15
	305-5 Reduction of GHG emissions	218		13,15
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	77		3,6,11,12
	306-2 Management of significant waste-related impacts	77		3,8,11,12
	306-3 Waste generated	224	V	3,6,11,12
	306-4 Waste diverted from disposal	224	V	3,11,12
	306-5 Waste directed to disposal	224	V	3,6,11,12
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	100		12
	308-2 Negative environmental impacts in the supply chain and actions taken	100		12

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 243 of the present Report.

GRI 401: Employment 2016	401-1	New employee hires and employee turnover	88, 235, 236	✓	5,8,10
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	89		3,5,8
	401-3	Parental leave	237		5,8
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	90		8
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	91		3,8
	403-2	Hazard identification, risk assessment, and incident investigation			3,8
	403-3	Occupational health services	91		3,8
	403-4	Worker participation, consultation, and communication on occupational health and safety	91		3,8,16
	403-5	Worker training on occupational health and safety	91		3,4,8
	403-6	Promotion of worker health	91		3
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	91		3,8
	403-8	Workers covered by an occupational health and safety management system	91, 236		3,8
	403-9	Work-related injuries	91, 236	✓	3,8,16
	403-10	Work-related ill health	236		3,8,16
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	88, 235	✓	4,5,8,10
	404-2	Programs for upgrading employee skills and transition assistance programs	88		8
	404-3	Percentage of employees receiving regular performance and career development reviews	235	✓	5,8,10
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	88, 89, 233		5,8
	405-2	Ratio of basic salary and remuneration of women to men	88, 235	✓	5,8,10
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	90		5,8,16
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	89, 94, 98, 100		8
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	89, 98, 100		5,8,16
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	89, 98, 100		5,8
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	96	✓	4,17
	413-2	Operations with significant actual and potential negative impacts on local communities	96		1
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	100		5,8,16
	414-2	Negative social impacts in the supply chain and actions taken	100		5,8,16
GRI 415: Public Policy 2016	415-1	Political contributions	239		16,17
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	94, 237	✓	3
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	94, 237	✓	16
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labelling	80, 225		12
	417-2	Incidents of non-compliance concerning product and service information and labelling	0 incidents		16
	417-3	Incidents of non-compliance concerning marketing communications	0 incidents		16
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	98, 141		16

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

Category	Disclosure	Location	External assurance ¹	SDG
Environment	CRE1 Building Energy Intensity	219	✓	7,8,12,13
	CRE2 Building Water Intensity	223	✓	6,8,12
	CRE3 Greenhouse gas emissions intensity from buildings	218, 219	✓	13,15
Product Responsibility	CRE8 Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	225	✓	4,6,7,8, 10,11,12,13

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 ✓ has been verified by the auditor. The report can be found on page 243 of the present Report.

Environmental performance

ENVIRONMENTAL INDICATORS

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

Carbon footprint

		GHG Protocol categories	GRI Standard	External assurance	2018 (t CO₂e)	2021 (t CO₂e)	2022 (t CO₂e)
Scope 1	1.1	Company facilities - Gas and fuel (of landlord-controlled buildings)	305-1	V	4 550.0	3 195.7	2 922.9
	1.2	Refrigerant leakage	305-1	V	2 591.2	1 698.8	1 470.4
	1.3	Company vehicles	305-1	V	257.6	213.9	204.6
Scope 2	2.1	Electricity (of landlord-controlled buildings) - Market-based	305-2	V	-	1.4	3.1
		Electricity (of landlord-controlled buildings) - Location-based	305-2	V	3 895.3	1 673.7	2 038.2
	3.1	Purchased goods and services	305-3	V	4 690.9	5 083.5	4 169.9
	3.2	Capital goods	305-3	V	11 986.8	157 476.8	21 646.8
		Capital goods - New buildings acquisition	305-3	V	9 530.0	1 610.0	-
		Fuel- and energy-related activities - Market-based - Energy	305-3	V	1 672.5	920.1	910.0
		Fuel- and energy-related activities - Location-based - Energy	305-3	V	1 615.3	926.5	975.0
	3.3	Fuel- and energy-related activities - Market-based - Mobility	305-3	V	57.9	57.9	44.8
		Fuel- and energy-related activities - Location-based - Mobility	305-3	V	57.9	47.0	44.7
		Waste generated in operations (waste - exploitation)	305-3	V	3 616.8	1 250.5	1 440.9
		Waste generated in operations (waste - works)	305-3	V	2 807.0	2 420.0	317.0
	3.6	Business travel	305-3	V	55.7	8.9	13.7
	3.7	Employee commuting	305-3	V	63.2	56.8	54.6
	3.8	Upstream leased assets	305-3	V	48.8	106.5	106.5
Scope 3	3.9	Downstream transportation and distribution	305-3	V	Excluded (not relevant)	Excluded (not relevant)	Excluded (not relevant)
	3.10	Processing of sold products	305-3	V	Excluded (not relevant)	Excluded (not relevant)	Excluded (not relevant)
	3.11	Use of sold products	305-3	V	Excluded (not relevant)	Excluded (not relevant)	Excluded (not relevant)
	3.12	End-of-life treatment of sold products	305-3	V	Excluded (not relevant)	Excluded (not relevant)	Excluded (not relevant)
	3.13	Downstream leased assets - Market-based - Energy	305-3	V	16 879.3	13 066.1	11 473.7
		Downstream leased assets - Location-based - Energy	305-3	V	15 111.4	11 943.8	10 379.9
		Downstream leased assets - Refrigerants	305-3	V	9 618.6	9 391.1	8 435.1
	3.14	Franchises	305-3	V	Excluded (not relevant)	Excluded (not relevant)	Excluded (not relevant)
	3.15	Investments	305-3	V	-	94.5	-

Energy consumption and related GHG emissions

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

Total portfolio		EPRA	GRI	2018	2021	Low-Rise Office		Mid-Rise Office		High-Rise Office	
				2018	2021	2022	2022	2022	2022	2022	2022
GLA				909 687 m²	808 253 m²	775 508 m²	94 446 m²	421 181 m²	259 881 m²		
Total - Absolute	Total building energy consumption			138.65 GWh	116.10 GWh	99.81 GWh	10.35 GWh	53.77 GWh	35.69 GWh		
	Total fuel consumption	Fuels-Abs	302-1	68.69 GWh	66.93 GWh	49.42 GWh V	6.03 GWh	26.14 GWh	18.25 GWh		
	Total district heating and cooling	DH&C Abs	302-1	0.00 GWh	0.00 GWh	0.00 GWh V	0.00 GWh	0.00 GWh	0.00 GWh		
	Total building electricity consumption	Elec-Abs	302-1	69.95 GWh	49.17 GWh	50.39 GWh V	4.33 GWh	28.63 GWh	17.44 GWh		
	GHG emissions on total energy consumption (market-based)			19 190 t CO ₂ e	17 528 t CO ₂ e	14 095 t CO₂e	1 419 t CO ₂ e	7 427 t CO ₂ e	5 249 t CO ₂ e		
	GHG emissions on total energy consumption (location-based)			21 166 t CO ₂ e	18 256 t CO ₂ e	15 194 t CO₂e	1 649 t CO ₂ e	8 140 t CO ₂ e	5 406 t CO ₂ e		
Total - Intensity	Perimeter			430 993 m²	321 986 m²	294 784 m²	34 633 m²	142 778 m²	117 373 m²		
	Building Energy consumption intensity	Energy-Int	CREI	168.0 kWh/m²	165.3 kWh/m²	148.2 kWh/m² V	126.6 kWh/m²	144.5 kWh/m²	159.1 kWh/m²		
	Building Primary Energy intensity			291.4 kWh/m²	266.5 kWh/m²	254.1 kWh/m²	194.7 kWh/m²	264.3 kWh/m²	259.3 kWh/m²		
	GHG emissions intensity from building energy consumption (market-based)	GHG-Int	CRE3	20.83 kg CO ₂ e/m²	20.88 kg CO ₂ e/m²	19.10 kg CO₂e/m² V	15.8 kg CO ₂ e/m²	14.6 kg CO ₂ e/m²	25.9 kg CO ₂ e/m²		
	GHG emissions intensity from building energy consumption (location-based)			25.58 kg CO ₂ e/m²	25.70 kg CO ₂ e/m²	22.60 kg CO₂e/m²	20.7 kg CO ₂ e/m²	21.5 kg CO ₂ e/m²	24.5 kg CO ₂ e/m²		
	Perimeter			272 482 m²	286 561 m²						
Total - LfL	Total fuel consumption for related sites (year = 2022)			21.47 GWh	21.75 GWh						
	Total fuel consumption for related sites (year = column header)			24.70 GWh	28.40 GWh						
	Like-for-Like total fuel consumption	Fuels-LfL	302-1	-13.1%	-23.4%	V					
	Total DH&C consumption for related sites (year = 2022)			0.00 GWh	0.00 GWh						
	Total DH&C consumption for related sites (year = column header)			0.00 GWh	0.00 GWh						
	Like-for-Like total district heating & cooling consumption	DH&C-LfL	302-1	0.00 GWh	0.00 GWh	V					
	Total electricity consumption for related sites (year = 2022)			21.28 GWh	22.27 GWh						
	Total electricity consumption for related sites (year = column header)			22.00 GWh	21.57 GWh						
	Like-for-Like total electricity consumption	Elec-LfL	302-1	-3.3%	3.2%	V					

Landlord-controlled buildings		EPRA	GRI	2018	2021	2022	Low-Rise Office	2022	Mid-Rise Office	2022	High-Rise Office
	GLA			343 431 m²	252 776 m²	248 081 m²	47 801 m²		121 962 m²		78 318 m²
Scope 1 - Absolute	Perimeter			278 295 m²	234 329 m²	238 085 m²	47 801 m²		111 966 m²		78 318 m²
	Total landlord obtained fuels			23.62 GWh	16.83 GWh	15.44 GWh	3.57 GWh		6.75 GWh		5.13 GWh
	of which gas			21.45 GWh	16.83 GWh	15.44 GWh	3.57 GWh		6.75 GWh		5.13 GWh
	of which heating oil (fuel)			2.18 GWh	0.00 GWh	0.00 GWh	0.00 GWh		0.00 GWh		0.00 GWh
Scope 1 - Intensity	Total direct greenhouse gas (GHG) emissions	GHG-Dir-Abs	305-1	4 375 t CO ₂ e	3 114 t CO ₂ e	2 857 t CO ₂ e	660 t CO ₂ e		1 249 t CO ₂ e		949 t CO ₂ e
	Perimeter			252 676 m²	182 394 m²	146 745 m²	33 909 m²		101 761 m²		11 075 m²
	Total landlord obtained fuels			85.4 kWh/m²	79.7 kWh/m²	76.8 kWh/m²	80.5 kWh/m²		62.4 kWh/m²		198.5 kWh/m²
	GHG direct emission			15.8 kg CO ₂ e/m²	14.7 kg CO ₂ e/m²	14.2 kg CO ₂ e/m²	15 kg CO ₂ e/m²		12 kg CO ₂ e/m²		37 kg CO ₂ e/m²
Scope 1 - LfL	Perimeter			132 781 m²	144 812 m²						
	Total landlord obtained fuels for related sites (year = 2022)			10.68 GWh	11.13 GWh						
	Total landlord obtained fuels for related sites (year = column header)			11.95 GWh	13.68 GWh						
	Like-for-Like evolution (kWh)			-10.6%	-18.7%						
Total GHG direct emission for related sites (year = 2022)	Total GHG direct emission for related sites			1 975 t CO ₂ e	2 058 t CO ₂ e						
	Total GHG direct emission for related sites (year = column header)			2 215 t CO ₂ e	2 531 t CO ₂ e						
	Like-for-Like direct Greenhouse gas (GHG) emissions	GHG-Indir-LfL	305-1	-10.8%	-18.7%						



	EPRA	GRI	2018	2021	2022	Low-Rise Office	Mid-Rise Office	High-Rise Office
Scope 2 - Absolute								
Perimeter			333 010 m ²	234 329 m ²	248 081 m ²	47 801 m ²	121 962 m ²	78 318 m ²
Heating network			0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh	0.00 GWh
Total building electricity consumption			26.07 GWh	13.77 GWh	16.68 GWh	2.29 GWh	10.03 GWh	4.34 GWh
Renewable electricity generated and consumed on-site by landlord			247 MWh	259 MWh	562 MWh	0 MWh	306 MWh	255 MWh
Other electricity generated and consumed on-site by landlord (cogeneration)			430 MWh	298 MWh	183 MWh	0 MWh	0 MWh	183 MWh
Renewable electricity generated on-site and exported by landlord			1 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh
Other electricity generated on-site and exported by landlord (cogeneration)			38 MWh	117 MWh	61 MWh	0 MWh	0 MWh	61 MWh
Renewable electricity generated off-site and purchased by landlord			25 438 MWh	13 368 MWh	16 105 MWh	2 311 MWh	9 813 MWh	3 982 MWh
Renewable electricity generated off-site, purchased by landlord, for mobility purpose			10 MWh	35 MWh	108 MWh	18 MWh	90 MWh	0 MWh
Other electricity purchased by landlord			0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh
GHG indirect emission (market-based)		GHG-Indir-Abs	305-2	01 CO ₂ e	01 CO ₂ e	01 CO ₂ e	01 CO ₂ e	01 CO ₂ e
GHG indirect emission (location-based)			3 129 t CO ₂ e	1 644 t CO ₂ e	1 981 t CO ₂ e	284 t CO ₂ e	1 207 t CO ₂ e	490 t CO ₂ e
Scope 2 - Intensity								
Perimeter			242 014 m ²	147 605 m ²	144 915 m ²	32 079 m ²	101 761 m ²	11 075 m ²
Gross total			91.8 kWh/m ²	70.4 kWh/m ²	74.4 kWh/m ²	48.6 kWh/m ²	86.5 kWh/m ²	37.3 kWh/m ²
GHG indirect emission (market-based)			0.00 kg CO ₂ /m ²	0.00 kg CO ₂ /m ²	0.00 kg CO ₂ /m ²	0.00 kg CO ₂ /m ²	0.00 kg CO ₂ /m ²	0.00 kg CO ₂ /m ²
GHG indirect emission (location-based)			10.99 kg CO ₂ /m ²	8.32 kg CO ₂ /m ²	8.90 kg CO ₂ /m ²	6.0 kg CO ₂ /m ²	10.4 kg CO ₂ /m ²	3.2 kg CO ₂ /m ²
Scope 2 - LUL								
Perimeter			132 394 m ²	142 982 m ²				
Total for related sites (year = 2022)			97.5 GWh	10.74 GWh				
Total for related sites (year = column header)			1 000.6%	1 015.1%				
Like-for-Like evolution (kWh)			-81%	6.0%				
Total GHG indirect emission for related sites (year = 2022)			01 CO ₂ e	01 CO ₂ e				
Total GHG indirect emission for related sites (year = column header)			01 CO ₂ e	01 CO ₂ e				
Like-for-Like evolution (market-based)			0%	0%				
Like-for-Like evolution (location-based)			-5.9%	7.3%				
Scope 1+2 - Intensity								
Perimeter			240 419 m ²	144 389 m ²	141 699 m ²	28 863 m ²	101 761 m ²	11 075 m ²
Total operational energy			179.2 kWh/m ²	164.6 kWh/m ²	151.6 kWh/m ²	129.0 kWh/m ²	148.9 kWh/m ²	235.8 kWh/m ²
GHG indirect emission (market-based)			16.16 kg CO ₂ /m ²	17.33 kg CO ₂ /m ²	14.19 kg CO ₂ /m ²	14.88 kg CO ₂ /m ²	11.54 kg CO ₂ /m ²	36.7 kg CO ₂ /m ²
GHG indirect emission (location-based)			27.17 kg CO ₂ /m ²	25.71 kg CO ₂ /m ²	23.15 kg CO ₂ /m ²	20.92 kg CO ₂ /m ²	21.96 kg CO ₂ /m ²	39.95 kg CO ₂ /m ²



Tenant-controlled buildings		EPRA	GRI	2018	2021	2022	2022	2022	2022	2022
GLA	Perimeter									
Scope 3 – Absolute				566 256 m²	555 477 m²	527 427 m²	46 645 m²	299 219 m²	181 563 m²	181 563 m²
Perimeter				561 820 m²	547 678 m²	478 270 m²	36 896 m²	259 871 m²	181 563 m²	181 563 m²
Gross total				89 GWh	85 GWh	68 GWh	4 GWh	37 GWh	26 GWh	26 GWh
Total tenant obtained fuels				45.07 GWh	50.10 GWh	33.97 GWh	2.46 GWh	18.39 GWh	13.12 GWh	13.12 GWh
of which gas				45.07 GWh	50.10 GWh	33.97 GWh	2.46 GWh	18.39 GWh	13.12 GWh	13.12 GWh
of which heating oil (fuel)										
Total district heating and cooling										
Total building electricity consumption				43.88 GWh	35.40 GWh	33.71 GWh	2.04 GWh	18.60 GWh	13.08 GWh	13.08 GWh
renewable electricity generated and consumed on-site by tenant				183 MWh	168 MWh	168 MWh	0 MWh	18 MWh	150 MWh	150 MWh
Other electricity generated and consumed on-site by tenant (cogeneration)				311 MWh	763 MWh	373 MWh	0 MWh	0 MWh	373 MWh	373 MWh
renewable electricity generated on-site and exported by landlord				18 MWh	21 MWh	20 MWh	0 MWh	18 MWh	2 MWh	2 MWh
Other electricity generated on-site and exported by tenant (cogeneration)				0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh
renewable electricity generated off-site and purchased by tenant										
Renewable electricity generated off-site, purchased by tenant, for mobility purpose				2 MWh	1 MWh	7 MWh	0 MWh	7 MWh	0 MWh	0 MWh
Other purchased by tenant				43 411 MWh	34 490 MWh	33 196 MWh	2 037 MWh	18 603 MWh	12 557 MWh	12 557 MWh
GHG indirect emission (market-based)				14 814 t CO₂e	14 413 t CO₂e	11 237 t CO₂e	759 t CO₂e	6 178 t CO₂e	4 300 t CO₂e	4 300 t CO₂e
GHG indirect emission (location-based)				13 662 t CO₂e	13 497 t CO₂e	10 356 t CO₂e	705 t CO₂e	5 684 t CO₂e	3 967 t CO₂e	3 967 t CO₂e
Scope 3 – Intensity				190 574 m²	177 597 m²	163 085 m²	5 770 m²	41 071 m²	106 298 m²	106 298 m²
Perimeter				25 52 kg CO₂e/m²	27 46 kg CO₂e/m²	23 92 kg CO₂e/m²	20 23 kg CO₂e/m²	22 26 kg CO₂e/m²	24 75 kg CO₂e/m²	24 75 kg CO₂e/m²
GHG indirect emission (location-based)				23 57 kg CO₂e/m²	25 69 kg CO₂e/m²	22 10 kg CO₂e/m²	19,5 kg CO₂e/m²	20,5 kg CO₂e/m²	22 9 kg CO₂e/m²	22 9 kg CO₂e/m²
Perimeter				141 681 m²	146 795 m²					
Scope 3 – LfL				19 97 GWh	21 03 GWh					
Total energy consumption for related sites (year = 2022)				22 21 GWh	25 01 GWh					
Total energy consumption for related sites (year = column header)				-10 1 %	-16 9 %					
Like-for-Like evolution (kWh)										
Total GHG indirect emission for related sites (year = 2022)				3 284 t CO₂e	3 462 t CO₂e					
Total GHG indirect emission for related sites (year = column header)				3 718 t CO₂e	4 145 t CO₂e					
Like-for-Like evolution (market-based)				-11 7%	-16 5%					
GHG-Indir-LfL				305-2						
Like-for-Like evolution (location-based)				-12 6%	-17 9%					

Water consumption

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

Total portfolio		EPRA	GRI	2018	2021	2022	Low-Rise Office		Mid-Rise Office		High-Rise Office	
Water - Absolute	GLA						2022	2022	2022	2022	2022	2022
Total water consumption of which collected and stored rainwater of which groundwater	Total water consumption	Water-Abs	303-5	909 687 m ³	808 263 m ³	775 508 m ³	94 446 m ³	421 181 m ³	81 667 m ³	259 881 m ³		
	of which collected and stored rainwater			224 542 m ³	119 001 m ³	174 559 m ³ V	19 024 m ³	19 024 m ³	81 667 m ³	73 867 m ³		
	of which groundwater			3 442 m ³	4 620 m ³	3 947 m ³	5 m ³	5 m ³	1 411 m ³	2 531 m ³		
Water - Intensity	Perimeter	Water-Int	CRE2	9 069 m ³	1 826 m ³	4 562 m ³			1 958 m ³	2 604 m ³		
	Total water consumption			729 823 m ²	511 275 m ²	438 814 m ²	16 743 m ²	16 743 m ²	246 364 m ²	175 707 m ²		
	of which rainwater			245,25 litre/m ²	175,28 litre/m ²	231,11 litre/m ² V	157,24 litre/m ²	157,24 litre/m ²	184,60 litre/m ²	303,36 litre/m ²		
Water - LfL	of which rainwater	Water-Int	CRE2	4,66 litre/m ²	9,03 litre/m ²	8,99 litre/m ²	0,30 litre/m ²	0,30 litre/m ²	5,73 litre/m ²	14,40 litre/m ²		
	of which groundwater			12,43 litre/m ²	3,57 litre/m ²	10,40 litre/m ²	0,00 litre/m ²	0,00 litre/m ²	7,95 litre/m ²	14,82 litre/m ²		
	Perimeter			418 159 m ²	379 664 m ²	10 400 m ²						
Total water for related sites (year = 2022)				96 829 m ³	93 993 m ³							
Total water for related sites (year = column header)				115 544 m ³	74 574 m ³							
Like-for-Like evolution (kWh)		Water-LfL	303-5	-16,2%	26,0%	V						



Waste

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

Total portfolio		EPRA	GRI	2018	2021	2022	Low-Rise Office		Mid-Rise Office		High-Rise Office	
Waste - Absolute	GLA			909 687 m ²	808 253 m ²	775 508 m ²	94 446 m ²	2022	421 181 m ²	2022	259 881 m ²	2022
Total non-hazardous waste linked to works												
of which recycled				52 340 tons	36 670 tons	2 821 tons	1 ton		55 tons		2 765 tons	
of which re-used				52 076 tons	34 028 tons	2 296 tons	0 ton		41 tons		2 255 tons	
of which composted				41 tons	0 ton	0 ton	0 ton		0 ton		0 ton	
of which incinerated				0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which buried or landfilled				223 tons	2 642 tons	516 tons	1 ton		5 tons		510 tons	
Total non-hazardous waste linked to operational buildings												
of which recycled		Waste-Abs	306-3	4 609 tons	1829 tons	2 105 tons	0 ton		0 ton		10 tons	
of which re-used		Waste-Abs	306-4	3 203 tons	971 tons	1 079 tons	0 ton		271 tons		1137 tons	
of which composted		Waste-Abs	306-4	0 ton	0 ton	0 ton	0 ton		111 tons		603 tons	
of which incinerated		Waste-Abs	306-4	0 ton	1 ton	0 ton	0 ton		0 ton		0 ton	
of which buried or landfilled		Waste-Abs	306-5	1 405 tons	857 tons	1 026 tons	0 ton		0 ton		0 ton	
Total hazardous waste linked to works												
of which recycled		Waste-Abs	306-5	0 ton	0 ton	0 ton	0 ton		160 tons		534 tons	
of which re-used				234 tons	5 tons	3 tons	0 ton		0 ton		0 ton	
of which composted				0 ton	0 ton	1 ton	0 ton		0 ton		2 tons	
of which incinerated				0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which buried or landfilled				0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which re-used				0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which composted				0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which incinerated				197 tons	0 ton	2 tons	0 ton		0 ton		2 tons	
of which buried or landfilled				38 tons	0 ton	0 ton	0 ton		0 ton		0 ton	
Total hazardous waste linked to operational buildings												
of which recycled		Waste-Abs	306-3	19 tons	8 tons	14 tons	0 ton		0 ton		0 ton	
of which re-used		Waste-Abs	306-4	17 tons	6 tons	12 tons	0 ton		3 tons		7 tons	
of which composted		Waste-Abs	306-4	0 ton	0 ton	0 ton	0 ton		2 tons		5 tons	
of which incinerated		Waste-Abs	306-4	0 ton	0 ton	0 ton	0 ton		0 ton		0 ton	
of which buried or landfilled		Waste-Abs	306-5	1 ton	1 ton	2 tons	0 ton		0 ton		0 ton	
Perimeter		Waste-Abs	306-5	0 ton	0 ton	1 ton	0 ton		0 ton		1 ton	
Waste - Intensity				94 559 m ²	198 219 m ²	248 081 m ²	47 801 m ²		121 962 m ²		78 316 m ²	
Total waste linked to operational buildings												
Perimeter				5 kg/m ²	2 kg/m ²	3 kg/m ²	3 kg/m ²		3 kg/m ²		2 kg/m ²	
Waste - LfL				56 344 m ²	187 942 m ²							
Total recycled for related sites (year = 2022)												
Total recycled for related sites (year = column header)				212 tons	355 tons							
LfL recycled		Waste-LfL	306-4	-89.88%	-50.07%							
Total re-used for related sites (year = 2022)												
Total re-used for related sites (year = column header)				0 ton	0 ton							
LfL re-used		Waste-LfL	306-4	0%	0%							
Total composted for related sites (year = 2022)												
Total composted for related sites (year = column header)				0 ton	0 ton							
LfL composted		Waste-LfL	306-4	0%	-74.98%							
Total incinerated for related sites (year = 2022)												
Total incinerated for related sites (year = column header)				96 tons	314 tons							
LfL incinerated		Waste-LfL	306-5	299 tons	300 tons							
Total buried or landfilled for related sites (year = 2022)												
Total buried or landfilled for related sites (year = column header)				0 ton	0 ton							
LfL buried or landfilled		Waste-LfL	306-5	69.5%	252.43%							

Certification

BREEAM

Buildings under construction		BREEAM New Construction / Refurbishment	
Rating		Surface (m²)	# buildings
Very Good		8 332	1 ✓
Not certified		120 497	2 ✓
Total		128 829	3 ✓

Buildings in operation	BREEAM New Construction / Refurbishment ¹		BREEAM In-Use ²	
	Surface (m²)	# buildings	Surface (m²)	# buildings
Outstanding	61 613	4 ✓	-	- ✓
Excellent	70 938	5 ✓	-	- ✓
Very Good	66 104	8 ✓	61 613	4 ✓
Good	7 689	3 ✓	184 457	8 ✓
Pass	-	- ✓	45 781	4 ✓
Acceptable	-	- ✓	47 252	3 ✓
Not certified	569 164	76 ✓	436 405	77 ✓
Total	775 508	96 ✓	775 508	96 ✓

ENERGY PERFORMANCE CERTIFICATES

Buildings in operation			
Rating		Surface (m²)	# buildings
A		16 983	1 ✓
B		82 892	8 ✓
C		221 786	12 ✓
D		6 743	2 ✓
Not certified		447 104	73 ✓
Total		775 508	96 ✓

¹ Design certificates are not included, only Post Construction certificates.

² Among these buildings, a large part has been certified BREEAM In-Use in 2010 and 2011, but certificates are no longer valid.

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 portfolio in consolidated form. The previous years (2021 and the 2018 reference year) have been adapted to the new methodology (2022) explained hereafter.

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 verification of the conversion factors needed to calculate the CO₂e emissions;
- > 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 TABLES¹

Befimmo intends to keep segmenting its reporting by the type of the buildings, by classifying 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
94 446 m ²	421 181 m ²	259 881 m ²

MANAGEMENT AND PROCESSING OF CONSUMPTION DATA

The reporting data on gas and electricity consumption is largely automated and comes in order from the network operator and then from the energy suppliers. The consumption data is extrapolated by the energy suppliers for the small missing periods or by Befimmo on the basis of the relative consumption of the portfolio when data is not available at all. This approach makes it possible to cover all consumption and CO₂e emissions associated with the portfolio as a whole.

Data on water consumption is mainly obtained from meter readings provided by maintenance companies, while data on waste production for buildings in operation is available from a supplier whose services cover a large part of the portfolio.

Missing data on these two topics are also extrapolated on the same principle as for gas and electricity data, i.e. on the basis of the average consumption of the buildings in the portfolio.

2022 - PERCENTAGE OF DATA EXTRAPOLATION (BASED ON PORTFOLIO SURFACE AREA)

	Gas	Electricity	Water	Waste
Landlord-controlled	23%	21%	57%	2%
Tenant-controlled	65%	61%	31%	100%

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.

¹ 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.

REPORTING PERIMETER RELATED TO ENERGY, WATER CONSUMPTION, WASTE PRODUCTION AND ASSOCIATED CO₂E EMISSIONS

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

Data related to energy, water consumption, waste production and associated CO₂e emissions from Silversquare coworking spaces housed in buildings owned by Befimmo are included in the data. These tables do not include other CO₂e emissions included in the carbon footprint, such as purchased goods and services, capital goods, refrigerant losses, emergency groups, mobility, etc.

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 perimeter does not take account of changes in the occupancy of the buildings.

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

CALCULATION OF SPECIFIC CONSUMPTION (KWH/M² AND L/M²) AND GREENHOUSE GAS EMISSIONS INTENSITY (KG CO₂E/M²)

The following buildings are excluded from the scope:

- > Buildings under construction and/or renovation;
- > Buildings for which consumption data are completely missing and which have therefore been fully extrapolated for the absolute calculation;
- > Building sold or acquired during the reporting year;
- > Buildings with an average annual occupancy rate below 50%¹ (calculated on the basis of the quarterly occupancy history and the floor area occupied).

GLOBAL CARBON FOOTPRINT AND EMISSION FACTORS

Since 2018, data related to the activity of its subsidiaries, including Silversquare coworking spaces housed in buildings belonging to other owners, are also reported, specifically in the carbon footprint section.

When reporting CO₂e emissions related to its activities, Befimmo follows the recommendations and methodology of the Greenhouse Gas Protocol (GHG Protocol) including the use of ADEME, IEA and Ecoinvent factors for all data (including historical data) since 2022 instead of certain specific factors used in the past by energy suppliers.

The Greenhouse Gas Protocol is an international accounting method and is the one most used by government leaders and business to understand, quantify and manage greenhouse gas emissions.

¹ 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.

In practice, Befimmo distinguishes emissions as follows:

- > "Directly-controlled" emissions, relating to fuels (gas, oil) purchased by the landlord for heating purposes and the operation of any back-up units. To these emissions must be added those linked to refrigerant gas leaks from refrigeration systems and/or heat pumps used for air conditioning in controlled buildings, to which a default annual loss coefficient of 15% is applied (ADEME recommendations). An extrapolation of losses based on the relative average according to the type of machine and the type of fluid in relation to the surface area of the portfolio is also applied for all machines not identified in the technical inventory;
- > In addition to the emissions linked to Befimmo's buildings, there are also the direct emissions emitted by the company cars of the Befimmo and Silversquare employees;
- > "Indirectly-controlled" emissions, relating to the electricity and heat purchased by the landlord for common and tenant areas;
- > "Indirectly-uncontrolled" emissions, relating to the use of electricity, heat and fuels (gas, oil) purchased by tenants in buildings not under Company control. To these emissions must be added all other uncontrolled emissions (purchases of goods and services, waste production, capital goods, team community, etc.) in accordance with the GHG Protocol.

For the Silversquare coworking spaces located in buildings owned by Befimmo, the data required to establish the carbon footprint of each site is directly available internally. This information is supplemented by data from the other centres located outside the portfolio. The whole forms the consolidated carbon footprint of Befimmo and its subsidiaries.

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, CDO and General Counsel & Secretary General). The Chief Sustainability & Innovation Officer (CS&IO), the Head of Environmental Management (HEM) and the Head of Human Resources (HHR) are also part of this Cell. This Cell meets two times a year. Sustainability topics are also discussed during Executive Committee meetings and Manager meetings.

RELEVANT DISCLOSURES

TCFD recommended disclosures	Befimmo disclosures
Governance	
a) Describe the board's oversight of climate-related risks and opportunities.	CDP question C1.1b ESG management, p.58
b) Describe management's role in assessing and managing climate-related risks and opportunities.	CDP questions C1.2, C1.2a ESG management, p.58

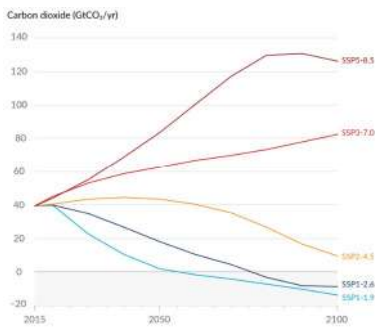
Strategy and risk management

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 CO₂ EMISSIONS ACROSS FIVE ILLUSTRATIVE SCENARIOS (SOURCE: 6TH IPCC REPORT / WORKING GROUP I)



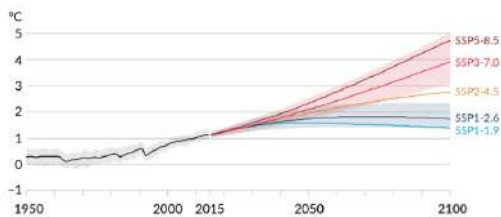
PHYSICAL RISKS AND OPPORTUNITIES

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: 6TH 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
Strategy	
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
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.69
Risk management	
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 69 and 218 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
Metrics and targets	
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.69 Environmental indicators, p.218
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

Social performance

SOCIAL INDICATORS

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

Talent and performance

TEAM BREAKDOWN

Team members (#)	EPRA SPM	GRI Standard	2022	2021	External assurance
Board of Directors		2-7	9	10	V
Executive Committee		2-7	4	4	
Management		2-7	10	10	
Other team members		2-7	79	90	

During the reporting year, Befimmo counts 89 members within its team (excluding external consultants and the Executive Committee).

GOVERNANCE BODIES DIVERSITY

Board diversity by gender (%)	EPRA SPM	GRI Standard	2022	2021	External assurance
Women	Diversity-Emp	405-1	33%	30%	V
Men	Diversity-Emp	405-1	67%	70%	V

Board diversity by age (%)	EPRA SPM	GRI Standard	2022	2021	External assurance
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	33%	10%	
Over 50 years		405-1	67%	90%	

WORKFORCE DIVERSITY

Workforce diversity by gender per job category (%)	EPRA SPM	GRI Standard	2022	2021	External assurance
Executive Committee					
Women	Diversity-Emp	405-1	50%	50%	V
Men	Diversity-Emp	405-1	50%	50%	V
Management					
Women	Diversity-Emp	405-1	20%	30%	V
Men	Diversity-Emp	405-1	80%	70%	V
Other team members					
Women	Diversity-Emp	405-1	46%	47%	V
Men	Diversity-Emp	405-1	54%	53%	V

Globally, Befimmo has a good gender balance within its team (57%-43% M/W, compared to 54%-46% M/W in 2021).

Workforce diversity by age per job category (%)	EPRA SPM	GRI Standard	2022	2021	External assurance
Executive Committee (average age)			49	50	
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	75%	50%	
Over 50 years		405-1	25%	50%	
Management (average age)			44	44	
Under 30 years		405-1	0%	0%	
Between 30 and 50 years		405-1	70%	70%	
Over 50 years		405-1	30%	30%	
Other team members (average age)			42	41	
Under 30 years		405-1	9%	12%	
Between 30 and 50 years		405-1	70%	68%	
Over 50 years		405-1	21%	20%	

Workforce diversity by nationality	EPRA SPM	GRI Standard	2022	2021	External assurance
Nationalities among team members (#)		405-1	4	4	
Nationalities among team members (%)		405-1	4%	4%	

SENIORITY

Average seniority (years)	EPRA SPM	GRI Standard	2022	2021	External assurance
Executive Committee			9.51	12.57	
Management			8.28	8.01	
Other staff members			6.20	5.02	

The global seniority of the team is 6.43 years, compared to 5.43 years in 2021.

INTERNAL ORGANISATION

Working time	EPRA SPM	GRI Standard	2022	2021	External assurance
Full-time team members		2-7	77	85	
Women (#)		2-7	29	35	
Men (#)		2-7	48	50	
Women (%)		2-7	33%	35%	
Men (%)		2-7	54%	50%	
Part-time team members		2-7	12	15	
Women (#)		2-7	9	11	
Men (#)		2-7	3	4	
Women (%)		2-7	10%	11%	
Men (%)		2-7	3%	4%	

Contract type	EPRA SPM	GRI Standard	2022	2021	External assurance
Fixed contracts (#)		2-7	89	100	
Women (#)		2-7	38	46	
Men (#)		2-7	51	54	
Women (%)		2-7	43%	46%	
Men (%)		2-7	57%	54%	
Temporary contracts (#)		2-7	0	0	
Women (#)		2-7	0	0	
Men (#)		2-7	0	0	
Women (%)		2-7	0%	0%	
Men (%)		2-7	0%	0%	
Non-guaranteed hours employees (#)		2-7	0	0	
Women (#)		2-7	0	0	
Men (#)		2-7	0	0	
Women (%)		2-7	0%	0%	
Men (%)		2-7	0%	0%	
Workers who are not employees (#)		2-8	8	6	
Trainees (#)			3	0	

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	2022	2021	External assurance
Employees receiving annual appraisal by gender					
Women (%)	Emp-Dev	404-3	100%	100%	✓
Men (%)	Emp-Dev	404-3	100%	100%	✓
Employees receiving annual appraisal by job category					
Executive Committee (%)	Emp-Dev	404-3	100%	100%	✓
Management (%)	Emp-Dev	404-3	100%	100%	✓
Other team members (%)	Emp-Dev	404-3	100%	100%	✓
Hours of training per team member by gender					
Women (total hours)	Emp-Training	404-1	1 283 h	1 690 h	✓
Men (total hours)	Emp-Training	404-1	1 665 h	2 090 h	✓
Hours of training per team member by job category					
Executive Committee (average hours)	Emp-Training	404-1	16	88	✓
Management (average hours)	Emp-Training	404-1	28	116	✓
Other team members (average hours)	Emp-Training	404-1	35	24	✓
Training expenses (in €)			€2 032,4	€2 352,9	
Permanent team members trained per year (#)			89	93	
Internal mobility cases (#)			4	3	
Internal promotion cases (#)			7	7	

On average, team members had 33.7 hours of training per person, compared to 34.9 in 2021.

ANNUAL TOTAL COMPENSATION

Ratio of the annual total compensation (%)	EPRA SPM	GRI Standard	2022	2021	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	2022	2021	External assurance
Executive Committee	Diversity-Pay	405-2	68.1%	70.1%	✓
Management	Diversity-Pay	405-2	-9.4%	-8.9%	✓
Other staff members	Diversity-Pay	405-2	32.1%	32.3%	✓

The overall gender pay gap is 33.1%, compared to 30.2% in 2021.

WORKFORCE ARRIVALS

Arrivals by gender	EPRA SPM	GRI Standard	2022	2021	External assurance
Women (#)	Emp-Turnover	401-1	1	8	✓
Women (%)	Emp-Turnover	401-1	1%	8%	✓
Men (#)	Emp-Turnover	401-1	1	5	✓
Men (%)	Emp-Turnover	401-1	1%	5%	✓
Arrivals by age					
Under 30 years (#)	Emp-Turnover	401-1	0	3	✓
Under 30 years (%)	Emp-Turnover	401-1	0%	3%	✓
Between 30 and 50 years (#)	Emp-Turnover	401-1	2	9	✓
Between 30 and 50 years (%)	Emp-Turnover	401-1	2%	9%	✓
Over 50 years (#)	Emp-Turnover	401-1	0	1	✓
Over 50 years (%)	Emp-Turnover	401-1	0%	1%	✓

The average age of new team members is 34 years, compared to 35 years in 2021.

Arrivals by region	EPRA SPM	GRI Standard	2022	2021	External assurance
Belgium (#)	Emp-Turnover	401-1	2	13	✓
Belgium (%)	Emp-Turnover	401-1	2%	13%	✓

WORKFORCE TURNOVER

Turnover by gender	EPRA SPM	GRI Standard	2022	2021	External assurance
Women (#)	Emp-Turnover	401-1	8	6	V
Women (%)	Emp-Turnover	401-1	9%	6%	V
Men (#)	Emp-Turnover	401-1	5	1	V
Men (%)	Emp-Turnover	401-1	6%	1%	V

Turnover by age	EPRA SPM	GRI Standard	2022	2021	External assurance
Under 30 years (#)	Emp-Turnover	401-1	1	0	V
Under 30 years (%)	Emp-Turnover	401-1	1%	0%	V
Between 30 and 50 years (#)	Emp-Turnover	401-1	8	6	V
Between 30 and 50 years (%)	Emp-Turnover	401-1	9%	6%	V
Over 50 years (#)	Emp-Turnover	401-1	4	1	V
Over 50 years (%)	Emp-Turnover	401-1	4%	1%	V

The average age of team members leaving the Company is 44 years, compared to 42 years in 2021.

Turnover by region	EPRA SPM	GRI Standard	2022	2021	External assurance
Belgium (#)	Emp-Turnover	401-1	13	7	V
Belgium (%)	Emp-Turnover	401-1	15%	7%	V

Turnover split	EPRA SPM	GRI Standard	2022	2021	External assurance
Number of voluntary leaves (#)	Emp-Turnover	401-1	6	3	
Number of voluntary leaves (%)	Emp-Turnover	401-1	7%	3%	
Number of dismissals (#)	Emp-Turnover	401-1	5	4	
Number of dismissals (%)	Emp-Turnover	401-1	6%	4%	
Number of retirements (#)	Emp-Turnover	401-1	2	0	
Number of retirements (%)	Emp-Turnover	401-1	2%	0%	

WORKFORCE RETENTION

Retention	EPRA SPM	GRI Standard	2022	2021	External assurance
Employee retention rate (%)			89%	106%	

In 2021, Befimmo increased the size of its team by 6% compared to 2020, hence the rate of over 100%.

Well-being

TEAM MEMBERS

Workforce health and safety	EPRA SPM	GRI Standard	2022	2021	External assurance
Absentee rate - short term (%)	H&S Emp	403-9	2.0%	1.4%	V
Absentee rate - long term (%)	H&S Emp	403-9	4.9%	4.3%	V
Injury rate (%)	H&S Emp	403-9	0.0%	0.0%	V
Lost day rate (%)	H&S Emp	403-9	0.0%	0.0%	V
Work-related fatalities (#)	H&S Emp	403-9	0	0	V
Work-related fatalities (%)	H&S Emp	403-9	0.0%	0.0%	V
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	1	3	V
Recordable work-related accidents (%)		403-9	1.0%	3.0%	
Total hours worked (hours)		403-9	120 514	144 155	
Staff members with disabilities (#)			1	1	
Fatalities due to occupational disease (#)		403-10	0	0	
Recordable occupational disease cases (#)		403-10	0	0	
Team members covered by medical insurance (%)			100%	100%	

The main types of accidents at work occurred on working sites and on the way to work. All team members are covered by medical insurance, i.e. all full-time and part-time workers.

Parental leave	EPRA SPM	GRI Standard	2022	2021	External assurance
Total number of employees that took parental leave over the year		401-3	13	9	
Women (#)		401-3	8	6	
Men (#)		401-3	5	3	
Total number of employees that returned to work in the reporting period after parental leave ended		401-3	13	9	
Women (#)		401-3	8	6	
Men (#)		401-3	5	3	
Return to work rate after parental leave (%)		401-3	100%	100%	

All team members entitled to parental leave have the opportunity to take it.

General satisfaction	EPRA SPM	GRI Standard	2022	2021	External Assurance
Strike action days (#)			0	0	

TENANTS

Tenant satisfaction	EPRA SPM	GRI Standard	2022	2021	External assurance
Tenant satisfaction rate (NPS)			22 (GOOD)	Not calculated	

ASSETS

Asset health and safety	EPRA SPM	GRI Standard	2022	2021	External assurance
Rate of asset health and safety assessments (%)	H&S-Asset	416-1	96%	87%	V
Non-compliance cases on asset health and safety (#)	H&S-Comp	416-2	9	2	V

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	2022	2021	External assurance
Community engagement (%)	Comty-Eng	413-1	22%	32%	V
Charitable activities (#)			7	9	
Team members participating in charitable activities (#)			50	50	
Team members participating in charitable activities (%)			56%	50%	
Budget allocated to charitable activities (€)			€7 000	€18 280	

STAKEHOLDERS ENGAGEMENT

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

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

External stakeholders

FINANCIAL COMMUNITY

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 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.

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.

UPS!

Befimmo remains committed to its relationship with the **Professional Union of the Real-Estate Sector** (UPS!). UPSI and Befimmo actively cooperated again in 2022 via working groups to incorporate federal and regional real-estate requirements. The CEO is a member of the UPSI board of directors. The Head of Environment is chairman of the Technical and Sustainability Commission.

The Shift

Befimmo is an active member of the Belgian network **The Shift** which brings together more than 560 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.

CBFI

The **Cercle Belge Des Femmes de L'immobilier** brings together women executives to create a space for exchange and good practice. The Chief Development Officer is co-founder of the CBFI.

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.

FOLLOWERS ON SOCIAL MEDIA

With billions of people connected to social media, the online presence of Befimmo is key to attract new audiences and connect with followers. In recent years, Befimmo increased its visibility on LinkedIn and Instagram, counting respectively 9,304 and 691 followers at the end of 2022.

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.
- > 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).

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.

2030 Action Plan

ENVIRONMENTAL TARGETS

SDGs	Ambition	Action	Result 2022	Target	Timeframe
13	Contribute to climate change mitigation	Reduce the absolute scope 1 & 2 GHG emissions (vs 2018)	38%	50%	2030
13	Contribute to climate change mitigation	Reduce the specific scope 1 & 2 GHG emissions (vs 2018)	12%	50%	2030
13	Contribute to climate change mitigation	Reduce the absolute scope 3 GHG emissions (except emissions related to acquisitions) (vs 2018)	6%	30% by 2030	2030
13	Contribute to climate change mitigation	Increase the part of green electricity of landlord-controlled buildings	100%	100%	2023
7, 13	Contribute to climate change mitigation	Increase renewable installed capacity	1 194 kWp	2 200 kWp	2025
13	Contribute to climate change mitigation	Reduce energy intensity of landlord-controlled buildings	152 kWh/m ²	116 kWh/m ²	2030
13	Contribute to climate change adaptation	Align with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)	Ongoing	Fully aligned	2026
6	Contribute to the sustainable use and protection of water	Reduce water consumption	231.1 l/m ²	226.5 l/m ²	2030
12	Contribute to the transition to a circular economy	Maintain existing elements and reuse materials by submitting projects ¹ to an inventory of materials	100%	100%	Permanent target
12	Contribute to the transition to a circular economy	Build flexible and adaptable projects ¹	100%	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 ¹	100%	100%	Permanent target
9	Use certification systems to deliver sustainable assets	Obtain "In-Use" certifications for buildings	44%	35%	2022
9	Use certification systems to deliver sustainable assets	Cover the eligible portfolio ² with an energy performance certificate	100%	100%	2022
9	Create innovative and sustainable buildings	Create innovative projects ¹ : promote sustainability, technical, and technological improvements	100%	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	68%	100%	2030
11	Provide buildings accessible through sustainable transport systems	Equip the parking spaces with charging points	12%	100%	2030
12	Reduce the environmental impact of the team	Reduce paper use by asking for electronic incoming invoices	92%	100%	2022
12	Reduce the environmental impact of the team	Reduce paper use by sending electronic outgoing invoices	100%	100%	2022
11	Reduce the environmental impact of the team	Promote a flexible and sustainable mobility	36%	40%	2025
12	Reduce the environmental impact of the team	Reduce waste by composting organic waste and sorting of waste	43 kg/FTE	0 kg/FTE	2030

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

² Excluding a building under redevelopment, for which the certificate has expired and will be renewed after renovation.

SOCIAL TARGETS

SDGs	Ambition	Action	Result 2022	Target	Timeframe
3, 4, 5, 8, 10	Take care of the team and the community	Increase the overall team satisfaction	Not calculated ¹	95%	Permanent target
3, 4, 5, 8, 10	Take care of the team and the community	Increase workload satisfaction	Not calculated ¹	8/10	Permanent target
3, 4, 5, 8, 10	Take care of the team and the community	Improve work-life balance	Not calculated ¹	8/10	Permanent target
3, 8	Build and animate communities	Extend the coworking network and meeting opportunities	46 050 m ²	51 800 m ² 85 000 m ²	2023 2025
3	Build and animate communities	Decide on a method to rate the overall satisfaction of tenants	NPS score of 22 (GOOD)	NPS score of at least 30 (GREAT)	Permanent target
3, 9	Improve comfort, security and safety	Reduce the number of incidents involving people	9	0	Permanent target
3, 9	Improve comfort, security and safety	Improve safety through inspections on fire prevention, lifts, electricity and heating	96%	100%	Permanent target
11	Integrate buildings into cities	Open up projects ² to the city and its community	100%	100%	Permanent target
4, 10	Integrate buildings into cities	Carrying out projects ² in dialogue with stakeholders	100%	100%	Permanent target

GOVERNANCE TARGETS

SDGs	Ambition	Action	Result 2022	Target	Timeframe
5, 10, 16	Behave ethically	Create new Human Rights policy	Ongoing	Published	2023
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	2026
12	Adopt a due diligence strategy	Receive the new code of conduct signed by the suppliers	36%	100%	2023
12	Adopt a due diligence strategy	Assess significant ³ suppliers on ESG aspects	To be initiated in 2023	100%	2024
4, 12	Adopt a due diligence strategy	Engage significant ³ suppliers on ESG aspects	To be initiated in 2023	100%	2030
17	Promote green investment opportunities	Analyse the opportunity to implement a Sustainability Linked Loan framework	Ongoing	Implemented	2023
17	Maintain a transparent communication	Participate in voluntary investor assessments on an annual base	3	Min. 2	Permanent target

¹ Due to the organisational changes related to the takeover bid, Befimmo has exceptionally postponed its employee satisfaction survey to H1 2023. The indicators related to this survey were therefore not calculated in 2022.

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

³ Significant suppliers are suppliers having a potential risk on ESG aspects.

Limited assurance report

Independent assurance report on selected environmental, social and governance information published in the Annual Financial Report of Befimmo SA for the year ending 31 December 2022

To the board of directors,

We have been engaged by Befimmo SA ("the Company") to conduct a limited assurance engagement on selected environmental, social and governance information ("Selected Information") published in the Annual Financial Report of the Company for the year ending 31 December 2022. In preparing the Selected Information, Befimmo SA applied the Applicable Criteria set out in notes "EPRA Sustainability Performance Indicators" (page 213) and "GRI Content Index" (page 216) in the section ESG Standards of the Annual Financial Report. The Selected Information needs to be read and understood together with the Applicable Criteria.

The Selected Information in scope of our engagement is listed in the table below and is identified with V in the section "Non-Financial statements" of the Annual Financial Report.

Selected information			Applicable criteria
Category	Indicator	Description	
Energy	Elec-Abs	Total electricity consumption	EPRA sBPR
	Elec-LfL	Like-for-like total electricity consumption	EPRA sBPR
	DH&C-Abs	Total district heating & cooling consumption	EPRA sBPR
	DH&C-LfL	Like-for-like total district heating & cooling consumption	EPRA sBPR
	Fuels-Abs	Total fuel consumption	EPRA sBPR
	Fuels-LfL	Like-for-like total fuel consumption	EPRA sBPR
	Energy-Int	Building energy intensity	EPRA sBPR
GHG	GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	EPRA sBPR
	GHG-Indirect-Abs	Total indirect greenhouse gas (GHG) emissions	EPRA sBPR
	GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	EPRA sBPR
Water	Water-Abs	Total water consumption	EPRA sBPR
	Water-LfL	Like-for-like total water consumption	EPRA sBPR
	Water-Int	Building water intensity	EPRA sBPR
Waste	Waste-Abs	Total weight of waste by disposal route	EPRA sBPR
	Waste-LfL	Like-for-like total weight of waste by disposal route	EPRA sBPR
Certification	Cert-Tot	Type and number of sustainably certified assets	EPRA sBPR
	GRI	General Disclosures on Management Approach	GRI
		Percentage and total volume of water recycled and reused	GRI
		Other indirect greenhouse gas (GHG) emissions (Scope 3)	GRI
		Reduction of greenhouse gas (GHG) emissions	GRI
		Reduction of energy consumption	GRI
Diversity	Diversity-Emp	Employee gender diversity in the Executive committee, management and other teams members	EPRA sBPR
	Diversity-Pay	Gender pay ratio in the Executive committee, management and other teams members	EPRA sBPR
Employees	Emp Training	Employee training and development per gender and job category	EPRA sBPR
	Emp-Dev	Employee performance appraisals per gender and job category	EPRA sBPR
	Emp-Turnover	New hires and turnover by age, gender and region (Belgium)	EPRA sBPR
Health and Safety	H&S-Emp	Employee health and safety	EPRA sBPR
	H&S-Asset	Asset health and safety assessments	EPRA sBPR
	H&S-Comp	Asset health and safety compliance	EPRA sBPR
Society	Community - Eng	Community engagement, impact assessments and development programs	EPRA sBPR
Governance	Gov-Board	Composition of the highest governance body	EPRA sBPR
	Gov-Select	Process for nominating and selecting the highest governance body	EPRA sBPR
	Gov-Col	Process for managing conflicts of interest	EPRA sBPR
GHG	Carbon Footprint	Emissions related to the production of waste	GHG Protocol

Based on our work done as described in this report, nothing has come to our attention that causes us to believe that the abovementioned Selected Information as published in Befimmo SA's Annual Financial Report, has not been prepared, in all material respects, in accordance with the Applicable Criteria.

RESPONSIBILITY OF THE BOARD OF DIRECTORS

The board of directors of Befimmo SA is responsible for the preparation of the Selected Information and the references made to it presented in the Annual Financial Report as well as for the declaration that its reporting meets the requirements of the Applicable Criteria.

The board of directors is also responsible for:

- > Selecting and establishing the Applicable Criteria.
- > Preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria.
- > Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- > Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the Services.
- > Confirming to us through written representations that you have provided us with all information relevant to our Services of which you are aware, and that the measurement or evaluation of the underlying subject matter against the Applicable Criteria, including that all relevant matters, are reflected in the Selected Information.

OUR RESPONSIBILITIES

Our responsibility is to express a conclusion on the Selected Information based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) 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 Selected Information have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Applying these standards, our procedures are aimed at obtaining limited assurance on the fact that the Selected Information 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.

Our work was performed on the data gathered and retained in the reporting scope by Befimmo SA as mentioned above. Our conclusion covers therefore only the abovementioned Selected Information and not all information included in the Annual Financial Report. The limited assurance on the Selected Information was only performed on the Selected Information covering the year ending 31 December 2022.

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

- > Performed analytical review procedures and consider the risks of material misstatement of the Selected Information.
- > Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify and assess risks of material misstatement in the Selected Information, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- > Performed procedures over the activities of significant third parties that perform key controls relevant to the Selected Information.
- > Performed procedures over the Selected Information, including recalculation of relevant formula used in manual calculations and assessment whether the data has been appropriately consolidated.
- > Performed procedures over the Selected Information including assessing management's assumptions and estimates.
- > Read the narrative accompanying the Selected Information with regard to the Applicable Criteria, and for consistency with our findings.

We apply International Standard on Quality Management 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.

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 behaviour.

INHERENT LIMITATIONS OF THE SELECTED INFORMATION

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Applicable Criteria, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

USE OF OUR REPORT

This report is made solely to the board of directors of Befimmo SA in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the board of directors those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than the Company and its board of directors, we acknowledge that the board of directors may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Befimmo SA and its board of directors as a body, for our work, for this report, or for the conclusions we have formed.

Signed at Zaventem

The auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL

Represented by Rik Neckebroeck



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Befimmo

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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.

Creation, concept, design and production

Tom Point & Vincent Van Meerbeeck — www.TomPoint.be
Befimmo's team