



CARING

LIVING



WORKING

About Cofinimmo

Cofinimmo has been acquiring, developing and managing rental properties for over 35 years. The company has a portfolio spread across Belgium, France, the Netherlands and Germany, with a value of 4 billion EUR. With attention to social developments,

Cofinimmo has the mission of making high-quality care, living and working environments available to its partners-tenants, from which users benefit directly. "Caring, Living and Working - Together in Real Estate" is the expression of this mission. Thanks to its expertise, Cofinimmo has built up a healthcare real estate portfolio of almost 2 billion EUR in Europe.

As an independent company that applies the highest standards of corporate governance and sustainability, Cofinimmo offers its tenants services and manages its portfolio through a team of over 130 employees in Brussels, Paris, Breda and Frankfurt.

Cofinimmo is listed on Euronext Brussels (BEL20) and benefits from the REIT system in Belgium (RREC), France (SIIC) and the Netherlands (FBI). Its activities are supervised by the Financial Services and Markets Authority (FSMA), the Belgian regulator.

On 31.12.2018, Cofinimmo's total market capitalisation stood at 2.5 billion EUR.

The company applies an investment policy aimed at offering a socially responsible, long-term, low-risk investment that generates a regular, predictable and growing dividend.

1983

Founding (capital: 6 million EUR)

1996

Adoption of Belgian SICAFI status

2007

Partnership with AB InBev Group for a portfolio of 1,068 pubs and restaurants located in Belgium and the Netherlands (Pubstone)

2011

Partnership with MAAF for a portfolio of 283 insurance agencies in France (Cofinimur I)

First emission of convertible bonds

2013

Start of reconversion works to transform office buildings into residential (Woluwe 34 and Livingstone I)

2015

Capital increase with preference rights in the amount of 285 million EUR

Continued investments in healthcare real estate in the Netherlands and Germany

2017

Continued investments in healthcare real estate in the Netherlands and Germany

Delivery of the reconversion works to transform an office building into a nursing and care home (Woluwe 106-108)

1994

Listing on the Brussels stock exchange, now called Euronext

2005

First healthcare real estate investment in Belgium

Awarding of the first Public-Private Partnership (PPP): the Antwerp courthouse

2008

Start-up in France in the healthcare real estate segment

Adoption of SIIC status (French REIT regime)

2012

Start-up in the Netherlands in the healthcare real estate segment

Adoption of FBI status (Dutch REIT regime)

2014

Start-up in Germany in the healthcare real estate segment

Adoption of RREC status in Belgium

2016

Continued investments in healthcare real estate in the Netherlands and Germany

Acquisition of five office buildings in Brussels

Opening of the first Flex Corners® and Lounges®

Issue of 'Green and Social Bonds'

2018

Capital increase with irrevocable allocation rights in the amount of 155 million EUR

Acquisition of a portfolio of 17 nursing and care homes in Germany

50 % of global portfolio invested in healthcare real estate

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Message to the stakeholders

Consolidating the sustainable development policy in order to accelerate the reduction of Cofinimmo's carbon footprint in all business segments.



Jean-Pierre Hanin
Chief Executive Officer

 **Jacques van Rijckevorsel**
Chairman of the
Board of Directors

Dear stakeholders,

In the context of its strategic development, Cofinimmo is focusing strongly on healthcare real estate. Obviously, it wishes to apply and transfer its experience regarding sustainability in the office sector to the health care real estate sector, irrespective of the geographic location.

In Europe, real estate has a significant impact on greenhouse gas emissions, estimated at 40% of total emissions. Conscious of the responsibility relating to the choices it makes and of their potential impact on climate change, Cofinimmo incorporated the United Nations' Sustainable Development Goals into its own sustainability policy. The ten principles of the United Nations Global Compact come from: the Universal Declaration of Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

Cofinimmo also supports the "Sign for my future" campaign, a citizens' movement aimed at encouraging Belgian politicians to conduct an ambitious climate policy in order to keep climate warming below the 2 °C mark.

The existence of a bold sustainability policy is a requirement for safeguarding the value of the company over the long term. Cofinimmo's different stakeholders have clearly understood this: the number of shareholders seeking socially responsible investments is growing; tenants are demanding energy efficient and comfortable buildings; and, employees are constantly seeking meaning in their activities.

In the office sector, Cofinimmo has acquired, as a result of the regulations but also through an ambitious, determined approach, experience in the (re-)development and operation of energy-efficient buildings. The Belliard 40 building, inaugurated at the beginning of the year, which has a BREEAM Excellent rating and is laureate of the call for projects for exemplary buildings (Batex) in the Brussels-Capital Region, is an excellent example of this.

In the healthcare real estate sector, dialogue with operators is essential. Indeed, it is during design or extension works that Cofinimmo can improve the characteristics of buildings to make them more sustainable. It does not manage the buildings in this segment on a day-to-day basis but rather offers its services to operators to advise them, as required, concerning the more energy-efficient management of buildings, or to give them information about targeted modifications.

Cofinimmo has a comprehensive approach. It takes the whole life cycle of the building into account: from the design of the property, including the selection of its location, to the study and implementation of its sustainability and its recycling. 74% of the energy used in the construction of a building relates directly to the constituent materials. Cofinimmo takes this fact into account when it considers the sustainability of the buildings that it places on the market. Its teams has this sensitivity. For example, the redevelopment of the Quartz office building, which will be delivered in early 2020, has been subject to a life cycle analysis as from its design phase.



In 2018, Cofinimmo stepped up its commitment by becoming a signatory of the ten principles of the United Nations Global Compact. By doing so, Cofinimmo confirms that, at a minimum, it incorporates, in its values and its operating principles, compliance with fundamental responsibilities in the areas of human rights, labour, the environment and the fight against corruption.

Cofinimmo endeavours as far as possible to give a second life to the materials and equipments of the buildings that it renovates. On this point, it collaborates with a number of companies and associations.

However, a building's purpose sometimes changes, and this reality is also part of the life cycle of buildings. When a district changes or new opportunities to supplement its built areas arise, Cofinimmo sometimes modifies the use of one of its buildings. Therefore, it recently converted the Woluwe 106-108 office building in Brussels into a nursing and care home called Vivalys. In this specific case as in others, every effort is made to preserve the construction elements that can be kept in the building. Regarding the other materials that are not used in the renovation of the building, Cofinimmo endeavours to find new opportunities for them via certain associations.

Moreover, there is also a trend towards creating diversity. What forms does this take? The combination of shops, offices and hotels in built areas, for example, or the creation of greener spaces and places for sharing and meeting, etc. Towns and cities are constantly evolving, and here Cofinimmo has an essential role to play in optimising the quality of life of inhabitants and in the solutions to be provided to the population's needs.

Jean-Pierre Hanin
Chief Executive Officer

Jacques van Rijckevorsel
Chairman of the Board
of Directors

Caring, Living and Working - Together in Real Estate

CARING

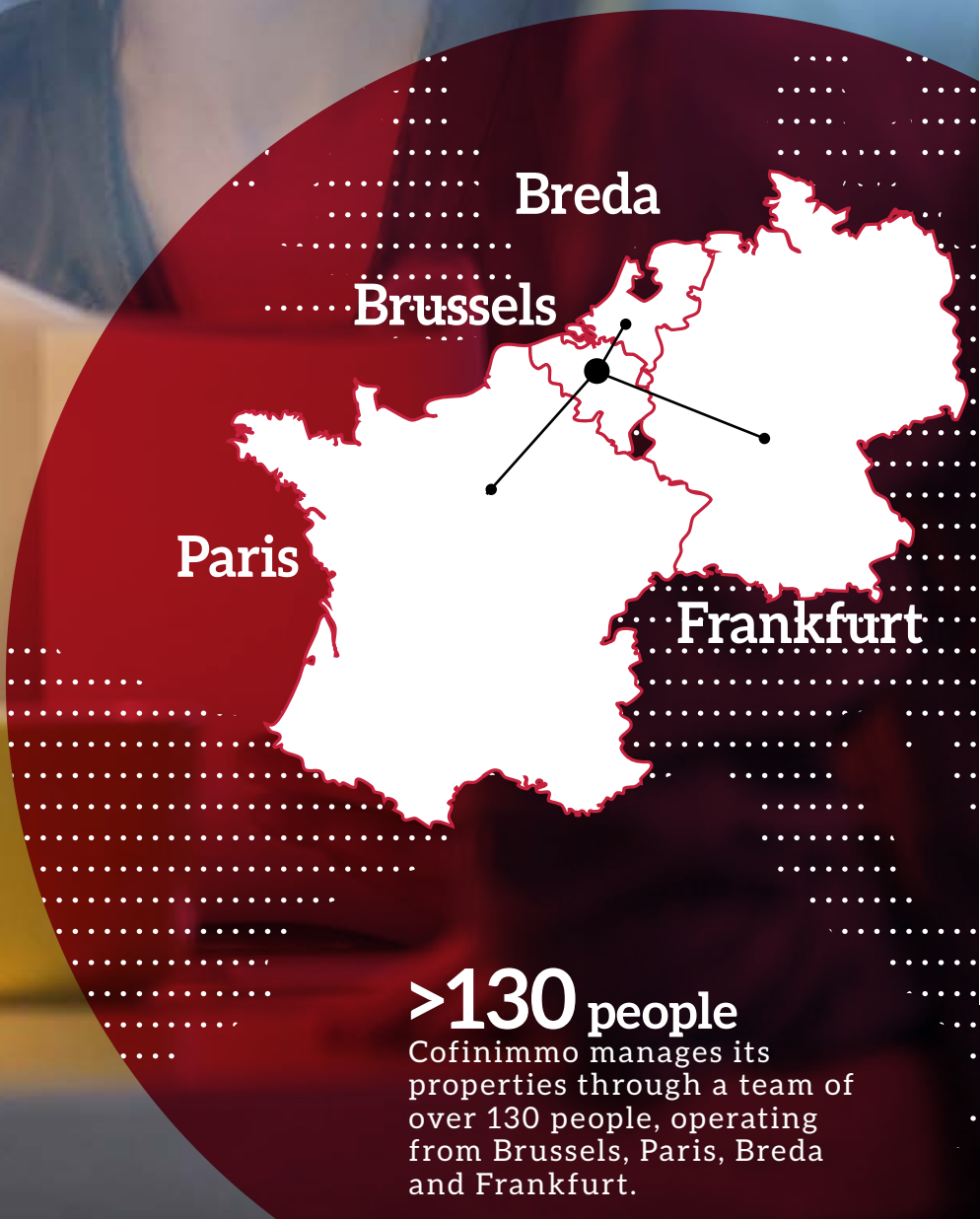
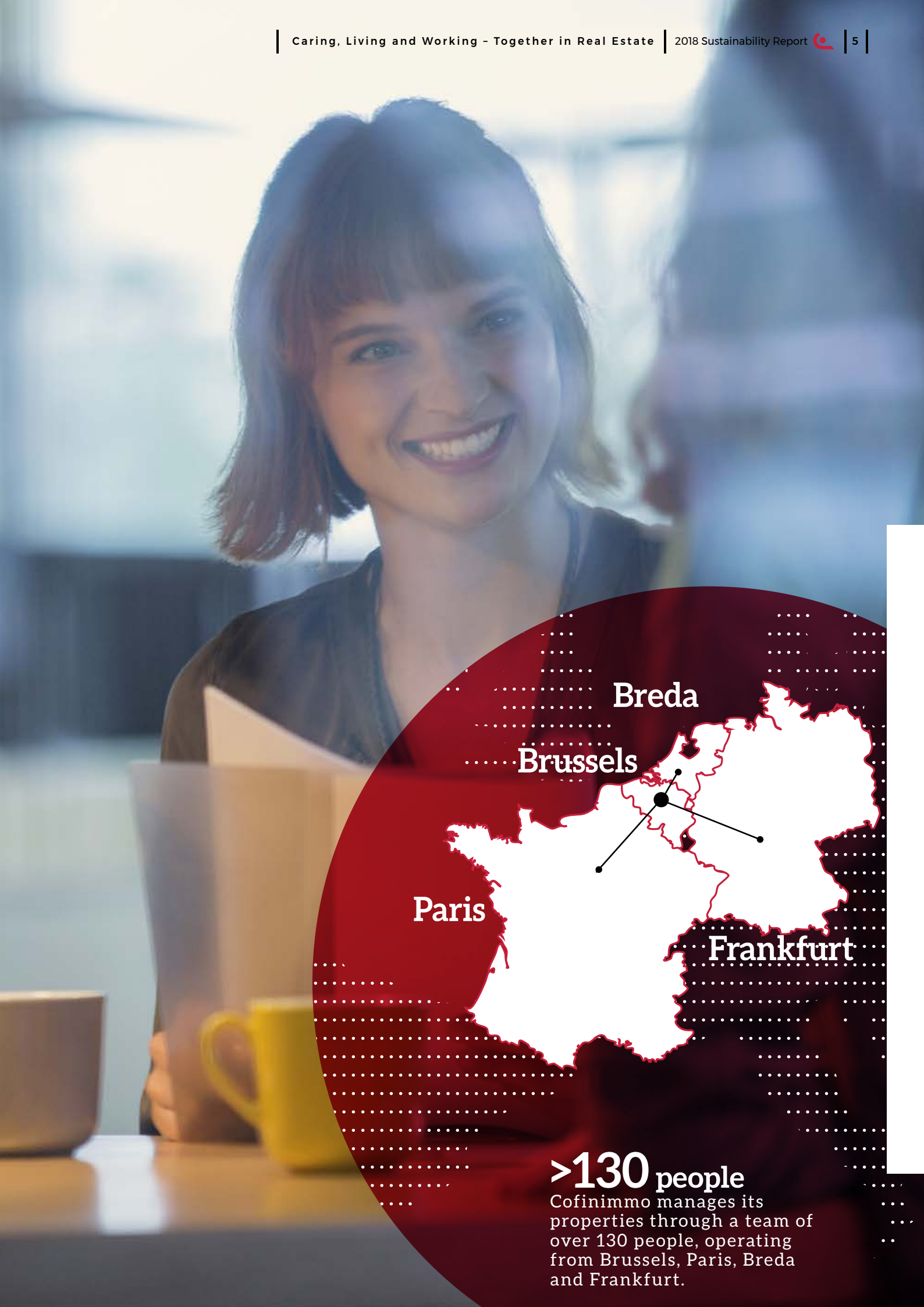
Be a leading European healthcare REIT with top quality portfolio, also participating to innovative real estate concepts addressing healthcare challenges

LIVING

Opportunistic add-on approach with secured long-term income

WORKING

Creating value through capital recycling and rebalancing portfolio towards Brussels Central Business District (CBD)



>130 people

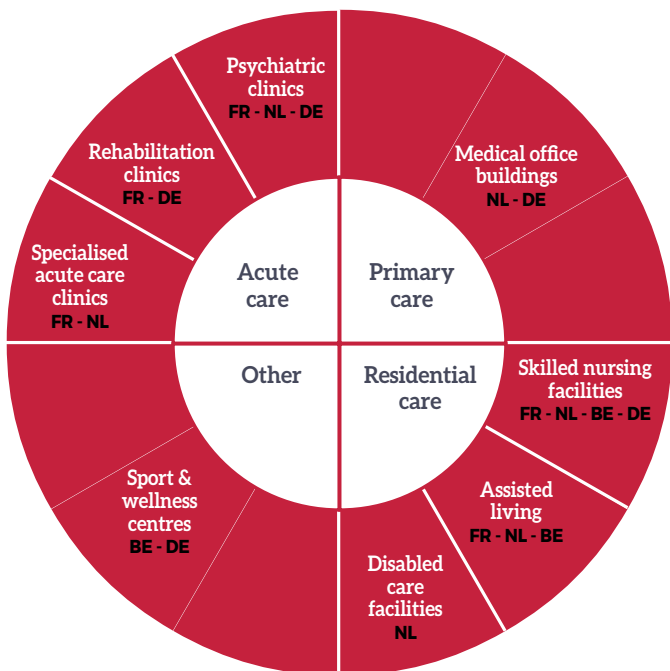
Cofinimmo manages its properties through a team of over 130 people, operating from Brussels, Paris, Breda and Frankfurt.

Caring



“Cofinimmo aims to accelerate its investments in healthcare real estate to consolidate its leadership in Europe”

“Cofinimmo sees healthcare real estate not only as a promising asset class, but also as a way of solving two societal challenges: limiting the increase in healthcare costs and meeting the growing demand of an aging population”



“The goal of the Fundis project in Rotterdam is not only to meet the residents’ needs, but to create a central place to live for the entire neighbourhood.”



1.9 billion EUR
Fair value of the portfolio

50%
Of the overall portfolio

900,000 m²
Above-ground surface area

15,000
Number of beds

99.9%
Occupancy rate

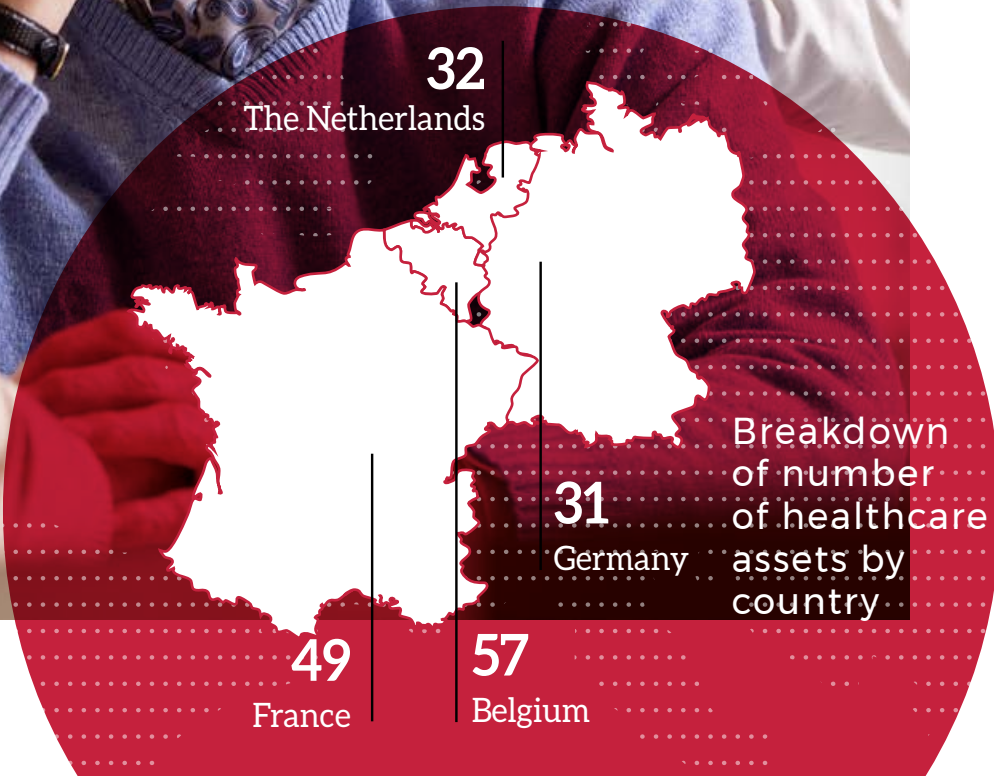
6.0%
Gross yield

15.6 years
Average residual lease length

169
Number of assets

181 kWh/m²
Energy intensity of the sector

2005
First investment in
healthcare real estate



560 million EUR
Fair value of the portfolio

15 %
Of the overall portfolio

400,000 m²
Above-ground surface area

98.5 %
Occupancy rate

6.3 %
Gross yield

10.1 years
Average residual lease length

1,233
Number of assets, of which:

962
Pubs and restaurants and

271
Insurance agencies

7
Assets under management
in the PPP-portfolio

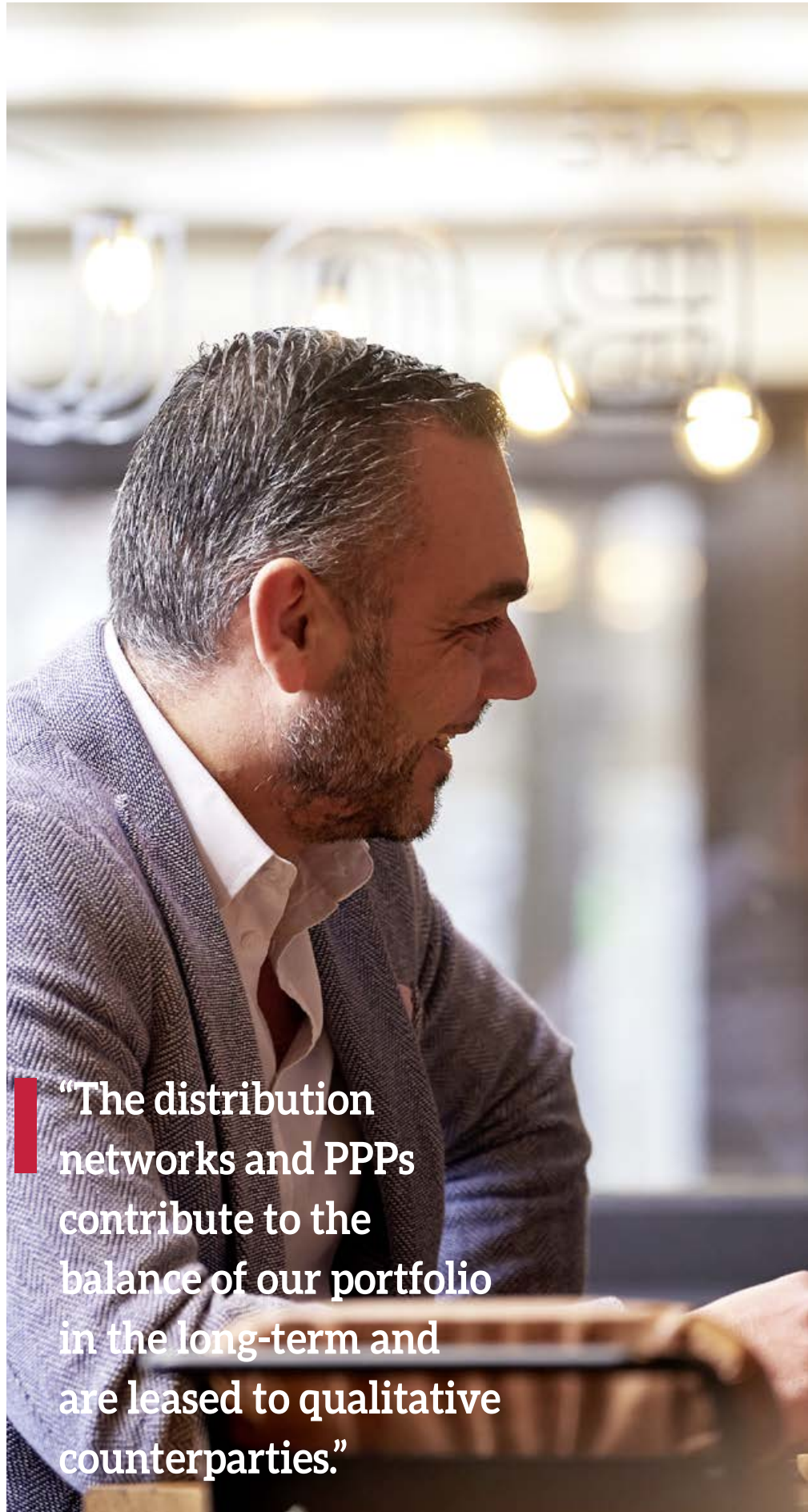
103 kWh/m²
Energy intensity of the sector

2005
Awarding of the first PPP:
the courthouse of Antwerp

2007
Partnership with the AB InBev Group
regarding a portfolio of pubs and
restaurants

2011
Partnership with MAAF regarding
a portfolio of insurance agencies

2018
The project, presented by the
Cofinimmo/CFE consortium, in
cooperation with Atelier Jean
Nouvel is selected for the NEO II site.
Construction of a convention centre
that will enhance the international
profile of Brussels.



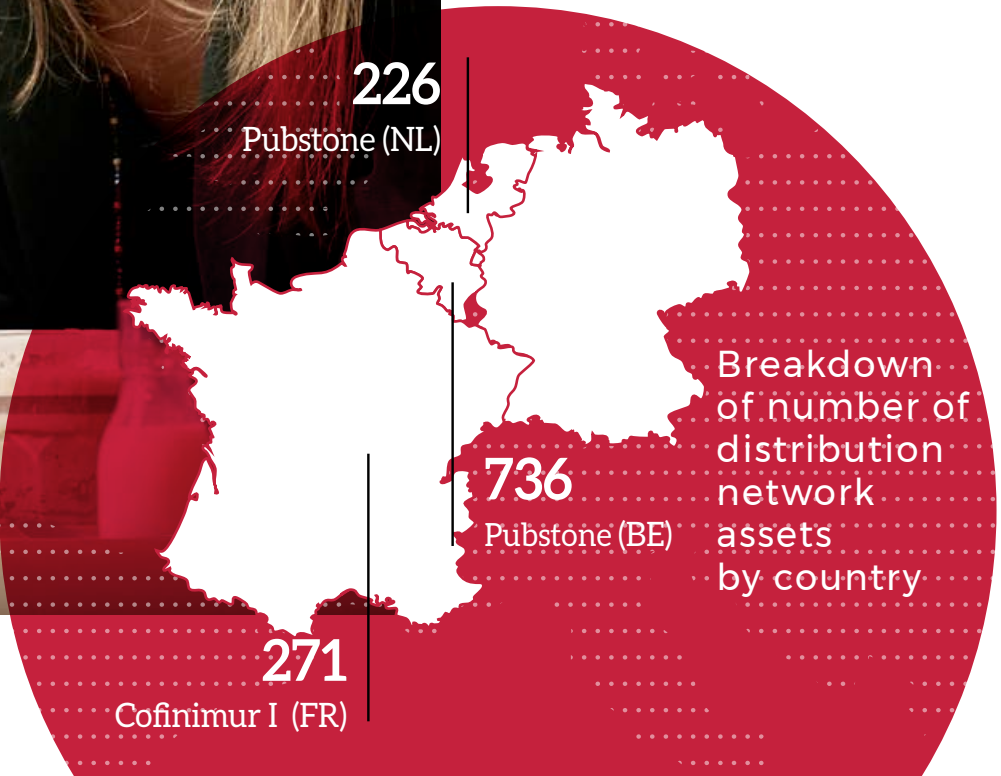
**“The distribution
networks and PPPs
contribute to the
balance of our portfolio
in the long-term and
are leased to qualitative
counterparties.”**

Living



“The Cofinimmo teams have built up a unique expertise in complex and innovative structures, such as the Antwerp courthouse or, more recently, the NEO II convention centre.”

“Because these markets are only accessible to a limited number of sufficiently qualified investors, Cofinimmo intends to play a major role as soon as opportunities arise, as has previously been the case for the transactions with AB InBev (2007) and MAAF (2011), and for the seven PPPs already concluded.”



Working



“Cofinimmo’s strategy consists of improving the overall balance of the office portfolio by reducing the part invested in the decentralised area to the benefit of assets located in the Central Business District of Brussels.”

“Cofinimmo’s staff is well-versed in the A to Z management of major projects encompassing the design, construction, renovation, reconversion and development of sites, with the goal of either renting or selling. It is an expert in every aspect of the building life cycles.”



**“Rebalancing
the portfolio
towards the
centre of Brussels”**



1.26 billion EUR
Fair value of the portfolio

34%
Of the overall portfolio

600,000 m²
Above-ground surface area

88.8%
Occupancy rate

7.3%
Gross yield

84
Number of assets

2016
Opening of the first
Flex Corners® and Lounges®

11
Number of buildings with
a BREEAM certificate

195 kWh/m²
Energy intensity of the sector



Key figures

As at 31.12.2018

Operational

3.7 billion EUR

Portfolio fair value

+6.3%

In 2018

212 million EUR

Property result

+0.9%

In 2018

1,900,000 m²

Total above-ground surface area

1,489

Assets

6.5%

Gross rental yield at 100 %
occupancy

95.8%

Occupancy rate

10.9 years

Weighted average
residual lease length

Financial

2.5 billion EUR

Market capitalisation

Member of the **BEL20**

107.27 EUR

Average ordinary share price

7.5%

Total return of
the ordinary share in 2018

6.55 EUR/share

EPRA result

94.76 EUR/share

EPRA Net Asset Value

43%

Debt ratio

1.9%

Average cost of debt

**BBB/long term &
A-2/short term**

Standard & Poor's rating

Non-financial

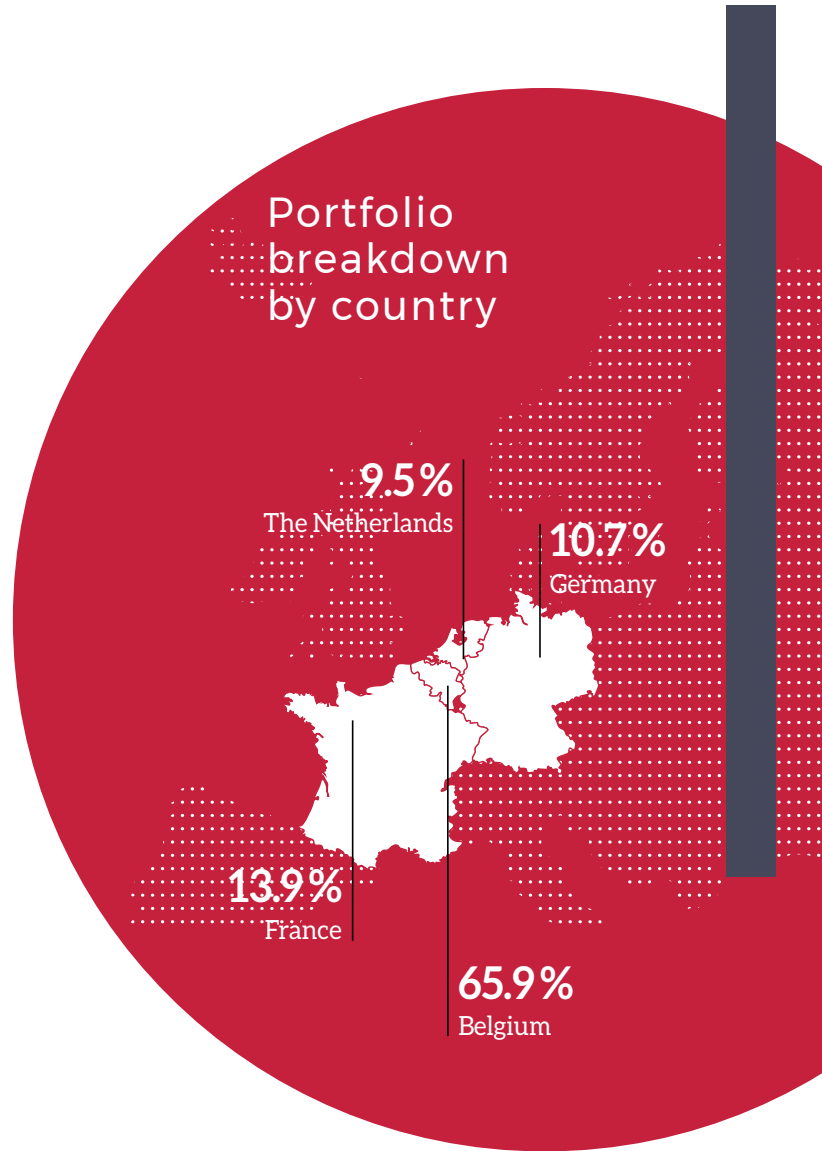
>130
Employees

36% men

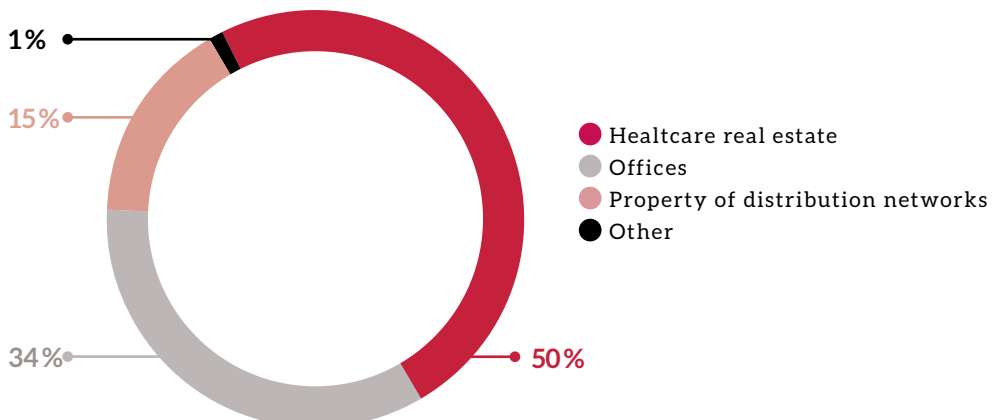
64% women

179 kWh/m²
Average portfolio energy consumption

69%
'GRESB Green Star'



Portfolio breakdown by segment
(as at 31.12.2018 - at fair value)



Major trends and their impacts on the materiality matrix

Cofinimmo must be prepared to the world of tomorrow and integrate society's major trends into its strategy, otherwise it risks seeing its buildings become rapidly obsolete and endanger its economic sustainability. The United Nations Sustainable Development Goals (SDG) are among these major trends which Cofinimmo must take into account.


Cofinimmo positions itself as a driver for change in dealing with challenges such as climate change, population ageing, growing urbanisation, changing technologies and working practices and, therefore, built space requirements. Cofinimmo is building more efficient buildings and managing them more cost-effectively in response to increased regulation on energy performance. However, those are not the only aspects that have to be taken into account.

The 21 topics included in the company's materiality matrix reflect the importance of these trends for Cofinimmo, but also for its stakeholders.


The materiality matrix was drawn up for the first time in 2014 in accordance with the Global Reporting Initiative (GRI) guidelines. It is reviewed and refined on an annual basis. Each of its points represents a sustainability topic for the company. Its position is co-determined by stakeholders' perception of each topic and the impacts' significance estimated internally by Cofinimmo.

The upper right area, beyond the green curve in the chart at the right, contains the nine priority areas for action from the 21 identified internally. The other topics in the materiality matrix are not considered to be a priority and are below the green curve. This does not reflect disinterest but can be explained by the fact that these topics are, for the most part, subject to fairly strict legislation that requires companies to deal with them, irrespective of the perception of their importance on the part of the company. For example, Cofinimmo endeavours to reduce water consumption as much as possible by means of the introduction of remote meters, in the same way as it handles energy consumption and GHG emissions.

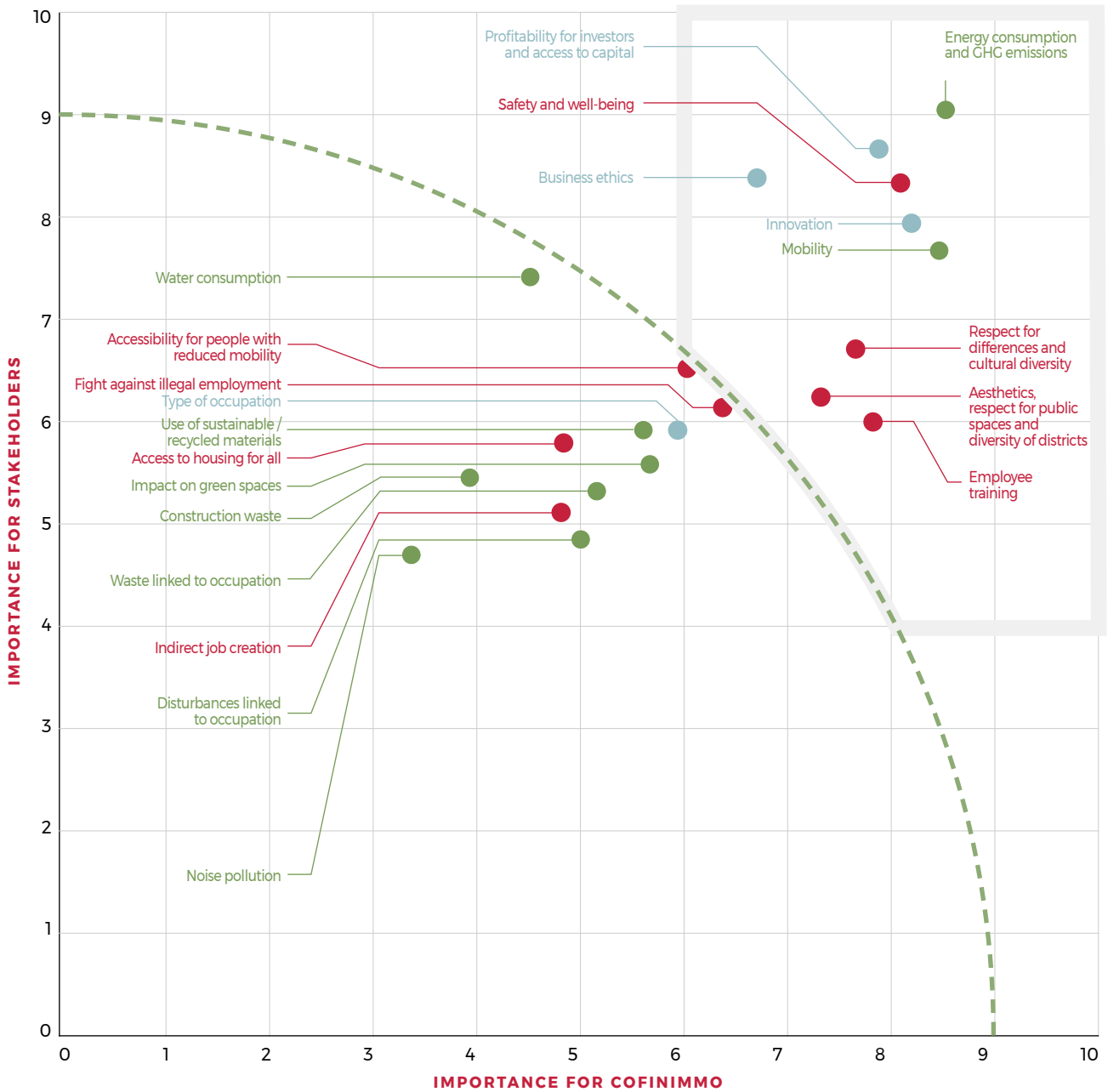
All the details of the actions carried out in 2018 and future objectives are set out in a dashboard (see pages 78-83). The link between the topics of Cofinimmo and the SDGs is set out in a table (see page 84).



By 2030, the United Nations aim to end poverty and improve the lives of all people while protecting the planet. This programme takes the form of a list of measures to be adopted, namely the 17 Sustainable Development Goals (SDG).



Materiality matrix



Social

- Safety and well-being
- Respect for differences and cultural diversity
- Aesthetics, respect for public spaces and diversity of districts
- Employee training
- Accessibility for people with reduced mobility
- Fight against illegal employment
- Access to housing for all
- Indirect job creation



Environmental

- Energy consumption and GHG emissions
- Mobility
- Water consumption
- Use of sustainable and/or recycled materials
- Impact on green spaces
- Construction waste
- Waste linked to occupation
- Disturbances linked to occupation
- Noise pollution



Economic

- Profitability for investors and access to capital
- Innovation
- Business ethics
- Type of occupation

Ageing population

The acceleration in the ageing of the population is having an impact on current social models: the increase in the retirement age, the organisation of healthcare, etc.

The growing healthcare real estate sector has to meet the expectations of an ever-increasing segment of the population. This means care buildings that are more flexible according to the degree of autonomy of individuals, combined with suitable housing.

But what are the population projections for the EU-28? "During the period from 2017 to 2080 the working age population share is expected to decline steadily through until 2050 before stabilising somewhat, while elderly people will likely account for an increasing share of the total population: those aged 65 years or over will account for 29.1% of the EU-28's population by 2080, compared with 19.4% in 2017. As a result of the population shift between age groups, the EU-28's old age dependency ratio is projected to almost double from 29.9% in 2017 to 52.3% by 2080. The total age-related dependency ratio is projected to rise from 53.9% in 2017 to 79.7% by 2080" (source Eurostat, May 2018 data).

This trend is addressed by the core strategy of Cofinimmo, which, through its healthcare real estate segment, aims to meet the needs of society: offering housing for all, including to the elderly, the ill, people with disabilities or undergoing rehabilitation, creating mixed neighbourhoods where each function co-exists in harmony, promoting the accessibility of buildings to people with reduced mobility, developing sound buildings in which it is attractive to live.

The sharing economy

A new awareness by a section of society about the importance of limiting its carbon footprint, the search for a more efficient and reasoned use of physical and financial resources is leading an increasing number of people and companies to embrace the principles of the sharing economy.

They become product users rather than product owners or, in the case of real estate, sole tenants. In addition, this approach provides users access to flexible solutions that are more in line with their rapidly changing needs and avoids certain investment costs.

Many sharing applications already directly or indirectly impact the office real estate sector: shared vehicles and bicycles, some of which are electric, pooled parking spaces, shared meeting rooms in buildings and business parks, co-working areas, etc.

However, the sharing economy also affects residential real estate. Housing with more community areas is being built, sometimes for a very targeted group of users, like Generation Y, but also for senior citizens in the form of service flats.

Well aware of this topic, Cofinimmo is increasing initiatives in the area of mobility by testing shared vehicle solutions and putting in place infrastructure for cyclists in its buildings. It is also innovating by creating shared spaces such as those clients find in office buildings in the form of Lounge®, shared meeting rooms or Flex Corner®.

The circular economy

Natural resources are clearly limited. In this connection, as a result of lobbying by NGOs, circular economy initiatives are being promoted and even subsidised by the European Commission and certain countries, regions and cities in Europe so as to limit waste and increase the rate of reuse of materials. Every year in the European Union, nearly 15 tonnes of materials are used per person and each EU citizen generates, on average, more than four and a half tons of waste ("The Circular Economy: connecting, creating and conserving value", source European Commission).

Aware of its impact during (re)development works, Cofinimmo selects sustainable materials that can easily be recycled or, preferably, reused. This practice is in line with the reflection initiated over a year ago by Cofinimmo on the life cycle of its buildings. When buildings are demolished, the waste is also very strictly sorted. This is also the case in office buildings in operation, where every effort is made to promote sorting, sometimes going beyond the legal requirements.

Well-being at work and hospitality

In the countries where Cofinimmo is present, there is a gradual decrease in the proportion of working people due to population ageing, on the one hand, and to lower birth rates, on the other hand. This phenomenon should accelerate between 2020 and 2030. This situation is gradually leading to a talent war in which the winning company will be the one in a position to provide its employees with work-life balance, a degree of physical and mental well-being and, above all, meaningful work.

It is in this context that Cofinimmo seeks to offer its clients safety and well-being in its buildings, and innovative infrastructure is therefore made available and offered through partners. In particular, they comprise concierge-type services much like in the hotel industry. This includes, for example, play and relaxation areas, a fitness centre, personal services such as dry-cleaning, ironing, shopping home delivery, car wash, etc.

New types of certification are supplementing existing environmental certifications (BREEAM, LEEDS, HQE, etc.) by assessing buildings according to their ability to meet human needs: access to quality air and water, daylight, healthy food, contact with nature, etc.

Every effort is made to ensure a healthy and pleasant working environment, which has a positive impact on the well-being of employees, their motivation and their productivity.

Evolving technology to enhance real estate: internet of things, augmented reality, artificial intelligence, digitalisation

It is difficult to imagine the future extent and impact of evolving technology in the real estate sector, but early experience can already provide some indications. Technology makes it possible to go beyond the automation of repetitive tasks and today it provides support in more complex intellectual processes.

• In client relationships:

- o When selecting premises, new technologies optimise the decision-making process on the basis of complex criteria, such as travel time between home and work for employees and visitors, and selected transport modes.
- o Visits can be done virtually without travel, using a digital tablet or a virtual reality headset, and layouts can be selected dynamically.
- o Working space becomes more personalised and is directly controlled via a smartphone: temperature, lighting, etc.

• In equipment maintenance and failure management:

augmented reality will guide technicians in their maintenance tasks and provide them with real-time image assistance. In addition, the enriched data provided by communication between technical equipment (Internet of Things) will anticipate failures and carry out a first diagnosis to enable the technician to make targeted repairs.

• **In energy management:** taking into account the New Way of Working in which employees no longer have allocated spaces, a smart building approach will enable the gradual and efficient occupancy of the building. Empty areas can in this way remain vacant and non-air-conditioned, which provides energy savings.

As refurbishments progress, Cofinimmo is gradually integrating technology into its buildings (Smart Buildings), making it possible to manage energy more efficiently and in this way reduce their greenhouse gas (GHG) emissions.

Changing technology for healthcare

Technology is enabling a gradual shift from curative to preventive medicine. The appearance of remote monitoring devices and portable sensors enables doctors to have a more dynamic picture of their patients' health and, whenever possible, to more quickly adapt their treatment based on their condition. These sensors can even automatically send a message to emergency services if there are serious anomalies in a patient's parameters. All these possibilities have an impact on healthcare infrastructure: hospital stays are now shorter.

Other types of healthcare real estate are being developed to meet the needs of an ageing population, which nevertheless remains very autonomous: rehabilitation centres, day centres, etc. This new generation of senior citizens wants to stay in their own home as long as possible, and the changes in healthcare technology will make this possible. However, it will require flexible housing design that can evolve according to a person's stage in life.

● **Vivalys nursing and care home - Brussels (BE)**

● **De Driesten medical office building - Eemnes (NL)**



Value chain

Financing, skills and sustainable materials for the long term.

Financing

Cofinimmo's mission is to offer its shareholders a socially responsible, long-term, low-risk investment, that generates a regular, predictable and growing dividend. Cofinimmo must also have access to financing sources that are sufficiently diversified and at the lowest possible cost to reduce the refinancing risk at debt maturity and to guarantee the company's long-term future (see also chapter 'Profitability for investors and access to capital').

Skills

To implement projects with an environmental impact, whether it be offices (including the head office) or other types of buildings, Cofinimmo has an ISO 14001:2015-certified environmental management system running throughout the life cycle of its portfolio. The levers at the different stages vary by business segment (see table below).

	Healthcare real estate	Distribution networks and PPP	Offices
Acquisition	●●●	●	●●●
Design	●●	●●	●●●
Construction	●●	●●	●●●
Marketing	●	●	●●●
Operational management	●	●	●●●
Demolition/ refurbishment/ redevelopment	●●	●	●●●

Cofinimmo's influence: ● low - ●● medium - ●●● high

Cofinimmo's influence is described in detail and by segment in the chapter 'Management report' of the 2018 Annual Financial Report (see pages 38, 47, 51 and 58).

Materials

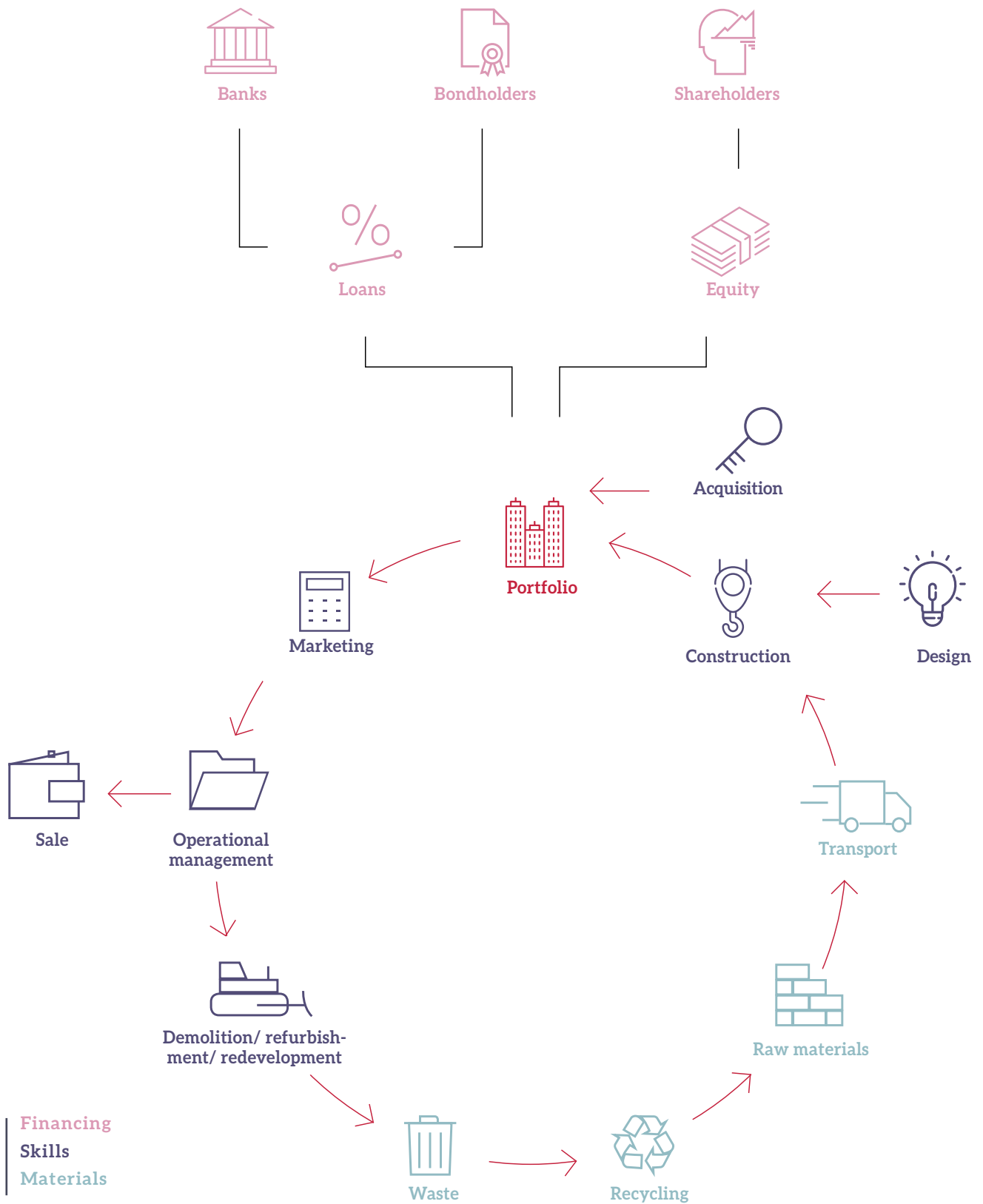
Cofinimmo has implemented a Life Cycle Analysis (LCA) that is intended to be very qualitative. Consideration is given starting from the design (or redevelopment) phase for a building and helps to beforehand make sustainable choices on the construction principles (demolition or refurbishment), the materials and the programme for the works to be carried out (reuse of the internal elements). It

also takes account of the potential for future development of the building. This method is backed by the BREEAM certification and the ISO 14001 standard. LCA, when combined with other tools, such as BIM (Building Information Modelling), makes it possible to map, evaluate and budget for all the components of a building.

● **'Seniorenzentrum Haus Hüttener Berge' nursing and care home - Ascheffel (BE)**



Value chain



Dialogue with stakeholders

As a real estate company that invests in buildings and through its listing on the stock market, Cofinimmo enables as many people as possible to invest indirectly in real estate.

Aware of the impact of its activities, it maintains a regular dialogue with its stakeholders at every stage of a building's life cycle.



From the design stage and the permit application, Cofinimmo organises consultation meetings with, among others, local residents, local government and retailers. The aim is to strike a balance between the interests of each stakeholder, in particular by taking into account the importance of respect for protected natural areas, heritage conservation, traffic in the neighbourhood, retail activity, residents' well-being, etc. It also considers the needs of future occupants and a sufficient level of profitability to compensate its investment.

In the building operation phase, Cofinimmo regularly meets its clients to assess their needs and their satisfaction levels.

It also places a lot of importance in the motivation and commitment of each of its employees through in particular transparent and proactive communication, appraisal, feedback, reward, individual and team coaching and training processes, work-life balance, accountability, etc.

In some cases, Cofinimmo interacts with its stakeholders in multiple ways: a banker can, for example, be a capital provider and, at the same time, a building tenant or even a local resident.

Each Cofinimmo department is responsible for identifying and interacting with its own stakeholders. Through the company's code of conduct, guidelines are provided to each employee. The communication department is there to guide and assist each department, where appropriate, in its dialogue with its stakeholders.

Cofinimmo endeavours to improve the exchanges with each stakeholder on the material subjects relating to its activities and to take them into account in its decision-making process. It also firmly believes that the involvement of stakeholders is essential in order to innovate and ensure its long-term success.

But who are Cofinimmo's key stakeholders?

Shareholders and investors: individual or institutional shareholders and bankers

As a company listed on the stock market, Cofinimmo has a duty to have a transparent dialogue with all its investors and to ensure they receive the same information.

The people primarily responsible for this dialogue are first and foremost the members of the Executive Committee and, more specifically, the CEO and the CFO, assisted by the external communication and finance departments.

In 2018, Cofinimmo participated in 9 road shows and 11 conferences in 7 different countries. During these road shows / conferences, it was able to meet more than 160 institutional investors and answer their questions on the company's strategy. In addition, since 2014, Cofinimmo also publishes a biannual letter to shareholders that relates significant company news.

Clients and occupants: nursing home operators, retailers, public services, office tenants and other occupants

Depending on the business segment, the first contact that a client has with Cofinimmo takes place with the sales team or the Property Managers. The aim of the sales staff is to be able to best meet the needs expressed by the client before a space is leased, while that of the Property Managers is to ensure the client's comfort and satisfaction throughout the period of building occupation. If necessary, the Project Management team is also available to carry out improvement works on tenants' premises, or to initiate more structural projects in the case of healthcare real estate.

In the office segment, the client meets with a Cofinimmo employee in person at least once a year. In reality, there may be quarterly or even more frequent contacts if telephone conversations and e-mails are included. The client can also contact the company via the Service Desk, which is available 24/7. In 2018, the Service Desk responded to 10,612 client requests.

In the healthcare real estate segment, the client also receives visits from Cofinimmo's Property Managers or their representatives. In Germany, Cofinimmo has signed outsourcing agreements for the technical property management of buildings. Why? Because the buildings are geographically dispersed. The number of visits therefore ranges from one per quarter to one every three years if Cofinimmo has no responsibility in the management of the building through the application of a triple net lease contract.



Employees

The size of the company, which today has 131 people, means that there are regular contacts with the human resources manager or one of the members of the Executive Committee. Information meetings open to all employees are organised on a quarterly basis and enable discussion with members of the Executive Committee.

Employees are also asked to express their views through audits carried out in the context of the Investors in People accreditation.

Team-building events are organised as required in order for employees within a team to get to know each other better and, if necessary, to identify points for improving the team dynamics. In 2018, three team-building events with 48 participants were organised.

Finally, the half-year and end-of-year individual appraisals are an opportunity to more formally discuss the expectations, role and objectives of each employee within the company.

Investors in People is a management framework to achieve high performance through people. The IIP accreditation, a mark of excellence, is acknowledged worldwide. It aims to optimise performance by promoting best practices in the management of people and organisations that are equipped with the tools necessary for success. Organisations that demonstrate the Investors in People standard obtain the IIP accreditation via a rigorous and objective evaluation. (www.investorsinpeople.co.uk)

Suppliers of goods and services: developers, contractors, service providers, facility managers, real estate agents, lawyers, consultants

Cofinimmo works with more than 1,750 suppliers, the 20 largest of which account for around 50 % of expenditure. These are primarily contractors responsible for the (re) development of buildings and companies who carry out regular maintenance on buildings (technical maintenance, energy supply, cleaning, etc.).

There are many interactions with all the suppliers of goods and services. From the design phase for a building being (re)developed, Cofinimmo organises meetings with the architects and, where appropriate, the contractors. Subsequently, in the construction phase, site meetings are held on a weekly basis. These make it possible to assess the progress of works, to make decisions on certain issues based on unforeseen factors encountered and to ensure the safety of all the people involved.

In the operation phase, Cofinimmo meets on a monthly basis with the companies responsible for the technical installations of the buildings it operates. These meetings are an opportunity to, among other things, discuss the best way to ensure the comfort of the occupants and the safety of the technicians, to carry out the maintenance of the installations and to limit energy consumption.

Supervisory authorities: the Financial Services and Markets Authority (FSMA), the National Bank, auditors, municipal, regional and federal authorities

As a Belgian company listed on the stock market, Cofinimmo contributes, in particular with the payment of taxes and duties, to the economic life of the countries in which it is active.

It maintains numerous relationships with the public authorities that supervise it in order to ensure the proper payment of taxes and the transparency of the financial information published. These contacts are maintained with the finance team, but also with the operational teams. Discussions with the authorities take place on an ad hoc basis: during applications for building, planning or environmental permits, for tax rulings, for the validation of published financial information and for audits of the financial statements, etc.

Media, financial analysts

Cofinimmo reaches the entire financial world with an interest in its activities through 38 press releases and half-yearly and annual financial reports that it published in 2018. All this information is available in three languages (French, Dutch and English) on its website. Since 2018, Cofinimmo has also published in German press releases relating to its operations in Germany, to reach an even wider audience.

Civil society, local communities: local residents, civil society associations, etc.

Cofinimmo pays close attention to its impact on civil society. In order to listen to it, Cofinimmo regularly takes part in conferences linked to its activities, gives interviews with journalists or agrees to help university students in the context of their academic work. Cofinimmo is also a member of associations such as, for example, The Shift, in which both businesses and NGOs participate. These fora are an opportunity to reflect on the potential improvement of Cofinimmo's sustainability policy.

The Shift is the national contact point for the World Business Council for Sustainable Development (WBCSD) and the UN Global Compact (UNGC). Over 370 organisations from a range of sectors are members of this network: businesses, NGOs, associations, universities, public bodies and other key actors in society.



Spheres of influence



Environmental

169
Healthcare buildings

146
Tenants

15,188
Residents

2
Distribution networks

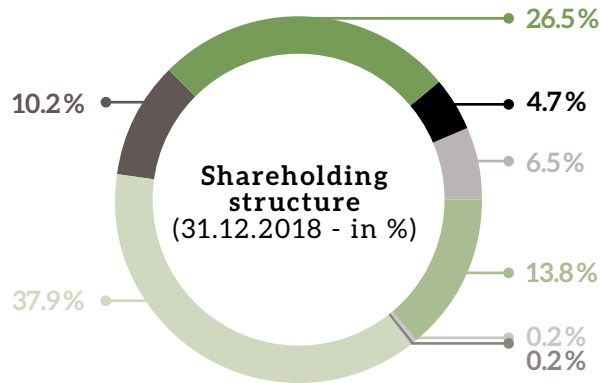
271
Insurance agencies

962
Pubs and restaurants

87
Office buildings

411
Tenants

31,583
Occupants



- Investment funds
- Pension funds
- Private banking
- Retail investors
- Hedge funds
- Treasury shares
- Not identified
- Insurance companies



Economic

1,750
Suppliers

111 million EUR
Services

10
Banks

2.1 billion EUR
Equity

1.6 billion EUR
Borrowed funds



Social

4,135
Twitter/LinkedIn followers



Stakeholders: expectations and responses

Stakeholders	Expectations	Responses
<p>Shareholders and investors: individual and institutional shareholders, bankers</p>	<ul style="list-style-type: none"> • A regular, predictable and growing dividend; • Protection of the invested capital; • A moderate risk profile; • The provision of transparent financial information; • A long-term relationship; • A socially responsible investment; • Reimbursement of debt and payment of interest. 	<ul style="list-style-type: none"> • A clear investment policy in the three business segments: healthcare real estate, distribution networks and PPP, and offices; • A search for income over the long-term; • Transparent financial information, audited by the external auditor, governed by the regulations and supervised by the Financial Services and Markets Authority: annual report, participation in investor events, General Meeting, etc.; • Full application of the corporate governance code.
<p>Customers and occupants: nursing home operators, retailers, public services, office tenants and other occupants</p>	<ul style="list-style-type: none"> • A building in line with the specific needs of their activities; • The ability to innovate in order to meet changing needs; • Rents in line with their financial potential; • Control of rental-related expenses; • A trustworthy, stable landlord; • Sustainable buildings. 	<ul style="list-style-type: none"> • A team of professionals active in various real estate fields: sales representatives to fully understand customers' needs, Project Managers to ensure the buildings' construction quality, Property Managers to ensure efficient management of buildings in operation and control of rental-related expenses.
<p>Employees</p>	<ul style="list-style-type: none"> • Pleasant working conditions; • Fair treatment; • Guaranteed, stable and attractive wage scale; • A skills development plan (training, career prospects, etc.); • Management that listens, with strong ethical values and a sense of leadership. 	<ul style="list-style-type: none"> • A code of conduct; • A system for the annual appraisal of performance and the employee/manager relationship; • Access to training; • Regular employee surveys; • The Investors in People accreditation, a sign of Cofinimmo's commitment to the development of its staff; • Fair treatment. Cofinimmo has signed the diversity charter of the Brussels-Capital Region, where its head office is located.
<p>Suppliers of goods and services: developers, contractors, service providers, facility managers, real estate agents, lawyers, consultants</p>	<ul style="list-style-type: none"> • Opportunities for working together; • Compliance with purchase orders and signed contracts: product and service prices, payment deadlines, etc.; • A healthy, well-balanced commercial relationship; • Respect for suppliers' staff. 	<ul style="list-style-type: none"> • Clear specifications and tender rules; • Acceptance of the products and services delivered agreed on by both parties; • Payment of agreed amounts within the agreed deadlines; • Openness to dialogue in the event of a dispute; • A code of conduct that includes supplier relationships.

Stakeholders	Expectations	Responses
<p>Supervisory authorities: the Financial Services and Markets Authority (FSMA), the National Bank, auditors, municipal, regional and federal authorities</p>	<ul style="list-style-type: none"> · Compliance with the laws and regulations in effect, particularly those governing town planning and environment; · Open dialogue through professional associations; · Compliance with public space planning rules. 	<ul style="list-style-type: none"> · Financial publications and press releases that meet regulatory requirements; · Timely transmission of information on the transactions carried out to enable the supervisory authority to review them without undue haste; · Compliance with the legislation and procedures in effect and the forms required by the authorities.
<p>Media, financial analysts</p>	<ul style="list-style-type: none"> · Accurate, reliable information and timely dissemination. 	<ul style="list-style-type: none"> · Annual reports, press releases and other publications; · Participation in interviews, round tables, debates and road shows; · Press conferences; · Non-financial ratings.
<p>Civil society, local communities: local residents, civil society associations, etc.</p>	<ul style="list-style-type: none"> · A response to society's actual real estate needs; · A contribution to citizens' well-being; · Improvement of urban quality of life and harmony; · Payment of taxes. 	<ul style="list-style-type: none"> · Investment in segments that represent a demand and respond to a present and future societal challenge (healthcare real estate, PPP); · Respect for the neighbourhood when refurbishing buildings or during new developments; · Citizens' initiatives supported by Cofinimmo's employees (mobility week, waste reduction week, help for the homeless, etc.).

Business ethics

As a leader in the market and a listed company, Cofinimmo demonstrates transparency and ethical behaviour towards its stakeholders in conducting its activities. It of course condemns any practices that are questionable or punishable by law (corruption, money laundering, undeclared work, social dumping, etc.) and also those that go against the principles of sustainable development, fair treatment, equal opportunities and respect for others.

The operating principles apply to all the sectors in which Cofinimmo is active and in all the countries in which it is active.

2018 Performance indicators

- **No cases of misappropriation** were identified.
- **No cases of wrongdoing** in calls for tenders were identified.

2019 Objectives

- Continue to rigorously comply with the transparency and ethics rules.
- Ensure, via the internal auditor and the tasks assigned to him, the identification of the risks of failure to comply with these rules.
- Fully review the texts of the existing charters before consolidating them in a single charter and organise internal training on the new charter brought into effect.

Values

Challenging oneself is an attitude that Cofinimmo has always adopted in order to be in sync with a dynamic world. In this spirit, it has decided to demonstrate certain values for the coming years: **Connectivity, Accountability and Customer Experience**. These words, beyond the concepts, were chosen to be closely in line with corporate ambitions. As for the skills expected from every employee, **Rigour and Creativity** are shifting to **Reliability and Pioneership**.

These are not just buzz words. Cofinimmo endeavours to define the attitudes and behaviours linked to these key values. To do so, actions and plans are specifically defined for each business segment. Here, the aim is to respond to the changes affecting society and to provide high-quality caring, living and working spaces ("Caring, Living and Working - Together in Real Estate"). Cofinimmo's positive and sustainable impact on the environment is intended to be a genuine reality.

● Coffee Corner - Bourget 50 office building - Brussels Decentralised (BE)



Corporate governance

With respect to corporate governance, Cofinimmo seeks to maintain the highest standards and continuously reassesses its methods in relation to the principles, practices and requirements of the field.

Reference code

This governance statement is included the provisions of the 2009 Belgian Corporate Governance Code ('Code 2009') and those of the Law of 06.04.2010 amending the Company Code. The Royal Decree of 06.06.2010 confirmed Code 2009 as the only code applicable. The Code is available on the Belgian Official Gazette website (Moniteur Belge/Belgisch Staatsblad) and at www.corporategovernancecommittee.be.

The Board of Directors states that, to its knowledge, its corporate governance practice is fully compliant with Code 2009. The Corporate Governance Charter can be viewed on the website at www.cofinimmo.com. It was last updated on 11.03.2019.

Internal control and risk management

Cofinimmo has implemented a risk management and internal control process in accordance with the rules of Corporate Governance and the laws applicable to public Regulated Real Estate Companies.

To do so, the Group selected the Enterprise Risk Management (ERM) model developed by COSO (Committee of Sponsoring Organisations of the Treadway Commission - www.coso.org) as the frame of reference. COSO is a private sector organisation. Its goal is to promote quality improvements in financial and non-financial reporting through the application of business ethics rules, an effective internal control system and enterprise governance rules.

The ERM model consists of the following components:

- the internal environment;
- the setting of objectives and risk appetite;
- identification, analysis and risk management;
- control activities;
- information and internal communication;
- surveillance and monitoring.

The internal environment

The concept of internal environment includes the vision, integrity, ethical values, personal skills and the way in which the Executive Committee assigns authority and responsibilities and organises and trains its staff, all under the control of the Board of Directors.

The business culture of the company incorporates risk management at various levels based on:

- corporate governance rules and the existence of an Audit Committee, a Nomination, Remuneration and Corporate Governance Committee entirely composed of Independent Directors as meant by Article 526ter of the Company Code, an Internal Auditor, a Risk Manager, a Management Controller and a Compliance Officer;
- the Executive Committee's integration of the notion of risk for any investment, transaction and commitment with a significant potential impact on the company's objectives;
- the existence of a Code of Conduct dealing with conflicts of interest, professional secrecy, rules governing the buying and selling of shares, prevention of misuse of corporate funds, acceptance of business gifts, communication, respect for individuals and a whistleblowing procedure, that all are part of the Corporate Governance Charter;
- adherence to task separation principles and the application of rules regarding the delegation of powers clearly established at all levels of the Group;

● Bourget 44 office building - Brussels Decentralised (BE)



- the application of strict criteria for human resources management, particularly with respect to selection, staff recruitment rules, training policy, periodic performance assessment procedures and setting of annual targets;
- the existence of a Sustainability Committee whose mission is to identify and continuously evaluate all elements that can improve the sustainable development strategy. It is composed on the one hand of representatives of the departments directly involved in the real estate management of the Group's assets and on the other hand, supporting departments such as the legal, communication and human resources departments;
- the monitoring of procedures and the formalisation of processes;
- an updated disaster recovery plan.

External players are also involved in this risk control environment. They include, in particular, the Financial Services and Markets Authority (FSMA), company auditors, legal consultants, evaluator experts, banks, credit rating agency, financial analysts and shareholders.

The setting of objectives and risk appetite

Cofinimmo's strategy is defined every two years by the Board of Directors based on a proposal from the Executive Committee, taking into account the sustainable development topics proposed by the Sustainability Committee. It is then translated into operational, compliance and reporting objectives. These apply at all of the Company's operating levels, from the most global level to their implementation in the functional units.

A budget, which translates the Company's objectives into figures, is drawn up annually and reviewed every quarter. It includes forecast revenue items such as rents for the year as well as costs linked to the management and development of the property portfolio and financial costs linked to the business financing structure. The budget is validated by the Executive Committee then submitted to the Board of Directors for approval.

Identification, analysis and management of risks

This point includes the identification of risk events, their analysis and the measures taken to respond to them in an effective manner.

An overall in-depth risk analysis of the Company is carried out periodically in collaboration with all levels of the organisation, each for its respective areas of competence. The analysis is carried out on the basis of the strategic choices, legal constraints and the environment within which the Company operates, including risks related to sustainable development, such as the impact of climate change on the Company's activities. It begins with the identification of potential risks, their probability of occurrence and their impact on objectives viewed from different angles: financial, legal, operational, counterparty, property and reputation. The analysis is then formalised in a document presented and discussed at an Executive Committee meeting. It is updated throughout the year according to the evolution of business activities and new commitments, taking into account the lessons of the past. Once a year, it is also submitted to the Audit Committee which uses it, among other things, to decide on the audit assignments entrusted to the Internal Auditor.

Furthermore, each major project undergoes a specific risk analysis based on an organised framework to improve the quality of information used in the decision-making process.

Control activities

Controls are implemented in the various departments in response to the risks identified:

- at financial level: the differences between the estimated budget and the realised result are reviewed quarterly by the Executive Committee, the Audit Committee and the Board of Directors;
- at credit risk level: the solvency of the most important clients without a financial rating is analysed annually by the financial department. The amounts and validity of the rental guarantees established by all of the tenants are checked quarterly by the operational teams;
- at rental level: half-yearly analysis of the rental vacancy, the lease terms and the risks and opportunities in terms of rental revenue;
- at accounting level: the use of an ERP application (Enterprise Resource Planning, that is, an integrated management software package), namely SAP, includes a number of automatic checks. SAP covers all accounting and financial aspects, as well as all data related to the real estate business (i.e. monitoring of rental contracts, rent invoices, statements of charges, orders, purchases, work site budget monitoring, etc.);
- at treasury level: the use of a range of financing sources and banks and the spreading of maturities limits the risk of refinancing concentration;
- interest rate risk is limited by the application of a hedging policy;
- the use of cash flow software facilitates the day-to-day monitoring of cash flow positions and cash-pooling operations;
- the dual signature principle is applied within the limits of delegations of power for commitments to third parties, whether this involves asset acquisitions, rental transactions, orders of any type, approvals of invoices or payments;
- the use of workflow software at the different stages of business activity (leasing) strengthens the controls at the key stages of the process;
- the register and movements of COFB, COFPI and COFP2 registered shares are integrated in a secure IT application (Capitrack programme), developed and supplied by Belgium's central depository Euroclear.

Information and internal communication

Information and communication between the various levels of the Company and the information they disseminate is based on work meetings and on reporting:

- the Management Report, drawn up quarterly by the Controlling department, details the situation of the income statement and the balance sheet, the key performance indicators, the acquisitions/sales situation and their impact on the results. It also includes an inventory of assets, project progress and cash flow positions. It is distributed to management, department heads and key individuals. It is discussed by the Executive Committee, the Audit Committee and the Board of Directors;
- each department also periodically draws up specific reports about its own activities;
- the Executive Committee meets weekly to systematically review important issues dealing with the Company's operations and business and to discuss in more detail property investments and divestments, construction and rental matters. A report is created for each meeting with, if necessary, an action plan for the implementation of the decisions taken at the meeting.

Surveillance and monitoring

A closing is prepared each quarter using the same procedures as for the end of the financial year. Consolidated accounts are drawn up at this time. Key indicators are calculated and analysed. The data is collected in the Management Report referred to in the point above. All of this data is discussed and analysed by the Executive Committee, the Audit Committee and the Board of Directors.

Each department also collects relevant information at its own level which is analysed quarterly and compared to the objectives set for the year. During the course of the year, the Executive Committee invites each head of department to

present an update on the evolution of their specific business activities.

Additionally, the assignments of the Internal Auditor cover various procedures. The results of the audits are submitted to the Audit Committee, which ensures implementation of the recommendations, and to the Board of Directors.

Shareholding structure as at 31.12.2018

The table below shows the shareholders of Cofinimmo holding more than 5 % of the capital. Transparency declarations and control chains are available on the website. According to the Euronext definition, the free float is 100 %.

This table presents the situation based on the transparency declarations received under the Law of 02.05.2007. Any changes notified since 31.12.2018 have been published according to the provisions of the above mentioned law and can be consulted on the company's website www.cofinimmo.com.

The Board of Directors declares that the shareholders listed do not have different voting rights.

Company	%
BlackRock, Inc.	5.54 %
Crédit Agricole Group	5.01 %
Cofinimmo Group (treasury shares) ¹	0.18 %
Others < 5 %	89.27 %
TOTAL	100.00 %

Risk factors

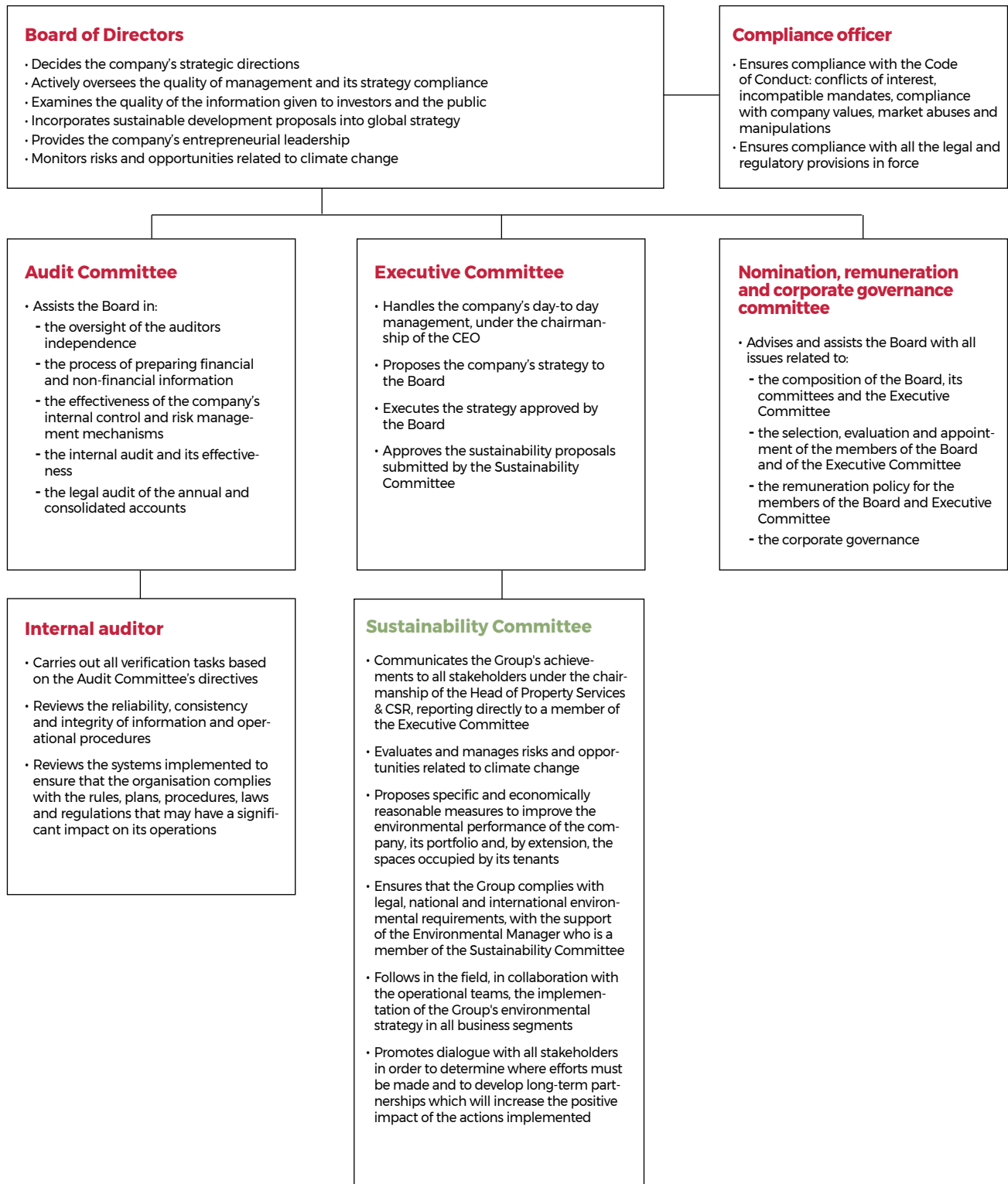
The risk of resilience to climate change (see excerpt below) is an integral part of risk factors in the Annual Financial Report (see pages 2-5).

Property portfolio risks

Risk description	Potential impact	Mitigating factors and measures
Resilience to climate change	<ol style="list-style-type: none"> 1. More difficult access to electricity networks. 2. Physical impact on buildings due to extreme weather conditions. 3. Changes to environmental regulations. 4. Negative impact on the value of a building. 5. Increase in costs to be incurred to maintain a building in operating condition. 6. Negative impact on the Group's ability to operate a building. 7. Potential impact on the Group's reputation. 	<ul style="list-style-type: none"> · Analysis of the potential and installation of photovoltaic units in the portfolio on a third-party investor basis. (1) · Issue of Green and Social Bonds to refinance the acquisition and development of high-performance buildings. (1,2,3,4) · Promote buildings with a good location in terms of mobility and sustainable modes of transport. (2,3,4) · Incorporation of flood risks and environmental aspects into the due diligence process at each acquisition. (2,3,4) · Active policy to optimise the energy performance of buildings, getting ahead of legislation whenever possible. (3,4,5,6) · Active policy of optimising the water consumption of buildings, prioritising on the use of non-drinking water whenever possible. (3,4,5,6) · Construction and renovation of properties with an excellent energy performance by incorporating life cycle analysis of a building. (3,4,5,6) · Purchase of 100 % renewable electricity for buildings under management. (7) · Transparent communication on non-financial indicators in accordance with EPRA and GRI. (7)

¹ The voting rights attached to the treasury shares held by the Cofinimmo Group have been suspended.

Governance structure



Profitability for investors and access to capital

Profitability is essential to enable Cofinimmo to take up its responsibilities and pursue its activities. It enables the company to measure both its efficiency and the value that clients see in its products and services.

It is a determining factor for the allocation of resources and the protection of investments on which its development and the production of its services are dependent. Cofinimmo could not fully take up its economic and social role if it had insufficient profits or a fragile financial base.

● Pub Cheval Marin - Brussels (BE)



2018 Performance indicator

Economic value generated and distributed in 2018

Economic value generated (x 1,000 EUR)	Economic value distributed (x 1,000 EUR)	
+ 248,668 EUR Customers	- 19,757 EUR Personnel	
- 27,865 EUR Suppliers of goods and services	- 122,402 EUR Shareholders	- 177,836 EUR Total economic value distributed (x 1,000 EUR)
	- 30,805 EUR Financial expenditure	
= 220,803 EUR Added value	- 4,871 EUR Public sector	



42,968 EUR

Economic value retained within the Group (x 1,000 EUR)

● Loi/Wet 57 Office building - Brussels CBD (BE)



Management of financial resources

Cofinimmo’s financial strategy is characterised by the diversification of its financing sources, regular access to the capital markets, a debt ratio close to 45 % and optimisation of the duration and cost of financing (see the ‘Strategy’ chapter of the 2018 Annual Financial Report).

Its debt and confirmed lines of credit are not subject to any early refinancing clauses, or changes in margin, related to its financial rating. They are generally subject to conditions related to:

- compliance with RREC legislation;
- compliance with debt ratio levels and cash flow hedging of financial charges;
- the fair value of the real estate portfolio.

At 31.12.2018 and throughout the 2018 financial year the ratios were met. In addition, no payment defaults on the loan contracts, nor violations of the terms and conditions of these same contracts are expected in the coming 12 months.

Financing transactions in 2018

Cofinimmo continued to strengthen its financial resources and balance sheet structure in 2018. The financing transactions over the financial year enabled the Group to further diversify its financing sources, reduce the cost of its debt and maintain maturities.

Care centre for people suffering from mental disorders - Alphen aan den Rijn (NL) ●



Extension of the commercial paper programme

On 26.01.2018, Cofinimmo increased the maximum amount of its commercial paper programme from 500 million EUR to 650 million EUR. The amount invested as at 31.12.2018 amounted to approximately 628.5 million EUR.

Capital increase with irrevocable allocation rights in the amount of 155 million EUR

On 20.06.2018, Cofinimmo launched a capital increase with irrevocable allocation rights in the amount of 155 million EUR, with the aim of financing the 2018 committed investment pipeline and undergoing due diligence, while maintaining a debt ratio of around 45 %.

The subscription price of one new share was set at 94.50 EUR, representing a 10 % reduction compared to the theoretical price (after ex-date of the coupon representing the irrevocable allocation right and of the coupon representing the pro rata temporis 2018 dividend). The exchange ratio was 13 irrevocable allocation rights against 1 new share.

At the end of the subscription period for the holders of irrevocable allocation rights, 80.41 % of the maximum amount of the offering had been subscribed. Unexercised irrevocable allocation rights, converted to scrips, were placed with institutional investors the following day. The offering was fully subscribed during this placement, without a discount compared to the closing market price of the preceding day (103.50 EUR).

Therefore, on 02.07.2018, Cofinimmo issued 1,642,374 new shares at a subscription price of 94.50 EUR, or approximately 155 million EUR. These new shares were immediately listed for trading and give entitlement to a pro rata temporis dividend as from 02.07.2018.

Renewal of credit lines

The following lines of credit were renewed (early refinancing) in 2018:

- a 40 million EUR credit line at a floating rate for seven years;
 - a 20 million EUR credit line at a floating rate for seven years;
 - a 50 million EUR credit line at a floating rate for five years;
 - a 50 million EUR credit line at a floating rate for six years.
- In addition, Cofinimmo has entered into the following new lines of credit:
- a 120 million EUR credit line at a floating rate for eight years;
 - a 25 million EUR credit line at a floating rate for ten years.

Early refinancing and additional lines of credit therefore amounted to more than 300 million EUR in the 2018 financial year.

Interest rate swaps

Cofinimmo seized the opportunity, in an environment of low but volatile rates, to modify its hedge portfolio at the end of the last quarter of 2018.

Some IRS for 2019 have been shifted and extended, increasing the coverage of floating rate debt in future years. Caps (interest rate options with a maximum level of 0 % for this transaction) were subscribed in order to maintain the same level of coverage in 2019.

These different operations result in:

- a decrease in the cost of hedging for 2019, for an unchanged notional amount;
- an increase in the notional amount hedged of 195 million EUR in 2020, 195 million EUR in 2021, 100 million EUR in 2022, 250 million EUR in 2023, 250 million EUR in 2024.

Currency risk hedging

On 15.02.2018, the Cofinimmo Group cancelled two foreign exchange put options into euro that it had contracted in 2016. The purpose of the hedge, namely the sale of a building in a foreign currency, had been unlikely to occur before the expiry of the hedge due to steps being taken to register the said building on a list of protected buildings. Cofinimmo therefore wished to take advantage of the prevailing market conditions to cancel the options contracted on favourable terms. Given that the premiums relating to these options were largely accounted for during the 2016 and 2017 financial years, these cancellations generated a profit in the income statements during the first half of 2018.

Debt structure

Consolidated financial debts

At 31.12.2018, the Group's current and non-current consolidated financial debt was 1,625.4 million EUR. It consisted of the following:

Bond market

· 406.7 million EUR for three non-convertible bonds (accrued interest not yet due):

Issuing company	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	140.0	100 %	3.598 %	26.07.2012	07.02.2020
Cofinimmo SA/NV	190.0	100 %	1.929 %	25.03.2015	25.03.2022
Cofinimmo SA/NV	70.0	99.609 %	1.700 %	26.10.2016	26.10.2026

· 55,0 million EUR in non-convertible 'Green and Social Bonds' (accrued interest not yet due):

Issuing company	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	55.0	99.941 %	2.00 %	09.12.2016	09.12.2024

· 215.8 million EUR for a bond convertible into Cofinimmo shares (accrued interest not yet due):

Issuing company	Nominal amount (x 1,000,000 EUR)	Issue price	Conversion price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	219.3	100 %	140.1072	0.1875 %	15.09.2016	15.09.2021

The convertible bonds are valued at market value on the balance sheet.

- 628.5 million EUR in commercial paper, of which 572.5 million EUR with an initial maturity of less than one year and 56.0 million EUR with an initial maturity longer than three years;
- 2.8 million EUR corresponding to the present value of the minimum coupon of Mandatory Convertible Bonds (MCB) issued by Cofinimur I in December 2011.

Bank facilities

- 309.1 million EUR in bilateral, syndicated medium- and long-term bank loans, with an initial maturity of five to ten years, contracted with ten banks;
- 7.5 million EUR in other loans, advances and rental deposits received.

Current financial debt

As at 31.12.2018, Cofinimmo's current financial debt was 613.1 million EUR, of which:

- 572.5 million EUR in commercial paper with a maturity of less than one year, of which 104.0 million EUR with a maturity longer than three months. Short-term commercial paper issues are fully hedged by liquidity on confirmed long-term lines of credit. Cofinimmo benefits from

the attractive cost of this type of short-term financing programme while ensuring its refinancing in the event that the placement of new commercial paper becomes more costly or unworkable.

- 40.0 million EUR for drawdowns on credit lines maturing in 2019;
- 0.6 million EUR in other loans.

The liquidity of the Group's confirmed lines of credit was 1,071.0 million EUR at 31.12.2018.

Excluding the hedging of commercial paper issues, Cofinimmo has 498.5 million EUR of excess cash to finance its activity.

Consolidated debt ratios

Cofinimmo met all financial debt ratio limits as at 31.12.2018. Its regulatory debt ratio (calculated in accordance with the RREC regulation as: Financial and other debt / Total assets) stands at 43.0 % (compared to 43.8 % at 31.12.2017). Note that the legal limit for RRECs is 65 %.

The Loan-to-Value ratio (defined as: Net financial debt / Fair value of assets and finance lease receivables) stood at 42.2 % as at 31.12.2018 (versus 43.4 % at 31.12.2017).

When Cofinimmo's credit agreements refer to a debt limit, they refer to the regulatory ratio and cap it at 60 %.



Debt maturity

The weighted average maturity of the financial commitments was maintained at four years between 31.12.2017 and 31.12.2018. The calculation excludes short-term commercial paper maturities which are entirely hedged by tranches available on long-term credit lines. It does not take into account the maturities for which refinancing is already in place.

Confirmed long-term loans (credit lines, bonds, commercial paper over one year and term loans), which totalled 2,110 million EUR as at 31.12.2018, will mature consistently through 2029. Maximum 26.6 % of the outstanding amount matures in a single year, in this case 2021.

Average costs of debt and interest rate hedging

The average cost of debt, including bank margins, was 1.9 % for the 2018 financial year, compared to 1.9 % for the 2017 financial year.

Cofinimmo has implemented partial hedging of its floating rate debt via the use of IRS and caps. Cofinimmo also has a policy aimed at securing interest rates over a period of at least three years for a proportion of 50 % to 100 % of projected debt. Given this context, the Group uses a global approach (macro hedging). As a result, it does not hedge each variable-rate line of credit individually.

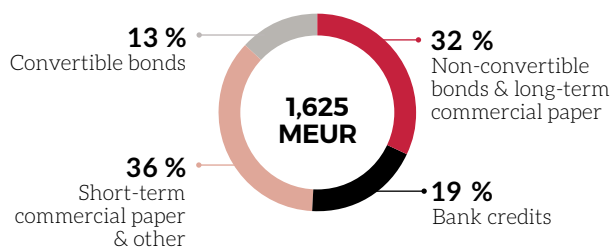
At 31.12.2018, the distribution of fixed-rate debt, of hedged floating-rate debt and of non-hedged floating-rate debt was as indicated in the opposite graph.

At 31.12.2018, the anticipated interest rate risk was hedged at over 79 % through 2021. However, Cofinimmo's result remains sensitive to changes in interest rates.

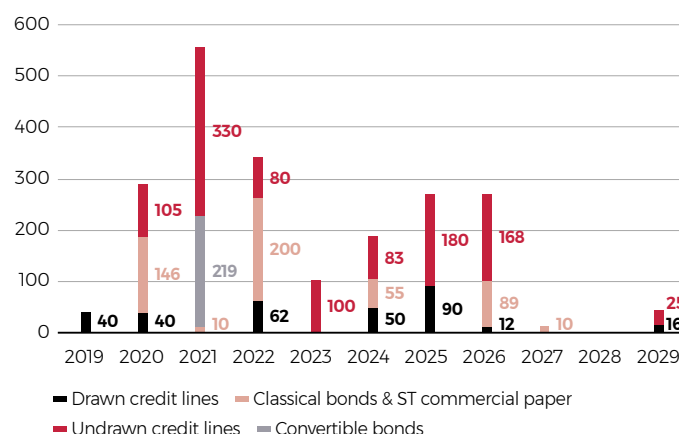
Financial rating

Cofinimmo has received a long- and short-term financial rating from the Standard Poor's rating agency since 2001. In 2018, Standard & Poor's confirmed the company's BBB/ stable outlook rating for the long term and A-2 for the short term. The Group's liquidity is rated high, based on the significant liquidity available on its lines of credit.

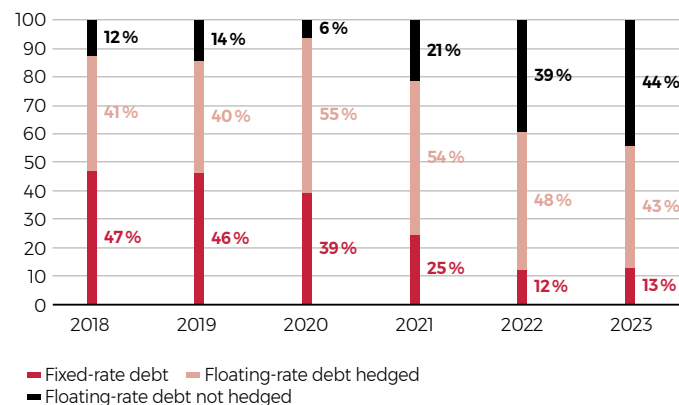
Composition of debt as at 31.12.2018



Schedule of long-term financial commitments as at 31.12.2018 (x 1,000,000 EUR)



Breakdown of fixed-rate debt, of floating-rate debt hedged and of floating rate debt not hedged as at 31.12.2018 - in %



Innovative use of Green and Social Bonds

Cofinimmo is the first European real estate company to issue Green and Social bonds. On 09.12.2016, Cofinimmo successfully closed a private placement of green and social bonds for an amount of 55 million EUR with an eight-year maturity and a 2.00% coupon. The bonds, which were meant to (re)finance projects with a positive contribution to sustainable development, were placed with institutional investors.

This operation was subject to an external opinion from the ESG (Environmental, Social and Governance) research and services agency Vigeo Eiris, concerning:

- its compliance with the 2016 Green Bond Principles and the Guidance for Issuers of Social Bonds of the International Capital Market Association (ICMA);
- its environmental and social aims;
- its responsible nature.

The projects were selected in accordance with the procedures defined by Cofinimmo and assessed by Vigeo Eiris based on probative procedures.

Selection procedure in line with the sustainability strategy

An assessment and selection framework was defined and published on Cofinimmo's website. It was backed by internal and external expertise.

The current Green and Social Bonds portfolio consists of the projects on page 39. Their selection was based on defined criteria, such as fund allocation and environmental, social and governance (ESG) criteria. The selection procedure was based on the expertise of Cofinimmo's in-house teams responsible for these projects, on the one hand, and on impact assessment studies, BREEAM requirements and other external technical factors, on the other. Each assessment step was approved by the Executive Committee and is part of an analytical approach to a building's life cycle.

Fund allocation

Cofinimmo's Treasury department ensures that the funds collected via the Green and Social Bonds issue are allocated exclusively, within the year following the issue and throughout the life of the bond, to projects that make up the Green and Social Bonds portfolio. In what proportions? 50% is allocated to offices with an environmental and sustainability certification. The other 50% is allocated to healthcare assets dedicated to the housing of vulnerable or dependent people in need of special care.

Auditing

Until the bond's maturity in 2024, the external auditor, currently Deloitte, will annually assess the allocation of funds, the compliance of the selected projects and the indicators. The audit report can be consulted in the Statutory Auditor's report (see pages 90-92).

● Belliard 40 office building - Brussels CBD (BE)



Components of ICMA's Green Bond principles



Criteria and objectives: Two categories of eligible projects

The funds are meant to (re)finance projects making a positive contribution towards sustainable development. The buildings selected to make up the Green and Social Bonds portfolio have been recently delivered, renovated or are under development and have environmental or social objectives.

50 % Green offices

Investments in existing/future green offices in Cofinimmo's portfolio with an environmental and sustainability certification (BREEAM or BREEAM In-Use with at least a Very Good rating).

Objectives

- Climate change mitigation by implementing energy savings and the reduction of greenhouse gas emissions.
- Environmental design and management of projects through:
 - > energy performance scorecard;
 - > equipment and installation upgrades.
- Extension of BREEAM and/or BREEAM In-Use certificates.

50 % Healthcare real estate

Investments in existing/future assets providing and/or promoting access to essential healthcare services for vulnerable groups of people and in certain medical specialisations (psychiatrics, geriatrics or care for people with disabilities)

Objectives

- Renovating and/or expanding the healthcare real estate portfolio to meet current and future needs for the housing and care of vulnerable people (nursing and care homes, rehabilitation, psychiatric and acute care clinics).
- Encouraging healthcare operators to reduce the energy footprint of buildings by incorporating sustainable architecture, ecological materials and more energy-efficient facilities (construction or renovation of buildings).

Sustainable benefits

Climate change mitigation:

Reduction of GHG emissions.

Protection of natural resources:

Water and energy savings, use of sustainable materials, etc.

Improvement of healthcare services:

Increased provision of healthcare beds and services.

Selection procedures

In line with the strategy

- Improve the environmental footprint of the portfolio and the company;
- Ensure the safety and well-being of occupants;
- Select socially-aware and responsible projects.





Assessment and selection framework











- Environmental criteria;
- Social criteria;
- Governance criteria.
- Expertise of internal teams;
- External assessments and requirements;
- Approval by the Executive Committee;
- Treasury allocation;
- Assessment by the external auditor.

Green and Social Bonds portfolio

When the bonds were issued, certain indicators were not selected beforehand and are not included in the Second Party Opinion of Vigeo Eiris. They are therefore not applicable and are marked in this table with n/a (not applicable).

GENERAL INFORMATION		
		Eligibility criterion
		Type of works/asset <input type="checkbox"/>
		Progress of works <input type="checkbox"/>
		Tenant(s)
		Above-ground surface area <input type="checkbox"/>
		Number of beds
		Year of construction or last refurbishment
		Date of acquisition or future delivery
ALLOCATION OF FUNDS RAISED (55 MILLION EUR)		
		Total cost of projects <input type="checkbox"/>
		Amounts allocated <input type="checkbox"/>
		% of allocation <input type="checkbox"/>
		(Re)financing
SUSTAINABLE BENEFITS		
	Climate change mitigation Protection of natural resources	CO ₂ emissions per year <input type="checkbox"/>
		Yearly energy consumption <input type="checkbox"/>
		Yearly water consumption <input type="checkbox"/>
	Improvement of healthcare services	Number of beds (new/existing) <input type="checkbox"/>
		Medical speciality <input type="checkbox"/>

HEALTHCARE REAL ESTATE			GREEN OFFICES
<p>Residence Tillens Rue Beeckman 26 1180 Brussels (BE)</p> 	<p>Villa Sonnenmond Am Stein 20 56479 Neustadt/Westerwald (DE)</p> 	<p>Domaine de Vontes Vauguinier, BP 19 37320 Esvres-sur-Indre (FR)</p> 	<p>Guimard 10-12 Rue Guimard 10 1040 Brussels (BE)</p> 
Nursing and care home	Nursing and care home	Aftercare and rehabilitation clinic	BREEAM Very Good
Creation of an environment maximising the lifespan of people suffering from dementia. The presence of green spaces with appropriate plants provides real added value to this type of asset. Special attention has been paid to patient safety.	Nursing and care home, based on a "Village in the building" concept, particularly well-suited to people suffering from dementia.	Extension and reorganisation of the aftercare and rehabilitation clinic.	Large-scale renovation of the building to significantly improve its energy performance (insulated curtain wall with double glazing, installation of a heat pump and condensing boilers, LED lighting, etc.).
Works completed	Asset in operation	Extension works in progress	Works completed
Armonea	Convivo Holding GmbH	Inicéa	Bank Degroof Petercam SA/NV European Socialist Party Rohde Public Policy SPRL/BVBA
4,960 m ²	2,940 m ²	6,352 m ² (8,208 m ² with extension)	10,410 m ²
80	71	105 (between 150 and 160, according to fare optimisation, with extension)	n/a
2015	2012	1967	2015
Acquired on 29.07.2011	Acquired on 01.09.2017	Delivery of extension works on 08.02.2019	Acquired on 24.12.2004
	31.0 million EUR		48.9 million EUR
16.4 million EUR	6.1 million EUR	8.5 million EUR	
	27.5 million EUR		27.5 million EUR
15.0 million EUR	6.0 million EUR	6.5 million EUR	
	50 %		50 %
27 %	11 %	12 %	
100 % refinanced	100 % refinanced	100 % refinanced	100 % refinanced
n/a	n/a	n/a	31 kg CO ₂ e/m ²
n/a	n/a	n/a	137 kWh/m ²
n/a	n/a	n/a	0.36 m ³ /m ²
Between 301 and 311 out of 2,532 beds in the categories nursing and care homes, rehabilitation, psychiatric and acute care clinics.			n/a
Psychogeriatrics	Psychogeriatrics	Psychiatry	n/a

ESG-MANAGEMENT (AT 31.12.2018)		
ENVIRONMENT	Environmental strategy	Five-year portfolio renewal objective 
	Energy efficiency of buildings	Yearly energy consumption (standardised by surface area) 
		GHG emissions per year (standardised by surface area) 
		Estimated MWh (solar energy production) 
	Cooperation with tenants to reduce the environmental impact of buildings	Multi-tenant buildings equipped with remotely readable meters (in %)
		Number of Green Charters signed
		Number of inspection visits
	Inclusion of environmental factors in the logistics chain	Materials reused after building refurbishment (in tonnes)
		Number of supplier contracts with environmental clauses concerning major development and refurbishment projects
	SOCIAL	Responsible customer relations
		Number of requests
		Progress of asbestos detection and removal
		Number of inspection visits
Inclusion of social factors in the logistics chain		Number of controversies related to social aspects in the logistics chain 
Promotion of social and economic development		Number of contracts with a clause for the promotion of local youth employment 
Building accessibility		Number of accessibility audits for persons with reduced mobility 
		Number of audits for building connectivity (proximity and multi-modal transport) 
GOVERNANCE	Prevention of corruption and money laundering	Number of audits and controversies 
	Audit and internal control	Number of internal controls and results 

	HEALTHCARE REAL ESTATE	OFFICES	TOTAL
	5.36 %	2.99 %	3.45 %
	181 kWh/m ²	195 kWh/m ²	179 kWh/m ²
	38 kg CO ₂ e/m ²	43 kg CO ₂ e/m ²	39 kg CO ₂ e/m ²
	647 MWh	1,185 MWh	1,832 MWh
	n/a	Guimard 10-12 is one of the 56 buildings equipped with remotely readable meters. In total, 89 % of multi-tenant buildings are equipped with remotely readable meters.	n/a
	n/a	18.8 % of office spaces are covered by a Green Charter.	n/a
	Two out of the three assets in the Green and Social Bonds portfolio received inspection visits. In total, 65 buildings in the healthcare real estate segment received inspection visits in 2018. During these visits, the environment-related aspects were discussed with the operator on-site.	n/a	n/a
	n/a	In 2018, no redevelopment projects were identified where the opportunity arose to recover materials before demolition.	n/a
	The environmental policy is attached to all general contracting agreements.	n/a	n/a
	n/a	In 2018, 23 contracts were signed in the Flex Corners [®] for gross surface areas between 36 m ² and 248 m ² and durations between 12 and 36 months (with exception of one contract of 9 years).	n/a
	n/a	In 2018, the Service Desk handled 10,612 requests of which 177 in Guimard 10-12.	n/a
	The data for 88 % of the portfolio have been processed. 61 % of the portfolio (including the three assets in the Green and Social Bonds portfolio) contain no traces of asbestos.	49 % of the total portfolio is free of asbestos.	For the global portfolio see chapter 'Safety and well-being'.
	Two out of the three assets in the Green and Social Bonds portfolio received inspection visits in 2018. In total, 65 buildings in the healthcare real estate segment received an inspection visit in 2018. During these visits, the social aspects were discussed on-site with the management.	n/a	n/a
	No controversies related to social aspects in the logistics chain were identified.		
	n/a	A clause concerning the employment of a trainee is included in all general contracting agreements.	n/a
	The compliance checks are part of the due diligence procedure and are regulated by a licence for the operation of the assets.	18 buildings have been audited since 2013.	n/a
	At the time of acquisition an audit is not mandatory, but is often carried out proactively (at the due diligence stage).	Quantitative audits for 100 % of the portfolio (see page 60).	n/a
	In 2018, two external audits were carried out on the accounts and IT by Deloitte. No cases of misappropriation or wrongdoing in the calls for tender were identified.		
	In 2018, one mission of internal control was carried out by the internal auditor on the organization and reporting in the Netherlands. Moreover, at 31.12.2018, 34 recommendations are ongoing coming from the internal and external audit missions of 2018 and previous years. 26 recommendations were closed in 2018.		

Innovation

As a major property owner in Europe, Cofinimmo endeavours to be a visionary and to stimulate the debate on future real estate needs. It does its utmost to integrate major societal trends into its strategy to avoid the accelerated obsolescence of buildings and to preserve economic sustainability. Innovative solutions are therefore a must to create new growth opportunities and ensure the sustainability of the current portfolio.

● Cockx 8-10 office building - Brussels Decentralised (BE)



2018 Performance indicators

Flex Corner®

Two new Flex Corners® were set up in the buildings Arts/Kunst 46 (Brussels Leopold District) and Colonel Bourg 122 (Brussels Decentralised). The existing Flex Corner® at Omega Court (Brussels Decentralised) was expanded.

Coffee Corner

In total, nine shared meeting rooms were set up in the buildings Bourget 50 (Brussels Periphery) and Omega Court (Brussels Decentralised). These rooms have a capacity ranging from 4 to 70 people. They are available to tenants as well as external clients.

Two recent spaces were also laid out as gardens at the office buildings Meeûs 23 (Brussels Leopold District) and Omega Court (Brussels Decentralised).

Five pubs have been made available temporarily for residential use.

2019 Objectives

- Creation of a second Flex Corner® in the Park Lane Business Park (Brussels Periphery).
- Ongoing marketing of the Lounges® meeting rooms at Park Lane and The Gradient as well as of the shared meeting rooms in the buildings Bourget 50, Omega Court and Science/Wetenschap 41.
- Further implementation of the prototypes for new innovation ideas.
- Continuation of the redevelopment of the Quartz building (formerly Arts/Kunst 19H) using BIM software.

Achievements in 2018

Cofinimmo periodically sets up working groups of around a dozen internal employees. The aim here is to consider how to integrate new societal trends identified beforehand. These groups develop their research through meetings with visionaries in fields of activity that may influence the real estate sector of tomorrow (mobility, urban agriculture, smart cities and buildings, the digital revolution, big data, etc.). Taking into account new construction techniques and more sustainable technologies, these groups submit various proposals in line with the needs of clients and tenants. The objectives: to reduce the amount of vacant premises in the portfolio, to extend the life cycle of buildings and to facilitate their operation.

However, innovation is not exclusive to these specific working groups, and it also emanates from Cofinimmo's various departments. In this respect, tools are made available to all employees. With a view to searching for solutions, a digital platform for exchange enables all employees to share their ideas or present the challenges they face.

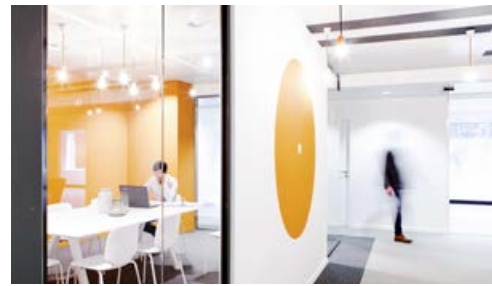
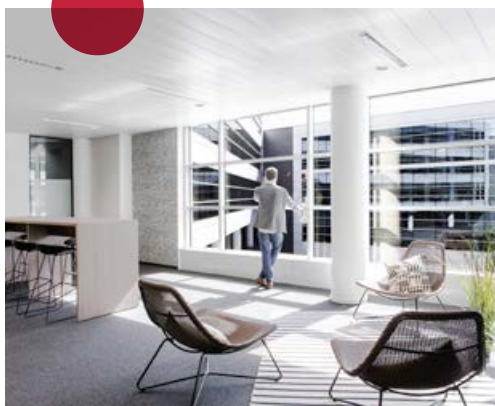
Flex Corner®

The Flex Corner® concept consists of a set of small office spaces of various sizes, equipped with shared facilities (kitchenette, lounge, several meeting rooms of different capacities). The result here is maximum flexibility. The office spaces are pre-cabled and basic amenities, such as carpeting, are already installed. Tenants can also call on Cofinimmo's expertise to complete the setting up of their private spaces. The shared meeting rooms are made available in proportion to the size of the leased premises and can be booked via a reservation system accessible from the client's computer or from a screen near the rooms.

The minimum lease length is one year, but it can be tailored to the tenant's needs via the Custom your lease® option and suitable contractual conditions. Tenants receive a monthly invoice which includes the rent, inclusive taxes, and a set amount for shared rental-related expenses (electricity, maintenance, Wi-Fi, use of meeting rooms).

Ten office buildings are now equipped with these types of facilities.

Cockx 8-10 office building - Brussels Decentralised (BE)



- Flex Corner® - Souverain/Vorst 36 office building- Brussels Decentralised (BE)
- Flex Corner® - Souverain/Vorst 24 office building- Brussels Decentralised (BE)

Lounge® and shared meeting rooms

What is the Lounge®? These are modern and multifunctional spaces comparable to airport VIP lounges. They are equipped so that people can work, meet or relax in them. The concept is in line with changing working practices, which are becoming more flexible and mobile, such as co-working, teleworking and the need for increased connectivity between people and objects.

Cofinimmo opened its first Lounge® in December 2016 at the Park Lane Business Park (Brussels Periphery). In 2017, a second Lounge® was opened in The Gradient building (Brussels Decentralised). Together, these two Lounges® amount to a surface area of 1,338 m² and comprise shared spaces, brainstorming areas, a number of different alcoves, multimedia meeting rooms of different capacities and relaxation areas (library area, table football).

They also provide catering facilities. The Lounge® at The Gradient has a sandwich shop and catering service. The Park Lane site, in turn, has a brand new restaurant set up in 2018.

The Lounges® are managed by the Community Manager, a true orchestrator who is responsible not only for ensuring the proper functioning of the spaces, but also promoting contacts between tenants and organising events to gradually create a spirit of community among the clients. It is also possible to rent all or part of the Lounges® for corporate events (product launches, seminars, year-end activities, etc.).

En 2018, Cofinimmo increased the number of shared meeting rooms by equipping the Bourget 50 (Brussels Periphery) and Omega Court (Brussels Decentralised) buildings. These rooms, one of which can accommodate up to 70 people, are rented to Cofinimmo's tenants but also to visitors.

Year	Building	Type	Surface area	Floor	Capacity	Number of meeting rooms	Total capacity of meeting rooms
2015	Paepsem 20	Coffee Corner	52 m ²	0		0	0
2015	Paepsem 20	Flex Corner	677 m ²	0		1	8
2016	Paepsem 20	Flex Corner	546 m ²	0		1	8
2016	Park Lane D	The Lounge	404 m ²	0	100 people	3	28
2016	The Gradient	Flex Corner	1,426 m ²	2		3	16
2017	Bourget 42	Flex Corner	808 m ²	1		3	20
2017	Omega Court	Flex Corner	938 m ²	2		3	18
2017	Paepsem 20	Flex Corner	773 m ²	4		1	12
2017	Park Hill 20B	Flex Corner	472 m ²	4		2	24
2017	Park Lane D	Flex Corner	474 m ²	0		Use of The Lounge meeting rooms	
2017	Science/Wetenschap 41	Meeting rooms	77 m ²	0		1	10
2017	Souverain/Vorst 36	Flex Corner	836 m ²	3		3	16
2017	The Gradient	The Lounge	934 m ²	0	200 people	5	103
2017	Waterloo Office Park J	Flex Corner	403 m ²	2		1	6
2017	Park Hill 20B	Coffee Corner + terrace	120 m ²	4	30 people	0	0
2017	Souverain/Vorst 36	Coffee Corner	211 m ²	0		0	0
2018	Arts/Kunst 46	Flex Corner	678 m ²	2		2	12
2018	Bourget 50	Coffee Corner + meeting rooms	524 m ²	0		6	84
2018	Omega Court	Coffee Corner + meeting rooms	344 m ²	0	60 people	3	46
2018	Colonel Bourg 122	Flex Corner	595 m ²	3		1	8
2018	Omega Court	Flex Corner	1,205 m ²	2		3	20
	In the planning stage						
2019	Park Lane E	Flex Corner	780 m ²	4		Use of The Lounge meeting rooms	
	TOTAL		13,273 m ²		390 people	42	439



● Paepsem Business Park - Brussels Decentralised (BE)



Roof-top terraces and office building surroundings

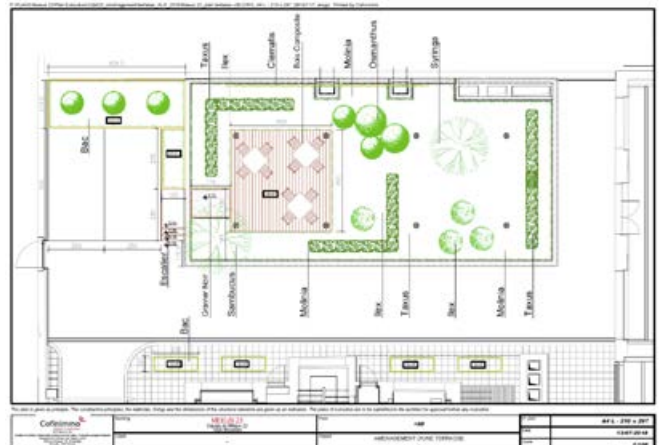
In 2018, Cofinimmo continued the gradual fitting out of the roofs of certain buildings and gardens to provide outdoor relaxation areas for their occupants. Two projects were completed in 2018:

- **Omega Court (Brussels Decentralised):** the inner courtyard of this building was harmoniously converted with the planting of solitary birches and ginkgos.
- **Meeûs 23 (Brussels Leopold District):** the inner courtyard was also redeveloped into a relaxation area. This area is now equipped with new urban furniture, where the occupants can have picnics at lunch time.

Property of distribution networks: temporary use of vacant premises

As soon as rented premises are vacated and while awaiting a new tenant, Cofinimmo examines the possibility of temporarily making it available for a use that differs from the basic purpose of the building. This is a particularly common practice for the pubs and restaurants portfolio in the Netherlands.

In 2018, five vacant premises were used for housing.



Aesthetics, respect for public spaces and diversity of districts

As a property landlord and investor, Cofinimmo is able to influence the aesthetics and diversity of districts through its investment and construction choices, even though they are primarily based on economic considerations.

The sustainable development of cities is based on urban balance, and offices, residential buildings, shops and green spaces must coexist and single-purpose districts gradually disappear.

Through the reconversion of certain vacant office buildings, Cofinimmo can re-establish diversity in neighbourhoods from the design stage and in this way improve the attractiveness of buildings.

The architectural aesthetics of buildings are a source of satisfaction for the occupants living in them, and they contribute to the brand image of the companies that use them. The Group strives for urban beauty and harmony by promoting the construction of iconic buildings.

● **Belliard 40 office building - Brussels CBD (BE)**



2018 Performance indicators

28,192 m²

Renovated/built in the healthcare real estate sector

20,320 m²

Renovated/built in the office sector

2019 Objectives

- Renovation and extension of the portfolio: 'Domaine de Vontes' in Evres-sur-Indre (FR), 'Les Oliviers' in Le Puy-Sainte-Réparate (FR), the French Red Cross in Chalon-sur-Saône (FR), Förstereiweg 6 in Ascheffel (DE), Buchauweg 22 in Schafflund (DE), Wijnkoperstraat in Gorinchem (NL), 'De Nootelaer' in Keerbergen (BE).
- Delivery of refurbishment works on two pubs and six apartments, namely Falstaff in Brussels (BE) and 'Café des Nations' in Knokke (BE).
- Continuation of the redevelopment of the Quartz building (formerly Arts 19H).

Realisations delivered or ongoing in 2018

Kaarst (DE): development of a psychiatric clinic on a former semi-industrial site

Cofinimmo acquired a psychiatric clinic under construction in Kaarst. The city is ideally located 15 km from Düsseldorf and 45 km from Cologne, in the State of North Rhine-Westphalia.

This clinic is on the site of a former IKEA warehouse. The site is part of a vision for the broader development of Kaarst-Est, which was the subject of an ideas competition won by the Scheuven-Wachten association and WGF Landschaft.

The site is located at the entrance of the reorganisation of this industrial area and is part of a new access route to the city that will comprise housing, shops and also green and meeting spaces.

The presence of a new psychiatric clinic will meet the treatment and support needs of patients suffering from depression and burn-out. The clinic will cover an above-ground surface area of more than 6,600 m² and will have approximately 70 beds, as well as 20 outpatient clinic places surrounding two private inner courtyards. The construction works have just begun and delivery is expected to take place in the spring of 2020. The clinic will be operated by Oberberg GmbH.



● Situation after works

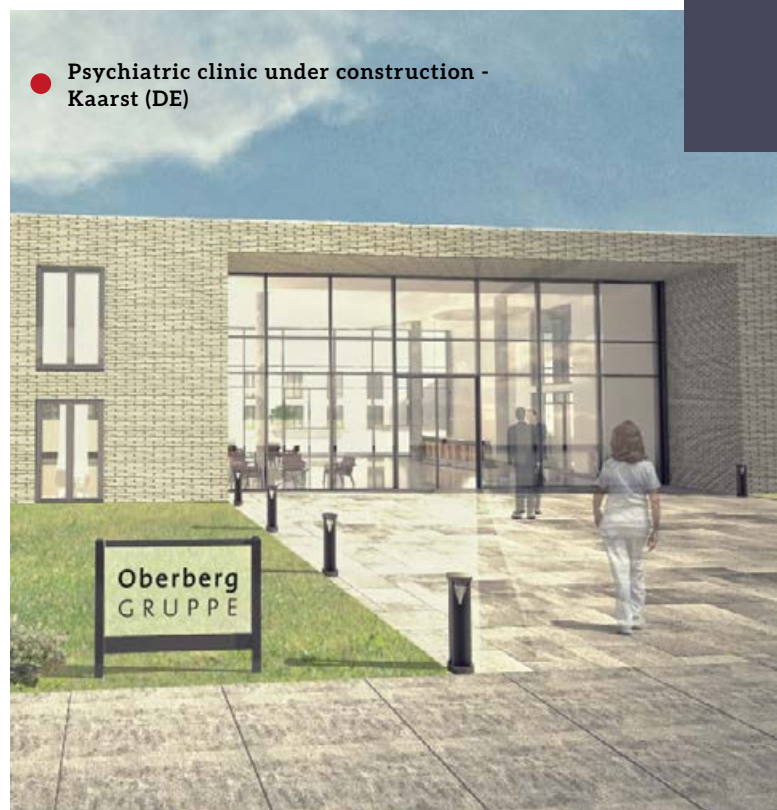
From a technical point of view, the building is constructed in line with ambitious environmental requirements. The masonry building with brick cladding is fitted with PVC frames and also has a green roof. It is part of an exterior landscaping plan with trees and greenery.

Heat is produced by gas condensing boilers coupled with a combined heat and power generation unit. All the electrical installations meet German energy efficiency requirements in line with the VDE standards. The average level of primary energy consumption is estimated at 219 kWh/m²/year, i.e. 36 % less than the current benchmark for this type of building in Germany.

● Situation before works



● Situation before works



● Psychiatric clinic under construction - Kaarst (DE)

Rotterdam (NL): renovation of a rehabilitation centre and a nursing and care home

On 19.07.2018, Cofinimmo signed an agreement, subject to conditions, regarding the acquisition of a site located in Hillegersberg, a district of Rotterdam, which comprises a geriatric rehabilitation centre built in 1966 and a nursing and care home built in 1999.

Cofinimmo will finance the large-scale renovation works on the rehabilitation centre as well as the demolition and redevelopment works on the nursing and care home.

The assets are operated by Fundis.

The delivery of the works is planned for the end of 2020. They will take place in several phases and care will continue to be provided throughout the duration of the works. The new buildings will have an above-ground surface area of almost 11,000 m². They will have 27 rehabilitation places, 60 geriatric rehabilitation places and 48 places for long-term care.

This complex will also be supplemented with some shared spaces enabling residents to meet, as well as a brasserie.

The goal is not only to meet the needs of these residents, but to make it a true central living space for the entire neighbourhood. Therefore, part of the building is intended for local treating doctors who are consulted by families. The local residents can also enjoy the nice brasserie, and the children of the neighbourhood a beautiful garden.



● Actual situation before works

Finally, the clinic will also host an innovative concept of care pension for the elderly who are not fully cured after their revalidation and who still require temporary assistance.

This large-scale renovation will prioritise the reuse of materials. Architect Thomas Rau has been chosen to carry out this project. Thomas Rau is recognised as being at the forefront of the construction of buildings that are CO₂ neutral, and even positive (producing more energy than they consume), as well as for integrating the principles of circular architecture.

Sustainable measures:

- use of sustainable/recycled materials (for example bio-composite façade slats, materials such as straw, bamboo, flax and hemp insulation and silty stucco products) to be determined during execution;
- without gas connection;
- photovoltaic panels (800 m²);
- LED lighting;
- healing environment with exercise garden and natural lighting;
- circular construction (flexibility of the new construction and reuse of shell of the existing part).

● **Future situation
after works (Thomas Rau)**



**Chalon-sur-Saône (FR):
construction project for the French Red Cross**

Through a sale before completion transaction, Cofinimmo Group acquired the shell of an after-care and rehabilitation hospital still under construction being built by the French Red Cross in Chalon-sur-Saône, in the Bourgogne-Franche-Comté region. The facility is located in a Joint Development Zone that already houses a hospital, a nuclear medicine centre and a medical centre.

Completion of the works is planned for the end of the first quarter of 2019. The facility will offer a capacity of approximately 130 beds, spread over a net usable area of close to 9,300 m², and will include units in neurology, pulmonary medicine, cardiology and neurovegetative care.

Certivea will grant the building a 'NF-HQE® Bâtiments tertiaires Hospitalier Millésime 2008 Démarche HQE' certificate, accompanied by a 'Passeport Bâtiment Durable', with an Excellent level in both the Program and Design phases.

These labels are evidence of the desire to develop a very high quality building from an environmental perspective and to meet users' comfort needs.

This can be seen in the building's technical characteristics:

- the building has full outer insulation, thereby avoiding thermal bridging;
- selection of sustainable interior materials that limit emissions of harmful volatile organic compounds and formaldehyde. This is combined with efficient ventilation;
- installation of efficient systems to reduce energy consumption as much as possible. Consumption is estimated at approximately 90 kWh of primary energy per m² and per year:
 - o connection to the existing urban network for heating and hot water production;
 - o cooling produced by heat pumps with reversible operation.

In addition, special attention is being paid to the construction phase. Using a clean site approach, the environmental impact of the site is limited, in particular concerning the safety and comfort of the people working on the site, as well as the visual aspect with respect to local residents and potential clients.



Vivalys nursing and care home - Brussels (BE)

**Vivalys, formerly Woluwe 106-108 (BE):
conversion of an office building into
a nursing and care home**

A decreasing demand for offices in the decentralised area of Brussels made Cofinimmo opt for the reconversion of the Woluwe 106-108 building in Brussels into the Vivalys nursing and care home. The new Vivalys nursing home, with 151 beds, has been operational since the first quarter of 2018.

The conversion of such a building, rather than its demolition/reconstruction, enables considerable energy savings over the asset's life cycle since its initial construction.

Cofinimmo decided to keep the architectural concrete of the left and right wings, which is typical of office buildings of the 1980s, and to create a new central area in glass and aluminium to give the overall building a contemporary appearance. The car park at the rear of the building was converted into a garden for the residents.

**Falstaff (BE): restoration of brasserie and
redevelopment of the upper floors into housing**

This brasserie, an Art Nouveau gem, has long been a point of reference for the people of Brussels.

However, the upper floors of this listed building had been abandoned for several decades. Cofinimmo is redeveloping the upper floor and (re)creating housing in the heart of the city.

On completion of the renovation, three large apartments will have been brought up-to-date, in compliance with all the electrical, insulation, safety and fire prevention standards.

Sustainable measures:

- installation of counter frames, as the existing listed frames are being restored and conserved;
- use of natural and environmentally-friendly products: wood fibre insulation;
- condensing boiler.

Quartz (BE): central spot on the 'Avenue des Arts/ Kunstlaan' based on a transparent architecture

Cofinimmo started the redevelopment of the Quartz building, formerly Arts/Kunst 19H, which was built in 1973 and partially renovated in 1998.

This building, which will be delivered in early 2020, will be a nearly zero emission building seeking a BREEAM Excellent certificate (already obtained for the design stage).

The surface area will amount to 9,200 m² over seven floors (ground floor + six floors).

This project was the subject of an architecture competition won by the Polo architects office. Indeed, Cofinimmo wants this building to be aesthetically remarkable and gives a view over the interior garden from the rue Joseph II/Jozef II-sstraat.

In terms of comfort and technical elements, the building will have the following characteristics:

- natural light for every workstation;
- a ceiling height of 3 m;
- modularity of 1.35 m;
- triple-glazed windows;
- a high-performance heating and ventilation system;
- low-energy lighting with presence detection;
- a system for centralised management of technical equipment enabling great flexibility;
- a car park for 42 cars, 2 motorbikes and 55 bicycles.

● Quartz office building - Brussels CBD (BE)



● Quartz office building - Brussels CBD (BE)

Safety and well-being

The impact of real estate on the exterior environment is increasingly well managed. But what about its impact on the interior environment?

In today's society, it is not enough to just guarantee safety in buildings. Expectations have changed, and buildings have to meet the functionality and well-being needs of communities for which hospitality plays a central role. This change is supported by new labels and benchmarks, and it is therefore important that Cofinimmo provides buildings that meet these new expectations. The development of Lounges® and Coffee Corners is part of this approach.

● **The Lounge® - The Gradient office building - Brussels Decentralised (BE)**



2018 Performance indicators

Employee well-being

Absenteeism rate	2017	2018
Short-term	1.6 %	1.5 %
Long-term	2.6 %	3.8 %
Work-related accidents	4	1
Number of accidents/worked hours	0.0016 %	0.0004 %

131

Employees

28

Employees working part-time

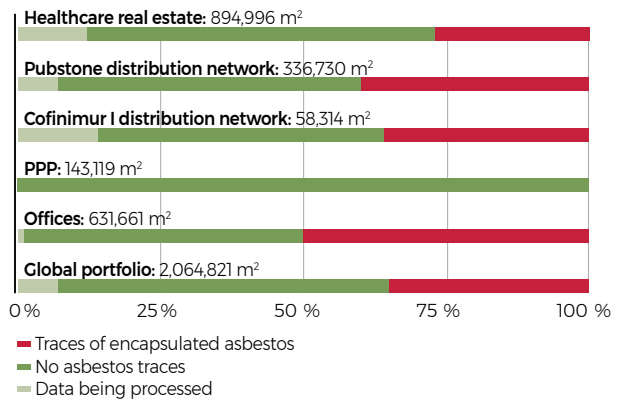
11%

Of men work part-time

27%

Of women work part-time

Asbestos management in leased buildings



91%

Of portfolio under operational control is assessed in the form of a fire audit and asbestos monitoring

No infringements with a financial or health impact on the occupant relating to fire audits and asbestos monitoring has been detected in the portfolio under operational control.

2019 Objectives

- Complete the asbestos data for the various sectors and gradual clean-up.

Achievements in 2018

Employees

Cofinimmo has always implemented a series of measures to promote the well-being of its employees and the performance of their role under the best possible conditions. On arrival, new employees receive a welcome pack setting out all the practical measures and the workplace safety standards. Employees are individually welcomed by the Human Resources manager and the CEO.

There are also discussion forums where employees can share their ideas and/or concerns: quarterly information meetings, working groups on improving internal and inter-departmental communication, and workshops on psychosocial risks.

Cofinimmo also pays close attention to mental well-being and to the phenomenon of stress at work. The increase in stress at work, which is very common in the business world, can have severe consequences that can lead to burn-out in some cases. This type of condition leads to the prolonged absence of the affected person, and to disruption and additional costs for the employer. Cofinimmo therefore regularly raises awareness among all managers on this subject.

Building occupants

Construction choices and maintenance quality have an impact on the safety and well-being of occupants. The presence of unverified hazardous materials, non-compliance with safety standards and incorrect settings on air-conditioning equipment can have consequences on well-being and health.

Cofinimmo systematically analyses all elements that are likely to have an impact on public health. It is mandatory for the presence of asbestos, soil pollution and the fire fighting and protection elements in particular to be examined during the due diligence process.

The asbestos risk for older buildings in the portfolio is closely monitored. Asbestos found in buildings is encapsulated in the materials. In the event of deterioration, these materials are removed in accordance with the legal requirements ensuring public safety.

The presence of relaxation and well-being opportunities is now one of the criteria for the selection of a building. In this regard, yoga, bums & tums and relaxation sessions are organised in collaboration with the company Easy Day in the Lounges®, and occasionally followed by a healthy and vitamin-rich drink or lunch. The role of the Community Manager, who is responsible for the Lounges®, is to promote initiatives having a positive impact on the well-being of the building's occupants.

Subcontractors

Fairness to suppliers during purchasing negotiations and concern for the safety of their staff are important aspects for Cofinimmo. Commercial relationships can only be maintained through the mutual respect of the parties and the understanding of their respective concerns and objectives. The outsourcing of building and maintenance activities go hand in hand with strict monitoring of these subcontracting operations.

In the context of large-scale renovations, Cofinimmo has employees trained in safety coordination who identify and monitor the risks and preventive measures to be implemented for each work site. Cofinimmo also calls on external safety coordinators if required by the workload. In the context of calls for tenders, Cofinimmo clearly describes the responsibilities of each party in the specifications and contracts.

In the context of the portfolio maintenance, Cofinimmo equips its buildings with safety systems in order to ensure the physical safety of suppliers (for example cradles and anchor points for window-cleaning teams). Subcontractors' services are covered by framework contracts to ensure the development of a mutually beneficial partnership.



Employee training

Human capital is a decisive competitive advantage for Cofinimmo, for the quality of the services that it offers to its clients but also for its economic and social performance.

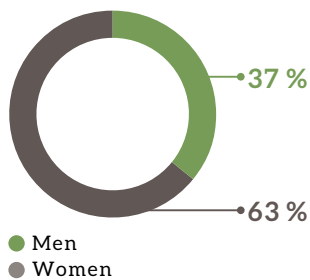
2018 Performance indicators

5 days

Of training per employee per year
Belgian regulations require businesses to provide an average of five days of training per employee.

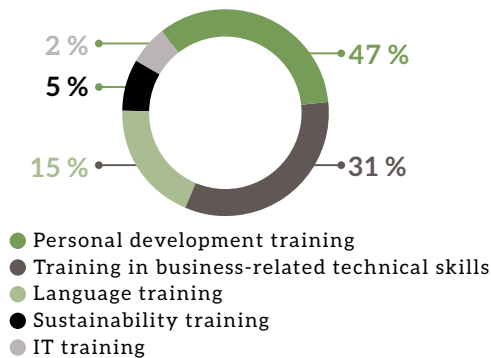
5,376 hours

Cumulative total of training hours, of which 214 hours of individual or team coaching.



75%

Of employees who attended one or more training courses



48%

University graduates

26%

Postgraduates

100%

Of employees received regular performance and career development reviews

In the medium term, Cofinimmo promotes the professional and personal development of every employee, at each stage of his career. In the longer term, it aims to ensure that the end of a career is both rich in challenges and free of future concerns.

Investing in its employees allows Cofinimmo to benefit from their increased effectiveness and commitment, and above all to open the way to excellence.

2019 Objectives

- Continuous training for employees and managers.
- Summer academy / language academy - 2019 edition.
- New types of training: webinars, e-learning, tutorials.
- Investors in People: taking all necessary steps to retain the Gold accreditation achieved in 2018.





Achievements in 2018

Investors in People (IiP) accreditation

This accreditation is extremely widespread in the world, especially in Anglo-Saxon countries, but also in Flanders. Since 2006, Cofinimmo has been one of fewer than ten companies to have achieved accreditation in the Brussels-Capital Region. However, no companies have yet achieved this accreditation in Wallonia. Since that date, Cofinimmo has managed to renew the accreditation every three years, which enables it to position itself as a company with trustworthy management that operates in accordance with its corporate values. This accreditation highlights the fact that Cofinimmo invests in its employees and that it listens to them. Such an accreditation also makes it possible to attract new talent that appreciates the company's sustainable approach.

Gold level

IiP reviews its approach on a regular basis to ensure that it is always in line with how companies work and with employee expectations. In 2018, Cofinimmo achieved the renewal of the accreditation, for which it is evaluated in three main areas.

Leading

Managers play a central role in the company culture and in supporting unfailing commitment from employees. They must show vision in a complex environment, something which is becoming increasingly difficult. Managers are always expected to do more, often in less time and, sometimes, with fewer resources.

Supporting

Organisations are facing constant change, and employees are expected to be more and more flexible. Flatter and more supportive organisations result in faster decision-making and greater client focus. This calls for confidence, autonomy and accountability, as well as recognition.

Improving

The new world of work requires creative and innovative approaches to the development of people and products. Here, IiP expects companies to make the motto "Being better tomorrow than we are today" their own.

In 2018, the bar was set (very) high to achieve Gold-level accreditation. To achieve this, Cofinimmo has been fully committed since 2015, the last time the accreditation was awarded.

Continuous training policy for employees and managers

Cofinimmo offers all its employees, without any discrimination whatsoever, the same training and development opportunities.

It is motivated by the desire to ensure that each person is ready, at all times, for a new position within Cofinimmo or elsewhere, but also that his skills are in line with market requirements. Cofinimmo promotes from within whenever possible.

Five areas of training are emphasised: business-related technical skills, sustainability, languages, IT and personal development.

Training courses are selected jointly by the employee, his manager and Human Resources. They take into account advances made by the competition and the sector, the development needs of the teams, new trends, and also the potential for taking up a higher-level position. Cofinimmo encourages all employees with potential to train in leadership and people management techniques.

In the slower summer period and during a Summer Academy, employees have an opportunity to refresh or improve their skills in Word, Excel, Outlook, PowerPoint, Access and LinkedIn. In 2018, Cofinimmo simultaneously launched a Language Academy with an external partner. Over three days of intensive classes, in groups of three or four people of the same level, employees had the opportunity to improve their Dutch, French, English or German.

This opportunity to refresh knowledge and build on it within a limited timeframe was a great success with employees. This type of approach is clearly a win-win for both employees and the employer.

In 2018, employees also registered for e-learning sessions given in the form of webinars and tutorials on topics as varied as pivot tables, meeting management, etc. This new training trend enables employees to manage their time more efficiently and in a more personalised way, without the obligation to have to free themselves up for at least a half-day on a given date.

Managers (in place or potential) were, in turn, provided with (individual and/or group) leadership and people management development courses to improve their understanding of the different, and very specific, aspects of this role. In addition to in-depth knowledge, the role requires behaviours and approaches that will generate motivation and commitment on the part of their reports.

All of these opportunities are provided equally, regardless of the country in which the employee performs his duties. They are in line with the company's Diversity and Investors in People accreditation commitments.



The salary package Cofinimmo offers its employees is based on identical criteria for every employee and takes into account an objective classification of duties.



● **'Pflegeheim Seniorenwohnanlage Niebüll-Gath'**
nursing and care home - Niebüll (DE)

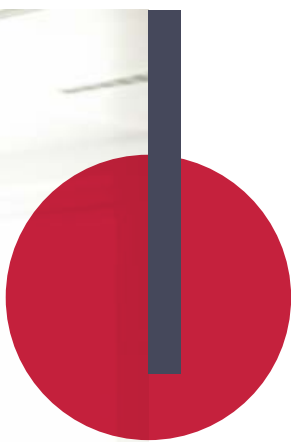
Remuneration policy

The salary package Cofinimmo offers its employees is based on identical criteria for every employee and takes into account an objective classification of duties. It includes, among other things, a benefit plan, a profit-sharing scheme and, since 2009, a non-recurring bonus tied to company results.

Given the issues of traffic jams and work-life balance, employees are expressing the need to optimise the use of their time. In order to meet this request and enable them to work remotely in an efficient manner one day a week, Cofinimmo has provided them with IT solutions (top-of-the-range laptop computer, appropriate telephone equipment) and added an internet subscription to the salary package.

This is in addition to the other fringe benefits they already enjoy (company car, group insurance, hospitalisation and outpatient insurance, meal vouchers and eco-cheques, medical check-ups, Pilates classes, fresh fruit baskets, smartphone, laptop computer, option plan, etc.).

In its search for highly qualified profiles, Cofinimmo draws from the same talent pool as other BEL20 companies. However, most of them are much larger, while Cofinimmo is closer in size to an SME. In addition to our dynamic culture and shared values, Cofinimmo therefore pays close attention to alternative forms of remuneration to ensure the loyalty of the next generation of talent (profit-sharing scheme, non-recurring bonus tied to results, etc.).



Remuneration by gender

% women/men	2017	2018
Board of Directors ¹	72 %	80 %
Executive Committee ²	92 %	71 %
Managers ³	82 %	89 %
Employees ⁴	85 %	82 %

¹ The chairman is male, which explains the difference at the Board level. Non-independent members are excluded from calculation, because they are included in the Executive Committee.

² The CEO is male, which explains the difference at the Executive Committee.

³ The difference at the Manager level can be explained by the fact that there are more male operational Managers.

⁴ At the employee level, there is a small difference because many are women who have an administrative assistant role.



Diversity policy

Cofinimmo firmly believes in the appeal of diversity (cultural, generational, linguistic, gender, etc.) for both the company and the community. Equal opportunities are a fundamental value for democracies.

Respect for differences and cultural diversity

Cofinimmo has been awarded the Diversity Label for more than ten years. It rewards initiatives and confirms the company's deep and unwavering commitment in this field, reflected in its recruitment, staff management and external positioning.

The main goal of governance is to achieve quality, development and sustainability. The highest degree of management quality can be achieved through, among other things, diversity.

Diversity in the Board of Directors and its Committees

Diversity on the Board of Directors is reflected in the significant presence of women, but also in the presence of three different nationalities and varied backgrounds. This selection helps to expand the knowledge in the Board and its committees of the different countries in which the company operates.

Diversity within the Management

For many years, the majority of the group's employees have been female and many of them have a management role. 54% of managers are women, a proportion that demonstrates the equity with which the management team is organised. All the female managers perform this role in support teams (human resources, accounting, finance, treasury, communication and investor relations, etc.).

All employees are offered flexibility in the organisation of their working life, which is mostly used by women but is increasingly being used by male employees. The potential for development and growth within Cofinimmo remains unchanged for women returning from maternity leave, as promotions are based on the recognition of talent and skills, regardless of their origin.

Diversity among employees



Diversity management is an integral part of Human Resources management. Equity, also demonstrated by the regular renewal of the company's Investors in People accreditation, is sought in every area and at all levels: access to training, coaching and stress management, skills transfer, career management, etc.

Cofinimmo is one of the few Belgian real estate companies where there is also a significant presence of women. Furthermore, employees have varied cultural origins and educational backgrounds, which stimulates internal creativity and enhances team performance. Generational diversity, in turn, helps to bring together experience and innovation, and in this way find reproducible solutions.



The main goal of governance is to achieve quality, development and sustainability. The highest degree of management quality can be achieved through, among other things, diversity.

2018 Performance indicators

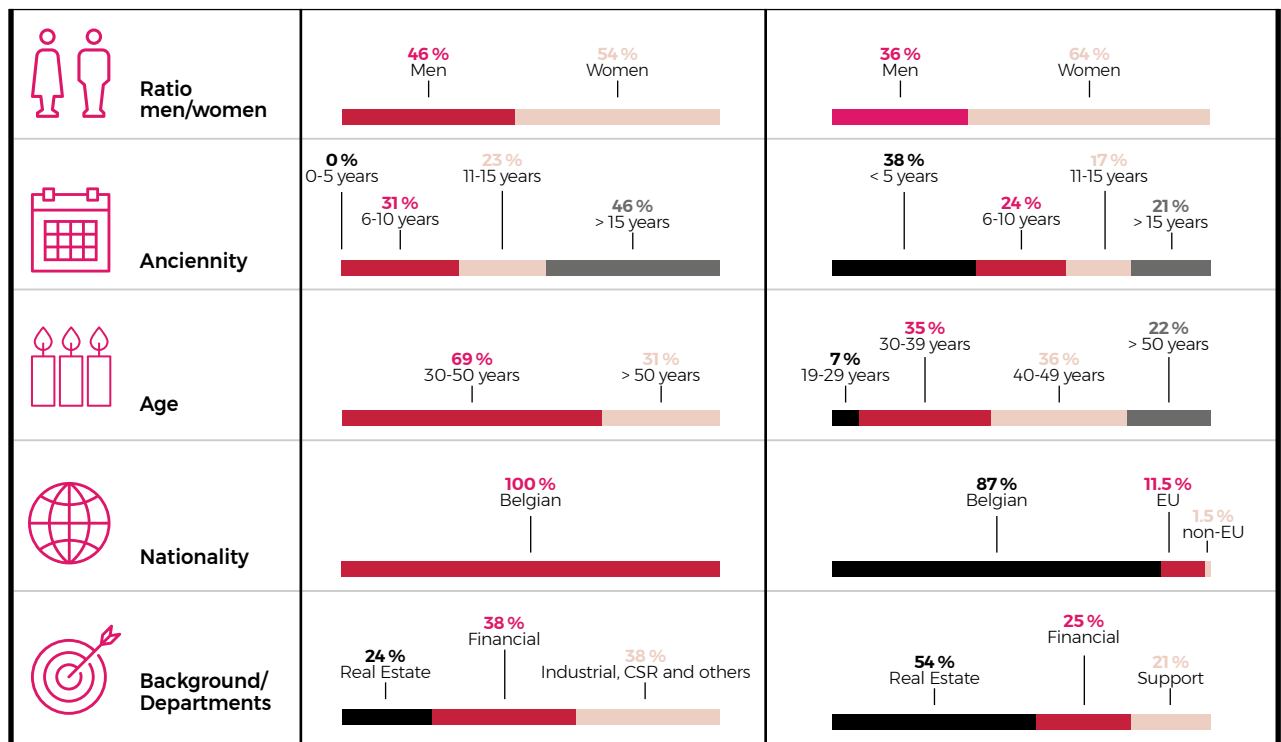
	Independent members/ total	Gender ratio in % 		Age in % 		Internationalisation rate in %	Background in %		
		Men	Women	30-50 years	> 50 years		Financial	Real estate	Industrial, CSR and others
Board of Directors	8/11 (73 %)	55 %	45 %	9 %	91 %	27 %	27 %	18 %	55 %
Executive Committee	-	60 %	40 %	60 %	40 %	-	20 %	40 %	40 %
Audit Committee	3/3 (100 %)	33 %	67 %	-	100 %	33 %	67 %	33 %	-
Nomination and Remuneration Committee	4/4 (100 %)	75 %	25 %	-	100 %	50 %	-	25 %	75 %

13

Managers

131

Employees of which 13 Team Managers



2019 Objectives

- Pay attention to the ration of men to women.
- Focus on recruiting young people via a presence at university employment days and the desire to offer traineeships to students during their studies.
- Examine other ways when recruiting a person with reduced mobility and hearing or visually impaired people, via contact with associations specialising in this area.



● Flex Corner® - The Gradient office building - Brussels Decentralised (BE)



Achievements in 2018

Recruitment

In 2018, Cofinimmo recruited 13 new colleagues in Belgium and three in France. Among these, three of them are under 26 years old and one is aged over 50. The company's outlook on talent aims to be diverse and open to all types of profiles. The company's performance in terms of sensitive ratios (age, origin, etc.) continues to be a focus for the Group's human resources department.

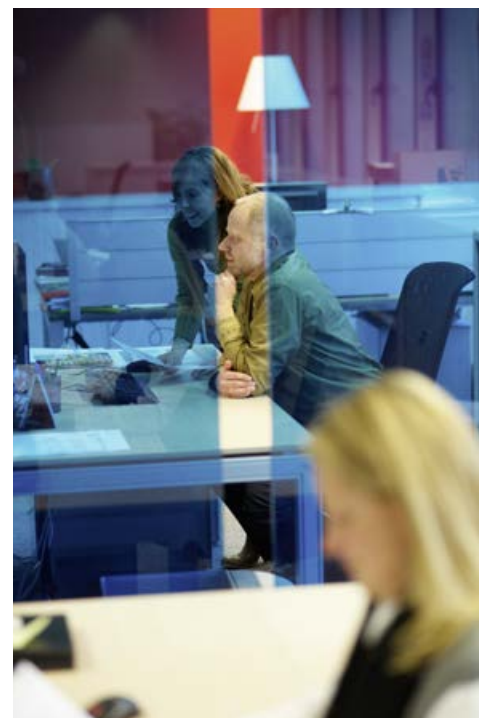
Staff management

Cofinimmo presents the Diversity Charter, which is an integral part of the welcome pack, to all new employees on their first day.

Communication

Today, the company's external communication regarding its commitment to diversity is mainly through documents such as the Annual Financial Report, the Sustainability Report and the website.

At the same time, Cofinimmo pays specific attention to internal communication by sharing a commitment to openness with all stakeholders. Above all, the company is successful in creating among its employees a shared desire to commit to always performing better.



Mobility

For a building to be attractive, it must be accessible. However, increasing vehicle traffic is making city travel more difficult and it creates discomfort for residents through increased air pollution and noise. This is why many European countries have implemented a Low Emission Zone (LEZ) in major cities over the past few years.



● **Bicycle parking - Loi/Wet 227 office building - Brussels CBD (BE)**

Mobility-related emissions account for over half of a building's ecological footprint. The overall impact of travel to a low energy consumption building located outside the city centre will be greater than that of travel to a less energy-efficient building located in the city centre.

While reducing car use via alternative transport methods (for example electric vehicles) has a positive impact on the environment and the well-being of people, this nevertheless requires the implementation of specific facilities.

2018 Performance indicators

Infrastructure for cyclists

11.7%

Of bicycle parking spaces available in the office segment

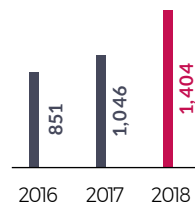
1,404

Bicycle parking spaces

147

Showers

Evolution of bicycle parking spaces



Electric vehicle charging terminals

0.4%

Of car parkings equipped with terminals in the office segment, of which:

42

Terminals for office building tenants

1

Terminal available to the general public

Shared and public parking spaces

2.7%

Of parking spaces available in the office segment, of which:

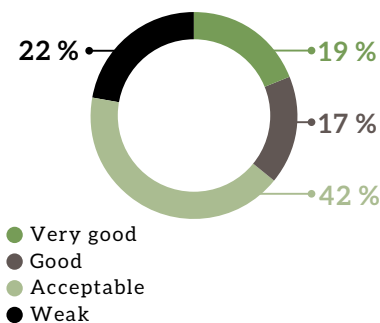
118

Shared parking spaces

200

Public parking spaces

Accessibility of office buildings (by public transport/bicycle)



- Very good
- Good
- Acceptable
- Weak

2019-2021 Objectives

- Gradually improve infrastructure for cyclists.
- Examine the gradual conversion of 2,500 parking spaces into public parking spaces as permits are renewed.
- Improve the average CO₂ emissions of the fleet.



Achievements in 2018

For employees

Cofinimmo implements innovative measures to facilitate the transition from cars to alternative mobility options, in particular through cleaner vehicles. The mobility policy includes the Ecoscore concept and promotes alternative mobility methods. The combination of a company car with a bicycle and/or a public transport pass is now possible. Moreover, the mobility coordinator constantly encourages staff to use alternative modes of transport. Since January 2017, 24 % of new orders already combine a company car with a sustainable mode of transport and diversification in the choice of fuel has also been noted (7 % petrol cars, one hybrid car and one electric car). The result is a 3 % reduction in CO₂ emissions compared with 2017 (-29 % compared with 2010).

Shared equipment was also provided to all staff members as part of the transition. In this way, the fleet now includes one electric car, one scooter, one Villo card and one electric bicycle. Its use has encouraged some employees to give preference to the electric bicycle for commuting and others are planning to do so in the near future.

Furthermore, Cofinimmo has provided IT solutions (top-of-the-range laptop computer, appropriate telephone equipment) to all its employees in order to facilitate teleworking for those who are interested in doing so. In 2018, 15 employees chose to work from home one day a week. The consequences are doubly positive and impact not only travel, which is decreasing, but also the well-being of the people involved.



● Arts/Kunst 46 office building - Brussels CBD (BE)

For client-tenants

Cofinimmo's main role is to raise awareness among its client-tenants, but what is its impact?

Today, the bicycle, and especially the electric version, has become a real competitor for the car for commuting journeys of between 10 and 20 km. It is therefore essential to improve facilities in office buildings in this respect. For cyclists, this means bicycle parking spaces, which are preferably covered, and showers, with or without storage lockers.

However, the introduction of specific equipment does not stop there. The use of electric vehicles in response to the issue of increasing vehicle traffic requires, for example, the installation of charging terminals. The company has, moreover, also a carpooling platform for several years now. Given the importance of critical mass in carpooling, this platform was made available to the tenants of four office sites.

A final incentive to reduce the number of journeys by car is to decrease the number of parking spaces available on arrival. Following the introduction of the Cobrace ('Code Bruxellois de l'Air, du Climat et de la maîtrise de l'Énergie') air, climate and energy management legislation, a mobility study was carried out on three buildings in the Brussels office portfolio. Its aim was to estimate the number of spaces required based on different purposes (visitors, deliveries, charging terminals). If the Brussels authorities leave today the choice between the payment of an environmental tax and the transition to shared/public car parks for spaces that will no longer be authorized at the end of the environmental permit, Cofinimmo considers the second option to be more sustainable because rotation makes it possible to increase the occupancy of parking spaces. Since the entry into force of the 'Cobrace' legislation in 2014, only 21% of spaces have actually been deallocated or reallocated in the Brussels-Capital region.



● Pub 'Café Luxembourg' - Brussels (BE)

Finally, the Lounges® create an ideal environment for offering innovative mobility alternatives to occupants. During a presentation by Office On Wheels (www.officeonwheels.be), 15 people from eight different tenants expressed an interest in such a project. It aims to transform commuting time into working time. The bike clinic also offers tenants free bicycle maintenance during their lunch break and it has been a real success!

Mobility is, however, having less impact in the healthcare real estate segment, even though a building accessible by public transport is preferred for occupants, visitors and staff.

Today, the bicycle, and especially the electric version, has become a real competitor for the car for commuting journeys of between 10 and 20 km.

Energy consumption and GHG emissions

In Europe, the real estate sector is responsible for 40 % of CO₂ emissions. In view of this fact, Cofinimmo wishes to limit the emissions resulting from the operation of the buildings in its portfolio. As such, their energy performance must be optimal.

Moreover, from 2020, all new buildings in Europe will have to meet passive standards, which creates an opportunity for Cofinimmo to differentiate itself in anticipation of this regulation. Indeed, buildings that have better energy performance are more attractive from a commercial point of view as they offer occupants both greater comfort and lower rental-related expenses.

2018 Performance indicators

238 tonnes of CO₂ per EUR million¹

GHG intensity according to property result.

-6.2 %

GHG emissions

-8.1 %

Electricity consumption

-2.0 %

Fuel consumption with constant climate

2019-2023 Objectives

3.45%

Renovation of the portfolio (excluding new constructions and acquisitions)

2,544 MWh/year

Renewable energy production

30%

Office space covered by a Green Charter, a sustainability collaboration agreement between Cofinimmo and the tenant

Scopes 1, 2 and 3

Study on a GHG emissions reduction target in line with Science Based Targets (SBT)

● Police station - Dendermonde (BE)



¹ In the context of a carbon tax at 44.60 EUR/tonnes CO₂, (source 'ADEME'), this corresponds to a tax of 2 million EUR.

Achievements in 2018

Measure

Reducing energy consumption starts with a better understanding of the building portfolio. With this in mind, Cofinimmo is gradually, and more optimally, recording the consumption of the buildings' facilities. The action plan implemented since 2013 has now been completed and all multi-tenant buildings are therefore equipped with remotely readable meters. These connect the facilities to the energy accounting software. All the consumption data from all the shared spaces managed by Cofinimmo, as well as the private consumption data voluntarily provided by the different tenants (for example, the electricity consumption of 62 % of the healthcare real estate portfolio), are collected in this software. All the energy consumption and GHG emissions results are available in the '2018 Key Performance Indicators', which are data compliant with the EPRA¹ standard.

Avoid

In the real estate business, what is the best way to actively participate in global efforts to reduce greenhouse gas emissions? It is a matter of avoiding consumption through the redevelopment or large-scale renovation of the portfolio (2.2 % of the total portfolio in 2018). Cofinimmo therefore strives to go as far as possible in terms of energy efficiency, often beyond legal requirements but within the scope of the desired economic profitability. In the distribution network segment, Cofinimmo completed 104 interventions in 2018 as part of its sustainability approach.

● The Gradient office building - Brussels Decentralised (BE)



Renewable source

Minimal energy consumption will always be a necessity. Here, the overall goal is to increase the share of renewable energy. In 2018, the company deepened its knowledge of the photovoltaic panels installed in the portfolio: 11 buildings together produce 1,832 MWh per year. All the energy produced by these facilities is self-consumed. However, legal constraints make it difficult to expand production without becoming an energy supplier. In addition, in Belgium, only the subsidy system in the Brussels-Capital Region is favourable to this type of installation. As such, photovoltaic projects are implemented under a third-party investor scheme. This mechanism releases Cofinimmo of all responsibility as an energy supplier and makes it possible to exploit areas that cannot be used for other activities.

In the healthcare real estate segment, operators also participate in third-party investor projects for the installation of photovoltaic panels and other equipment with a positive impact on the net energy requirement. At the start of the year, in the Netherlands, the Amphibia car park in Breda was equipped with photovoltaic panels.

Reduce

The approach of reducing consumption differs depending on the segment. For offices, Cofinimmo is often involved in the construction/renovation phase and in the day-to-day management of a majority of buildings. This enables it to have an influence on consumption as soon as the building is occupied. At 31.12.2018, 38 tenants had signed a Green Charter (a sustainability collaboration agreement that makes it possible to share energy consumption data and to implement initiatives to reduce it) covering 117,622 m², i.e. 19 % of the office portfolio.

In other segments, Cofinimmo's involvement is limited to raising tenants' awareness. Building occupants are responsible for managing their own energy consumption. Cofinimmo's involvement is in this case sometimes limited to the exchanging of data. However, the company believes that landlords and tenants have a shared interest, namely that of reducing the environmental impact of a rented space.

¹ Cofinimmo has adopted the performance measures recommended by the European Public Real Estate Association (EPRA). The 28 measures corresponding to 21 GRI Standards drawn from the Global Reporting Initiative (GRI) provide a very clear picture of the performance of different buildings from year to year. Since 2018 the data are consolidated in the EPRA sBPR database.



Key performance indicators for 2018

Data according to the EPRA sBPR guidelines

Organisational boundaries

The data are calculated based on information in the possession of Cofinimmo as the landlord, and Cofinimmo Services and Superstone as the manager of its real estate portfolio. They also include the data collected from the building occupants. In this way, an operational control approach was adopted. The spaces under operational control (directly managed) include Cofinimmo's head office, the operational multi-tenant leases and medical office buildings MOB (441,704 m²/2,064,821 m²).

Cofinimmo has no operational control over consumption in buildings in the following segments: healthcare real estate excluding MOB, distribution networks and PPP, and single-tenant office buildings, which together represent 79 % of the portfolio. These buildings are indirectly managed.

Coverage

Coverage is always expressed in m² per segment. The surfaces used match the above-ground surface area of the buildings as in the chapter 'Property report' (see pages 90-101 of the 2018 Annual Financial Report).

Estimation of consumption

The consumption estimations for all the meters are made using the same formula, the data source of which is mentioned on an annual invoice. To align the consumption for a calendar year, an estimation is made to complete the missing period until the end of the year on an annual consumption basis (for example: consumption for the period from June 2017 to May 2018 will be the basis for estimating the consumption for the period from June 2018 to December 2018). For fuels, the formula takes degree days into account. The method has been validated, and these data are verified for a sample of sites during the external audit.

If the private consumption for multi-tenant buildings is incomplete because information is not exchanged by the tenants, the missing private consumption is estimated based on the known average private consumption for other floors in the same building.

Third Party Assurance

All the measures included in the pages 67-77 have been externally assured by Deloitte Reviseurs d'Entreprises SC s.f.d. SCRL (see the Statutory Auditor's report), in accordance with ISAE 3000. This report provides an external and objective perspective on the data and helps to ensure that they accurately reflect reality. No observations were made. The measures monitored correspond to the 28 performance measures recommended by EPRA and represent 21 Global Reporting Initiative disclosures (GRI Standards). They are considered to be material for the real estate sector.

Boundaries on consumption

Consumption data are received directly from the tenant for a sample of spaces (54 % of portfolio indirectly managed), based on a mix of operational and financial leases.

99 % of the consumption data for the private spaces of multi-tenant buildings are obtained by the landlord's Property Manager (57 %) or by the distribution network's manager with the formal agreement of the tenant (42 %).

Cofinimmo can only act on the consumption of the shared technical equipment of the multi-tenant and healthcare buildings for which Cofinimmo Services and Superstone handle property management, and of the head office (21 % of the portfolio).

Normalisation

The normalisation is clearly indicated for each measure. Fuel consumption is usually normalised to assess the harshness of the climate. The comparison is based on normalised consumption, based on degree days (DD). The number of DD rises as it gets colder. The average DD value for a location (established over the past 30 years) is called normal degree days (NDD).

Normalised consumption =
Recorded consumption x NDD / DD

The environmental intensity measures are always expressed per unit of surface area. The surface area used as the denominator is the above-ground surface area.

Segmental analysis

In addition to the distinction between buildings under or without operational control, a distinction is made between the following segments: healthcare real estate, distribution networks and PPP, and offices. The impact of the head office is transparently communicated on a separate line.

The measures are then analysed by geography without the operational control distinction given that environmental legislation differs in each country.

Disclosure on own offices

In a fully transparent manner, each measure shows the results for the head office, as well as the evolution of results, on a separate line. No estimations are made for the head office.

The social measures concerning employees relate to all employees (131 people) in Belgium (123 people), France (4 people) and the Netherlands (4 people). All the other measures only relate to the spaces in Belgium (3,868 m²), since the spaces occupied in France (93 m²) and in the Netherlands (52 m²) are not material.

Narrative on performance

The results relating to electricity, fuel and water consumption, as well as waste, cover buildings under Cofinimmo's operational control and those under the operational control of the tenants.

The findings below concern the 2017-2018 like-for-like analysis of the results for buildings under operational control. On a like-for-like basis, there was a 2.5% decrease in greenhouse gas emissions, with the following breakdown:

- a 0.9% decrease in electricity consumption;
- a 4.3% decrease in gross fuel consumption.

More details on performance by measure is available on the following pages in the notes at the end of the results for each measure.

All the 2018 data were taken from the energy accounting.

The material topic relating to energy consumption and GHG emissions is included in the chapter on pages 63-64. The objectives relating to the coverage of energy consumption and GHG emissions are included in the 'Dashboard' (see pages 78-83).

Location in report

All the environmental and social measures are published in this chapter (see pages 67-77).

64%

Energy coverage

55%

Water coverage

27%

Waste coverage

2,064,821 m²

Surface of portfolio

The information concerning the governance measures are published in the chapter 'Corporate governance statement' (see pages 124-151 of the 2018 Annual Financial Report).

Reporting period

The measures cover the period from 01.01.2018 to 31.12.2018. A comparison is made with the 2017 figures.

No adjustments were made to the 2017 historical data on an individual basis. The consolidation of the historical data has been aligned with the changes on operational control. In addition, a consolidation by the age of the building is no longer considered relevant. Instead, a consolidation of the portfolio by country is analysed.

Materiality

A complete materiality analysis was carried out and is documented in the chapter 'Major trends and their impacts on the materiality matrix' (see pages 14-17).

Environmental performance measures

Total electricity consumption (MWh/year)

Based on the GRI 302-1 and 302-2 disclosures

Total electricity consumed from indirect renewable and non-renewable sources (indirect means that the electricity is produced off-site and purchased from an electricity supplier).

	Number of buildings	Coverage in m ²	Elec-Abs		Elec-LfL			Electricity from renewable sources	Estimated electricity consumption
			2017	2018	2017	2018	Δ		
Healthcare real estate	91/158	61 %	38,954	32,810	31,949	32,292	1.1 %	0.1 %	-
Distribution networks, PPP	21/1,240	25 %	5,596	5,730	5,593	5,730	2.4 %	4.1 %	2.1 %
Offices	26/27	100 %	50,284	35,782	45,054	35,719	-20.7 %	-	0.5 %
TOTAL indirectly managed	138/1,425	54 %	94,834	74,322	82,596	73,741	-10.7 %	0.4 %	0.4 %
Healthcare real estate	11/11	100 %	1,700	2,308	1,700	1,736	2.1 %	-	-
Offices - shared	58/59	99 %	19,452	20,237	19,452	19,885	2.2 %	1.7 %	-
Offices - private (purchase by landlord)	28/28	100 %	9,804	11,146	-	-	-	-	-
Offices - private (purchase by tenant)	30/31	98 %	3,459	9,036	-	-	-	-	21.2 %
Head office	1/1	100 %	343	348	343	348	1.5 %	1.4 %	-
TOTAL directly managed	70/71	99 %	34,758	43,074	21,494	21,968	2.2 %	0.8 %	4.4 %
TOTAL	208/1,496	64 %	129,592	117,397	104,090	95,709	-8.1 %	0.5 %	1.9 %

1 The values shown are the total consumption for the building, without differentiating between the private and shared areas, except for directly managed offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings, the private consumption purchased by the landlord and by the tenant.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

	Number of buildings	Coverage in m ²	Elec-Abs		Elec-LfL			Electricity from renewable sources	Estimated electricity consumption
			2017	2018	2017	2018	Δ		
Healthcare real estate (BE)	48/57	88 %	16,132	16,416	16,132	16,001	-0.8 %	-	-
Healthcare real estate (FR)	34/49	71 %	13,007	13,331	13,007	13,228	1.7 %	-	-
Healthcare real estate (NL)	19/32	50 %	6,763	5,372	4,510	4,800	6.4 %	0.8 %	0.2 %
Healthcare real estate (DE)	1/31	2 %	4,751	0	0	0	-	-	-
Distribution networks, PPP (BE)	21/1,240	25 %	5,596	5,730	5,593	5,730	2.4 %	4.1 %	2.1 %
Offices (BE)	84/86	99 %	83,000	76,201	77,770	76,137	-2.1 %	0.5 %	2.7 %

1 No information is available for the distribution networks in France and the Netherlands.

Total district heating and cooling consumption (MWh/year)

Based on the GRI 302-2 disclosure

	Number of buildings	Coverage in m ²	DH&C-Abs		DH&C-LfL			Energy from renewable sources	Estimated energy consumption
			2017	2018	2017	2018	Δ		
Healthcare real estate (NL)	1/21	9 %	1,740	1,516	1,641	1,516	-12.9 %	100.0 %	-
TOTAL indirectly managed	1/1,425	0.4 %	1,740	1,516	1,641	1,516	-12.9 %	100.0 %	-

1 The conversion factor used is 278 kWh/GJ.

2 Heat consumption accounts for 0.001 % of total fuel consumption.

3 Cofinimmo's buildings are not supplied by district cooling.

Total fuel consumption (MWh/year)

Based on the GRI 302-1 and 302-2 disclosures

The types of fuel used are gas and fuel oil.

	Number of buildings	Coverage in m ²	Fuels-Abs		Fuels-LfL			Fuel from renewable sources	Estimated fuel consumption
			2017	2018	2017	2018	Δ		
Healthcare real estate	85/158	59 %	65,877	60,777	53,408	56,651	6.1 %	2.5 %	0.6 %
Distribution networks, PPP	20/1,240	27 %	8,185	8,687	8,061	7,263	-9.9 %	-	1.0 %
Offices	26/27	100 %	24,149	13,810	19,998	13,810	-30.9 %	-	-
TOTAL indirectly managed	131/1,425	53 %	98,212	83,274	81,468	77,724	-4.6 %	1.8 %	0.6 %
Healthcare real estate	9/11	86 %	1,008	1,229	1,008	1,209	20.0 %	-	-
Offices	58/59	99 %	33,373	31,932	33,373	31,932	-4.3 %	-	0.3 %
Head office	1/1	100 %	348	342	348	342	-1.7 %	-	-
TOTAL directly managed	68/71	98 %	34,729	33,504	34,729	33,484	-3.6 %	-	0.3 %
TOTAL	199/1,496	63 %	132,940	116,778	116,196	111,207	-4.3 %	1.3 %	0.5 %

1 The values of fuels used concern 90.3% for heating gas and 9.7% for heating oil.

2 The values shown are the total consumption for the building, without differentiating between the private and shared areas.

3 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

4 The like-for-like analysis is based on the total consumption of the building, without differentiating between the private and shared areas.

	Number of buildings	Coverage in m ²	Fuels-Abs		Fuels-LfL			Fuel from renewable sources	Estimated fuel consumption
			2017	2018	2017	2018	Δ		
Healthcare real estate (BE)	48/57	88 %	40,640	42,996	40,640	42,215	3.9 %	-	0.9 %
Healthcare real estate (FR)	29/49	65 %	10,336	13,748	9,881	12,227	23.7 %	-	-
Healthcare real estate (NL)	16/32	45 %	6,958	3,504	3,896	3,419	-12.2 %	43.3 %	-
Healthcare real estate (DE)	1/31	2 %	8,952	1,759	-	-	-	-	-
Distribution networks, PPP (BE)	20/1,240	27 %	8,185	8,687	8,061	7,263	-9.9 %	-	1.0 %
Offices (BE)	84/86	99 %	57,522	45,742	53,371	45,742	-14.3 %	-	0.2 %

1 No information is available for the distribution networks in France and the Netherlands.

To assess the harshness of the climate, it is standard practice to compare the normalised consumption of fuels based on degree days (DD). The number of DD rises as it gets colder. The average DD value for a location (established over the past 30 years) is called normal degree days (NDD).

Normalised consumption = Recorded consumption x NDD / DD

	Number of buildings	Coverage in m ²	Normalised consumption MWh		Normalised like-for-like consumption MWh			Normalised intensity kWh/m ²		
			2017	2018	2017	2018	Δ	2017	2018	Δ
Healthcare real estate	85/158	59 %	70,377	66,462	57,056	61,950	8.6 %	131	130	-1.0 %
Distribution networks, PPP	20/1,240	27 %	8,744	9,500	8,612	7,943	-7.8 %	73	67	-8.1 %
Offices	26/27	100 %	25,798	15,102	21,364	15,102	-29.3 %	90	71	-20.7 %
TOTAL indirectly managed	131/1,425	53 %	104,919	91,064	87,032	84,994	-2.3 %	111	105	-5.4 %
Healthcare real estate	9/11	86 %	1,076	1,344	1,076	1,322	22.8 %	62	71	13.9 %
Offices	58/59	99 %	35,652	34,919	35,652	34,919	-2.1 %	91	85	-7.2 %
Head office	1/1	100 %	372	374	372	374	0.6 %	96	97	0.6 %
TOTAL directly managed	68/71	98 %	37,101	36,638	37,101	36,616	-1.3 %	90	84	-6.5 %
TOTAL	199/1,496	63 %	142,020	127,702	124,133	121,610	-2.0 %	105	98	-6.3 %

1 The 15/15 DD in Uccle/Ukkel for 2017 was 1,780.4.

2 The 15/15 DD in Uccle/Ukkel for 2018 was 1,739.3.

3 The NDD in Uccle/Ukkel was 1,902 (base year 2015).

The decrease in fuel consumption is partially due to weather conditions. 2018 was warmer than 2017, with an average of 1,739.3 degree days (1,780.4 in 2017). Consumption decreased by 4.3 %. With constant climate, the objective for a decrease in fuel consumption was achieved. Fuel consumption with constant climate decreased by 2.0 %.

Building energy intensity (kWh/m²/year)

Based on the GRI 302-3 and CREI disclosures

Ratio between the total energy consumed from all sources, i.e. electricity, fuel, district heating and cooling, divided by unit of surface area. The total energy consumed or the numerator corresponds to the sum of the following three measures in absolute values: electricity, district heating and cooling, fuels. The surface area used as the denominator is the above-ground surface area.

	Elec-Int			Fuels-Int			Energy-Int			Normalised Energy-Int		
	2017	2018	Δ	2017	2018	Δ	2017	2018	Δ	2017	2018	Δ
Healthcare real estate	66	62	-6.3 %	123	119	-3.3 %	189	181	-4.3 %	197	192	-2.8 %
Distribution networks, PPP	41	42	3.4 %	68	61	-10.3 %	109	103	-5.1 %	113	109	-4.0 %
Offices	176	169	-4.3 %	84	65	-22.5 %	261	234	-10.2 %	266	240	-9.9 %
TOTAL indirectly managed	94	85	-9.7 %	104	96	-7.6 %	198	181	-8.6 %	205	190	-7.3 %
Healthcare real estate	99	104	5.0 %	58	65	11.2 %	158	169	7.3 %	162	175	8.4 %
Offices	84	98	17.0 %	85	78	-9.3 %	169	176	3.7 %	175	183	4.4 %
Head office	89	90	1.5 %	90	89	-1.7 %	179	178	-0.1 %	185	187	1.0 %
TOTAL directly managed	85	98	16.4 %	84	77	-8.7 %	169	175	3.8 %	175	183	4.5 %
TOTAL	91	89	-2.0 %	98	90	-8.5 %	189	179	-5.4 %	196	187	-4.3 %

1 The values shown are the total consumption for the building, without differentiating between the private and shared areas.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

	Elec-Int			Fuels-Int			Energy-Int			Normalised Energy-Int		
	2017	2018	Δ	2017	2018	Δ	2017	2018	Δ	2017	2018	Δ
Healthcare real estate (BE)	47	48	0.9 %	120	124	3.3 %	168	172	2.6 %	176	184	4.4 %
Healthcare real estate (FR)	85	88	4.0 %	86	101	17.5 %	170	189	10.8 %	176	198	12.4 %
Healthcare real estate (NL)	93	109	17.2 %	112	79	-29.0 %	205	188	-8.1 %	212	196	-7.9 %
Healthcare real estate (DE)	130	0	-	266	382	43.5 %	396	382	-3.6 %	415	418	0.8 %
Distribution networks, PPP (BE)	41	42	3.4 %	68	61	-10.3 %	109	103	-5.1 %	113	109	-4.0 %
Offices (BE)	123	122	-0.6 %	85	73	-13.7 %	208	195	-6.0 %	214	202	-5.3 %

1 No information is available for the distribution networks in France and the Netherlands.

Total direct and indirect greenhouse gas emissions (tonnes of CO₂e/year)

Based on the GRI 305-1, 305-2 and 305-3 disclosures

Scope 1: amount of greenhouse gas emitted directly through the use of fuel on-site per year.

Scope 2: amount of greenhouse gas emitted indirectly through the purchase of electricity and district heating per year.

Total: total direct and indirect greenhouse gas emissions.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-Abs-LfL		
	2017	2018	2017	2018	2017	2018	2017	2018	Δ
Healthcare real estate	8,858	7,461	13,463	12,421	22,321	19,882	18,180	18,921	4.1%
Distribution networks, PPP	1,273	1,303	1,673	1,775	2,945	3,078	2,919	2,787	-4.5%
Offices	11,435	8,137	4,935	2,822	16,370	10,959	14,332	10,945	-23.6%
TOTAL indirectly managed	21,565	16,901	20,071	17,019	41,637	33,920	35,432	32,653	-7.8%
Healthcare real estate	386	525	206	251	592	776	592	642	8.4%
Offices - shared	4,423	4,602	6,820	6,526	11,244	11,128	11,244	11,048	-1.7%
Offices - private	3,016	4,589	-	-	3,016	4,589	-	-	-
Head office	78	79	71	70	149	149	149	149	-0.1%
TOTAL directly managed	7,904	9,795	7,097	6,847	15,001	16,642	11,985	11,839	-1.2%
TOTAL	29,469	26,696	27,169	23,866	56,638	50,562	47,417	44,492	-6.2%

1 The values shown represent the total emissions of buildings, without distinguishing between the private and shared areas, except for directly managed offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

3 The CO₂ emission factor is 227.4 g/kWh for electricity (source IEA 2016) and 204.37 g/kWh for gas (source DEFRA 2018).

4 The conversion coefficients used are based on location. Taking market conversion coefficients into account, total indirect emissions for directly managed portfolio (excluding private consumption of offices) are zero as a result of the green electricity contract that Cofinimmo Services and Superstone signed for all its directly managed surfaces.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-Abs-LfL		
	2017	2018	2017	2018	2017	2018	2017	2018	Δ
Healthcare real estate (BE)	3,668	3,733	8,306	8,787	11,974	12,520	18,180	18,921	4.1%
Healthcare real estate (FR)	2,958	3,031	2,112	2,810	5,070	5,841	2,919	2,787	-4.5%
Healthcare real estate (NL)	1,538	1,222	1,422	716	2,960	1,938	14,332	10,945	-23.6%
Healthcare real estate (DE)	1,080	0	1,829	360	2,910	360	35,432	32,653	-7.8%
Distribution networks, PPP (BE)	1,273	1,303	1,673	1,775	2,945	3,078	592	642	8.4%
Offices (BE)	18,874	17,328	11,756	9,348	30,630	26,676	11,244	11,048	-1.7%

1 No information is available for the distribution networks in France and the Netherlands.

Greenhouse gas emissions intensity (kg CO₂e/m²/year)

Based on the GRI 305-4 and CRE3 disclosures

Total amount of greenhouse gas emitted directly and indirectly per m² and per year.

The surface area used as the denominator is the above-ground surface area.

	GHG-Indir-Int		GHG-Dir-Int		GHG-Int		GHG-Int-Lfl		
	2017	2018	2017	2018	2017	2018	2017	2018	Δ
Healthcare real estate	15	14	25	24	40	38	37	39	4.2 %
Distribution networks, PPP	9	10	14	12	23	22	23	22	-4.9 %
Offices	40	38	17	13	57	52	68	52	-23.6 %
TOTAL indirectly managed	21	19	21	20	43	39	43	39	-7.7 %
Healthcare real estate	23	24	12	13	35	37	34	37	8.3 %
Offices - shared	11	11	17	16	29	27	28	27	-1.7 %
Offices - private	8	11	-	-	8	11	-	-	-
Head office	20	20	18	18	39	39	39	39	-0.1 %
TOTAL directly managed	19	22	17	16	36	38	28	28	-1.2 %
TOTAL	21	20	20	18	41	39	38	36	-6.1 %

1 The values shown represent the total emissions of buildings, without distinguishing between the private and shared areas, except for directly managed offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

3 The CO₂ emission factor is 227.4 g/kWh for electricity (source IEA 2016) and 204.37 g/kWh for gas (source DEFRA 2018).

4 The conversion coefficients used are based on location. Taking market conversion coefficients into account, total indirect emissions for directly managed portfolio (excluding private consumption of offices) are zero as a result of the green electricity contract that Cofinimmo Services and Superstone signed for all its directly managed surfaces.

Total water consumption by supply source (m³/year)

Based on the GRI 303-5 disclosure

The total volume of water consumed is used to supply the air-conditioning installations, the sanitary facilities and the kitchenettes.

The only water supply source is municipal water.

	Number of buildings	Coverage in m ²	Water-Abs		Water-Lfl			Estimated water consumption
			2017	2018	2017	2018	Δ	
Healthcare real estate	84/158	57 %	547,485	458,137	424,202	433,384	2.2 %	0.4 %
PPP	1/7	20 %	36,929	31,414	26,977	31,414	16.4 %	-
Offices	22/27	82 %	42,132	29,263	39,927	29,263	-26.7 %	1.1 %
TOTAL indirectly managed	107/1,425	43 %	626,546	518,814	491,106	494,061	0.6 %	0.4 %
Healthcare real estate	7/11	63 %	4,520	3,440	2,954	3,079	4.2 %	53.2 %
Offices	58/59	99 %	99,647	95,548	99,647	95,548	-4.1 %	4.5 %
Head office	1/1	100 %	599	592	599	592	-1.1 %	-
TOTAL directly managed	66/71	97 %	104,766	99,580	103,200	99,219	-3.9 %	6.2 %
TOTAL	173/1,496	55 %	731,312	618,394	594,306	593,280	-0.2 %	-1.4 %

1 The values shown are the total consumption for the building, without differentiating between the private and shared areas.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

3 No information is available for the distribution networks.

Building water intensity by supply source (m³/m²/year)

Based on the GRI CRE2 disclosure

The surface area used as the denominator is the above-ground surface area.

	Number of buildings	Coverage in m ²	Water-Int			Water-Int-LfL		
			2017	2018	Δ	2017	2018	Δ
Healthcare real estate	84/158	57 %	1.04	0.93	-10.3 %	0.93	0.95	2.2 %
PPP	1/7	20 %	0.85	1.11	30.4 %	0.95	1.11	16.4 %
Offices	22/27	82 %	0.20	0.17	-16.6 %	0.23	0.17	-26.7 %
TOTAL indirectly managed	107/1,425	43 %	0.80	0.75	-7.0 %	0.74	0.75	0.6 %
Healthcare real estate	7/11	63 %	0.29	0.25	-14.3 %	0.24	0.25	4.2 %
Offices	58/59	99 %	0.26	0.23	-9.2 %	0.24	0.23	-4.1 %
Head office	1/1	100 %	0.15	0.15	-1.1 %	0.15	0.15	-1.1 %
TOTAL directly managed	66/71	97 %	0.26	0.23	-9.4 %	0.24	0.23	-3.9 %
TOTAL	173/1,496	55 %	0.61	0.55	-10.5 %	0.55	0.55	-0.2 %

1 The values shown are the total consumption for the building, without differentiating between the private and shared areas.

2 Cofinimmo has no control over the private consumption of tenants in the buildings. It can only act on the consumption of the shared technical equipment of the directly managed buildings.

3 No information is available for the distribution networks.

Total weight of waste by type and disposal route (tonnes/year)

Based on the GRI 306-2 disclosure

Quantity of waste collected by disposal route: reuse, recycling, composting, incineration, landfilling, etc. The recycling and incineration of waste with energy recovery are the only disposal routes.

	Number of buildings	Coverage in m ²	Waste-Abs			Waste-Abs			Waste-LfL			Waste-LfL			Δ
			2017			2018			2017			2018			
			Recycled	Incinerated	Total	Recycled	Incinerated	Total	Recycled	Incinerated	Total	Recycled	Incinerated	Total	
PPP	1/7	20 %	13	62	75	15	61	76	13	62	75	15	61	76	2.5 %
Offices	19/27	42 %	150	209	359	115	159	273	123	138	261	115	159	273	4.9 %
TOTAL indirectly managed	20/1,425	7 %	163	271	433	130	220	350	135	200	335	130	220	350	4.4 %
Healthcare real estate	6/11	65 %	10	27	36	20	60	80	10	27	36	11	24	35	-4.6 %
Offices	58/59	99 %	680	654	1,334	562	658	1,219	680	654	1,334	562	658	1,219	-8.6 %
Head office	1/1	100 %	14	5	19	15	7	22	14	5	19	15	7	22	19.9 %
TOTAL directly managed	65/71	97 %	704	685	1,389	597	724	1,322	704	685	1,389	588	688	1,276	-8.1 %
TOTAL	85/1,496	27 %	867	956	1,822	728	944	1,672	839	885	1,724	718	908	1,626	-5.7 %

1 Waste is collected at source by type: general waste, paper, cardboard, plastic, cans, glass, etc.

2 The breakdown of waste by disposal route varies based on the type of waste.

3 The values shown are the total quantities for the buildings, without differentiating between the private and shared areas.

4 Cofinimmo has no control over the private quantities of waste of building tenants. It can only act on the quantities of waste of the directly managed buildings.

5 Waste classified as hazardous is processed directly by the tenants. The total quantity of hazardous waste in the records of the directly managed buildings accounts for 0.2 % of the total weight.

6 Conversion factor depending on type: general waste 60 kg/m³, paper/cardboard 50 kg/m³, plastic/cans 30 kg/m³ and glass 320 kg/m³.

7 No information is available for indirectly managed healthcare real estate and distribution networks.

Proportion of waste collected by disposal route: reuse, recycling, composting, incineration, landfilling, etc. The recycling and incineration of waste with energy recovery are the only disposal routes.

The surface area used as the denominator is the above-ground surface area.

	Waste-Abs Recycled			Waste-Int 2017 tonnes/m ²			Waste-Int 2018 tonnes/m ²			Δ
	2017	2018	LfL	Recycled	Incinerated	Total	Recycled	Incinerated	Total	
PPP	17 %	20 %	17 %	0.45	2.19	2.63	0.55	2.15	2.70	2.5 %
Offices	42 %	42 %	47 %	1.12	1.55	2.67	1.28	1.76	3.04	13.9 %
TOTAL indirectly managed	38 %	37 %	40 %	1.00	1.66	2.66	1.10	1.86	2.96	11.1 %
Healthcare real estate	26 %	25 %	26 %	1.92	5.34	7.26	1.40	4.14	5.54	-23.6 %
Offices	51 %	46 %	51 %	1.74	1.68	3.42	1.36	1.60	2.96	-13.4 %
Head office	76 %	69 %	76 %	3.65	1.17	4.81	3.98	1.79	5.77	19.9 %
TOTAL directly managed	51 %	45 %	51 %	1.76	1.72	3.48	1.39	1.68	3.07	-11.7 %
TOTAL	48 %	44 %	49 %	1.54	1.70	3.24	1.33	1.72	3.05	-6.0 %

Type and number of sustainability certified assets (kWh/m²)

Based on the GRI CRE8 disclosure

Total number of buildings that have received a certification by type.

The table shows the number of buildings that have received at least one PEB certificate.

The energy performance level shown is the weighted average of the scores by segment.

	Number of buildings	Coverage in m ²	Energy performance			LfL energy performance		
			2017	2018	Δ	2017	2018	Δ
Healthcare real estate	82/158	48 %	225	202	-9.9 %	209	254	21.7 %
Distribution networks, PPP	293/1,240	29 %	210	211	0.2 %	210	210	-
Offices	14/27	36 %	267	244	-8.5 %	224	244	8.9 %
TOTAL indirectly managed	389/1,425	40 %	230	209	-8.9 %	211	240	13.3 %
Healthcare real estate	11/11	100 %	209	181	-13.2 %	208	209	0.4 %
Offices	34/59	58 %	186	177	-4.7 %	185	184	-0.3 %
Head office	1/1	100 %	238	238	-	238	238	-
TOTAL directly managed	46/71	61 %	188	178	-5.2 %	187	187	-0.2 %
TOTAL	435/1,496	45 %	217	200	-7.8 %	204	223	9.4 %

1 PEB certification is regulated differently for each country and segment.

2 For some PEB certificates the score is 0 kWh/m² due to a lack of information. These certificates are not included in the average.

	Number of buildings	Coverage in m ²	Energy performance			Lfl energy performance		
			2017	2018	Δ	2017	2018	Δ
Healthcare real estate (BE)	8/57	20 %	55	29	-46.7 %	32	34	5.7 %
Healthcare real estate (FR)	36/49	78 %	311	393	26.5 %	307	395	28.7 %
Healthcare real estate (NL)	32/32	100 %	202	164	-18.9 %	203	202	-0.5 %
Healthcare real estate (DE)	17/31	54 %	116	63	-45.7 %	116	104	-10.2 %
Distribution networks, PPP (BE)	27/743	23 %	163	164	1.0 %	160	160	-
Distribution networks (FR)	265/271	97 %	294	294	0.1 %	294	294	-
Distribution networks (NL)	1/226	1 %	-	0	-	-	-	-
Offices (BE)	48/86	51 %	214	193	-9.6 %	195	200	2.4 %

The table shows the number of buildings that have received at least one BREEAM and/or BREEAM In-Use certificate.

	Number of buildings	Coverage in m ²	BREEAM In-Use	BREEAM In-Use	BREEAM	BREEAM	BREEAM
			Good	Very Good	Good	Very Good	Excellent
PPP	1/7	20 %	-	-	20 %	-	-
Offices	1/27	4 %	-	-	-	-	4 %
TOTAL indirectly managed	2/1,425	2 %	-	-	2 %	-	1 %
Offices	9/59	15 %	8 %	-	-	3 %	5 %
Head office	1/1	100 %	-	100 %	-	-	-
TOTAL directly managed	10/71	15 %	8 %	1 %	-	2 %	5 %
TOTAL	12/1,496	5 %	2 %	0.2 %	1 %	1 %	1 %

1 No certification is available for healthcare real estate and distribution networks.

2 All the certified buildings are located in Belgium.

Social performance measures

Governance bodies and employee gender diversity (% of employees)

Based on the GRI 405-1 disclosure

Diversity-Emp	2017		2018	
	Women	Men	Women	Men
Board of Directors	42 %	58 %	45 %	55 %
Executive Committee	25 %	75 %	40 %	60 %
Managers	50 %	50 %	54 %	46 %
Employees	63 %	37 %	64 %	36 %

1 In 2017, 19 % of women and 3 % of men worked part-time.

2 In 2018, 27 % of women and 11 % of men worked part-time.

Gender salary and remuneration ratio (% women/men)

Based on the GRI 405-2 disclosure

Diversity-Pay	2017	2018
Board of Directors	72 %	80 %
Executive Committee	92 %	71 %
Managers	82 %	89 %
Employees	85 %	82 %

1 The chairman is male, which explains the difference at the Board level. Non-independent members are excluded from calculation, because they are included in the Executive Committee.

2 The CEO is male, which explains the difference at the Executive Committee level.

3 The difference at the Manager level can be explained by the fact that there are more male operational Managers.

4 At the employee level, there is a small difference because many women have an administrative assistant function.

Employee training and development (number of hours)

Based on the GRI 404-1 disclosure

Emp-Training	2017		2018	
	Total	Average	Total	Average
Women	3,159	37	3,367	40
Men	1,808	35	2,009	43
Employees	4,967	36	5,376	41

1 The denominator for the average per employee is 131 people (= total number of employees).

Employee performance appraisals (% of employees)

Based on the GRI 404-3 disclosure

Emp-Dev	2017	2018
Employees	100 %	100 %

Employee turnover and retention

Based on the GRI 401-1 disclosure

Emp-Turnover	2017				2018			
	Departures		New hires		Departures		New hires	
	Total	%	Total	%	Total	%	Total	%
Employees	9	6.6 %	15	10.9 %	17	13.0 %	12	9.2 %

1 The denominator is 131 people (= total number of employees).

2 In 2018 four new functions have been created.

Employee health and safety

Based on the GRI 403-9 disclosure

H&S-Emp	2017				2018			
	Rate of short-term absenteeism	Rate of long-term absenteeism	Work-related accidents	Number of accidents by worked hours	Rate of short-term absenteeism	Rate of long-term absenteeism	Work-related accidents	Number of accidents by worked hours
Employees	1.6 %	2.6 %	4	0.0016 %	1.5 %	3.8 %	1	0.0004 %

1 The denominator is the total number of working days including leave days in accordance with Belgian legislation.

2 Short-term means absenteeism of 20 days or less while long-term means more than 20 days.

3 There were no serious or fatal work-related accidents. The unique case in 2018 concerns only minor injuries.

Asset health and safety assessments (% of buildings in m²)

Based on the GRI 416-1 disclosure

H&S-Asset	2017	2018
Healthcare real estate	-	60 %
Offices	100 %	92 %
Head office	100 %	100 %
TOTAL directly managed	100 %	91 %

1 Fire audit, asbestos monitoring.

Asset health and safety compliance (number of accidents)

Based on the GRI 416-2 disclosure

H&S-Comp	2017	2018
Healthcare real estate	-	0
Offices	0	0
Head office	0	0
TOTAL directly managed	0	0

1 In 2018, no infringements related to fire audits and asbestos monitoring with a financial or health impact on the occupant were detected.

Community engagement, impact assessments and development programmes (% of buildings in m²)

Based on the GRI 413-1 disclosure

Comty-Eng	2017	2018
Healthcare real estate	-	-
Offices	100 %	100 %
Head office	100 %	100 %
TOTAL under operational control	100 %	95 %

1 The accessibility of office buildings has been assessed in the chapter 'Mobility' (see page 60). The strategy also includes individual actions for each building, such as the opening of a garden to the public (see the chapter 'Aesthetics, respect for public spaces and diversity of districts' on pages 46-51).

2 The engagement relating to the head office is described in the GRI content index (see page 88).

Governance performance measures

Composition of the highest governance body (total number)

Based on the GRI 102-22 disclosure

Nominating and selecting the highest governance body

Based on the GRI 102-24 disclosure

Process for managing conflicts of interest

Based on the GRI 102-25 disclosure

The Gov-Board, Gov-Selec and Gov-Col measures are described in the chapter 'Corporate governance statement' (see pages 124-151 of the 2018 Annual Financial Report).

Dashboard

ID	Commitments	Scope	Actions taken in 2018
	Business ethics		
1	Maximise the transparency of the company's non-financial information.	Cofinimmo Group	<ul style="list-style-type: none"> Received an EPRA Sustainability sBPR Gold Award. Received third party assurance for the performance measures recommended by EPRA and published on the Cofinimmo website. Produced a sustainability report in line with GRI Standards at Core level and received third party assurance for it. Participated in the GRESB survey and improved score from 66 % to 69 %.
2	Extend the Environmental Management System's ISO 14001 certification in addition to the existing certification for the management of the global office portfolio, Project Management and Development.	Offices	<ul style="list-style-type: none"> Extend the ISO 14001:2015 certification. The certification includes all the Property Management, Project Management and Development activities.
3	Annually review the materiality matrix for the company's sustainability topics.	Cofinimmo Group	<ul style="list-style-type: none"> Continued the dialogue with external stakeholders through an analysis of the various existing contacts.
4	Promote the Green Charter, a collaboration agreement signed by Cofinimmo, Cofinimmo Services and tenants in order to actively promote sustainability and encourage all parties to reduce the environmental impact of leased properties: sharing of consumption data, initiatives to reduce consumption, better waste sorting, etc.	Offices	<ul style="list-style-type: none"> Promoted the Green Charter to new tenants at the time of lease signature. Coverage of 18.8 % of office spaces by a Green Charter. Implement a Green Lease with environmental clauses, that are more binding than a Green Charter, in BREEAM certified assets. Sent an automated consumption tracking report to tenants who signed a Green Charter.
5	Include a separate clause in contracts and calls for tenders regarding the adoption of sustainability practices by subcontractors as a selection criterion.	Global portfolio	<ul style="list-style-type: none"> The environmental policy is attached to all general contracting agreements. Cofinimmo encourages its suppliers to adopt environmental-friendly behaviours. Signature of the UN Global Compact charter containing ten principles with regard to fundamental responsibilities in the areas of human rights, labour, the environment and the fight against corruption.
	Profitability for investors and access to capital		
6	Mobilise employees.	Cofinimmo Group	<ul style="list-style-type: none"> Implemented the action plan developed by each Cofinimmo team to improve the application of the company's values in all its activities. Set an objective relating to the company's sustainability strategy in the individual annual objectives of each employee for 2018.
	Innovation		
7	Develop a culture of innovation within the company.	Cofinimmo Group	<p>Continued the implementation of innovation projects:</p> <ul style="list-style-type: none"> Opened two new Flex Corners® at Colonel Bourg 122 and Arts/Kunst 46, and extended the existing Flex Corner® at Omega Court. Temporary use as housing of five pubs in the Netherlands awaiting reletting.
	Aesthetics, respect for public spaces and diversity of districts		
8	Improve the aesthetics and public space when redeveloping existing buildings.	Global portfolio	<ul style="list-style-type: none"> Delivery of redevelopment works on the Belliard 40 building, redesigned by renowned architects Marc Thill from the office Art & Build and Pierre Lallemand. Started the redevelopment works on the Quartz building (formerly Arts/Kunst 19H). Delivery of the works for the conversion of the Woluwe 106-108 building into the Vivalys nursing and care home.
9	Obtain BREEAM and BREEAM In-Use certificates.	Offices	<ul style="list-style-type: none"> Renewed the BREEAM In-Use certificate for Woluwe 58, Cofinimmo's head office by increasing the score from Good to Very Good. Extended the BREEAM In-Use certificate for seven buildings.
10	Improve collection of water consumption data.	Global portfolio	<ul style="list-style-type: none"> 97 % of data collected for water consumption in the multi-tenant office segment and MOB, 57 % for healthcare real estate, 20 % for PPP and 82 % for single-tenant offices.
11	Increase the surface area of green spaces in the office portfolio while respecting biodiversity.	Offices	<ul style="list-style-type: none"> Laid out two spaces as gardens at Meeûs 23 and Omega Court. There are currently five beehives in our office portfolio.

	Measurement of objective	Progress in 2018	Future actions	Deadline
	Scores obtained for the different surveys	100 %	<ul style="list-style-type: none"> Improve Cofinimmo's score on the GRESB survey. Publish EPRA performance measures. Active participation in the Vigeo Eiris rating. Produce the annual report for the Green and Social Bonds issued in December 2016, included in the 2019 Sustainability Report. 	2019
	Certification renewal/extension	100 %	<ul style="list-style-type: none"> Continue the study on the life cycle analysis for the properties managed by the company. 	2019
	Completion of the planned actions	100 %	<ul style="list-style-type: none"> Organise further round tables with different stakeholders to re-examine the materiality matrix. 	2020
	% surface area	18.8 %	<ul style="list-style-type: none"> Coverage of 30 % of office spaces by a Green Charter. 	2020
	% agreements	100 %	<ul style="list-style-type: none"> Formalise a sustainable purchasing policy starting with Cofinimmo's supplies. Publication of the 2018 Sustainability Report as Communication on Progress on the United Nations Global Compact website. 	2019
	Completion of the planned actions	100 %	<ul style="list-style-type: none"> Set an objective relating to the company's sustainability strategy in the individual annual objectives of each employee for 2019. 	2019
	Completion of the planned actions	100 %	<ul style="list-style-type: none"> Creation of a second Flex Corner® in the Park Lane Business Park (Brussels Periphery). Ongoing marketing of the Lounges® meeting rooms at Park Lane and The Gradient as well as of the shared meeting rooms in the buildings Bourget 50, Omega Court and Science/Wetenschap 41. Further implementation of the prototypes for new innovation ideas. Continuation of the redevelopment of the Quartz building (formerly Arts/Kunst 19H) using BIM software. 	2019
	Number of projects	100 %	<ul style="list-style-type: none"> Renovation and extension of the portfolio: 'Domaine de Vontes' in Esvres-sur-Indre (FR), 'Les Oliviers' in Le Puy-Sainte-Réparate (FR), the French Red Cross in Chalon-sur-Saône (FR), Förstereiweg 6 in Ascheffel (DE), Buchauweg 22 in Schafflund (DE), Wijnkoperstraat in Gorinchem (NL), 'De Nootelaar' in Keerbergen (BE). Delivery of refurbishment works on two pubs and six apartments, namely Falstaff in Brussels (BE) and 'Café des Nations' in Knokke (BE). Continuation of the redevelopment of the Quartz building (formerly Arts/Kunst 19H). 	2019
	Number of buildings	100 %	<ul style="list-style-type: none"> Examine the potential to obtain BREEAM In-Use certification for the global office portfolio. Confirm the BREEAM certificate for the large-scale renovation projects once completed: <ul style="list-style-type: none"> Quartz (formerly Arts/Kunst 19H) - BREEAM Excellent certificate expected in 2020; Belliard 40 - BREEAM Excellent certificate expected in 2019. 	2020
	% of data coverage	55 %	<ul style="list-style-type: none"> Increase coverage to 75 % of building surfaces (75 % for healthcare real estate, 100 % for multi-tenant offices, 90 % for single-tenant offices). 	2019
	Number of beehives	100 %	<ul style="list-style-type: none"> Improvement of biodiversity during renovations of roofs in green roofs and other green spaces. 	2019

ID	Commitments	Scope	Actions taken in 2018
	Safety and well-being		
12	Gradually decontaminate buildings still containing traces of asbestos.	Global portfolio	<ul style="list-style-type: none"> Updated the inventory of buildings with remaining traces of asbestos. Decontaminated building during demolition works for the Quartz (formerly Arts/Kunst 19H).
	Employee training		
13	Implement the framework necessary for the development of employees.	Head office	<ul style="list-style-type: none"> 5,346 hours of training, of which 214 hours of coaching, followed by 75% of employees, representing an average of 5 days of training per employee. Received new Investors in People certificate, Gold level in May 2018.
	Respect for differences and cultural diversity		
14	Ensure sufficient diversity at all levels of the company.	Head office	<ul style="list-style-type: none"> Improved gender balance on the Board of Directors: 45% women and 55% men, vice versa on the management team: 54% women and 46% men
15	Audit and search for potential improvements in building accessibility for persons with reduced mobility (PRM).	Offices	<ul style="list-style-type: none"> 18 buildings have been audited since 2013.
	Mobility		
16	Inform clients about the accessibility of buildings using alternative transport modes to the car.	Offices	<ul style="list-style-type: none"> Extension of the carpooling platform to all businesses in the building The Gradient.
17	Promote the use of alternative transport modes to the car by improving facilities.	Offices	<ul style="list-style-type: none"> Added 29 charging terminals, bringing the total to 43 charging terminals for electric vehicles in 14 buildings. Creation of 358 bicycle parking spaces in the office buildings.
18	Increase the rate of use of car parks by sharing them or through a conversion into car parks for semi-public or public use.	Offices	<ul style="list-style-type: none"> Assessed the implementation of public car parks in the context of the renewal of the environmental permit for three buildings. 27% of the parking spaces available in the office portfolio are converted into shared and public parking spaces (318 spaces in total).
19	Implement a mobility plan.	Head office	<ul style="list-style-type: none"> Participated in european mobility week. Organised training on using a bicycle in the urban environment, supply of tools to cyclists and organised bicycle maintenance twice a year. Implement mandatory measures in line with the mobility plan. Participation in The Bike Project, initiative of the Brussels-Capital Region to promote alternatives to the car, including the bike, accompanying the companies adhering to the project in the form of coaching.
	Energy consumption and GHG emissions		
20	Increase renewable energy production.	Global portfolio	<ul style="list-style-type: none"> Current photovoltaic production of around 1.8 GWh for the entire portfolio, which represents 2% of the electricity consumed in the portfolio. Tender for the installation of solar energy production in the healthcare real estate portfolio in the Netherlands (phase 1). Installation of a solar energy production facility on the parking lot Amphibia in the Netherlands (estimated annual production: 381 MWh) and on the buildings Colonel Bourg 122 and 124 in Belgium (estimated annual production: 117 MWh).
21	Improve the portfolio's energy performance with a building renovation programme.	Global portfolio	<ul style="list-style-type: none"> 22% of the real estate portfolio underwent redevelopment or large-scale renovation, which improved the energy performance (excluding new constructions and acquisitions).
22	Extend energy accounting to the healthcare real estate segment.	Healthcare real estate	<ul style="list-style-type: none"> 62% of the consumption data for the healthcare real estate segment have been collected. Creation of a healthcare real estate benchmark.
23	Better measurement and management of the energy consumption of multi-tenant office buildings.	Offices	<ul style="list-style-type: none"> Seven buildings have been equipped with remotely readable meters. In total, 56 buildings are connected. Implemented quantified energy reduction objectives in the context of energy audits for 17 buildings since 2015. Assessed the energy reduction targets of 15 buildings from the healthcare real estate sector and 53 office buildings in Brussels as part of the application of the Local Action Plan for Energy Management ('PLAGE').
24	Partially recycle materials during renovation projects.	Offices	<ul style="list-style-type: none"> Fitting of 100% recycled carpeting for all renovations of premises, unless explicitly requested otherwise by a new tenant. 12,850 m² of recycled carpet were fitted.

	Measurement of objective	Progress in 2018	Future actions	Deadline
	Coverage in m ² of buildings without traces of asbestos	58 %	<ul style="list-style-type: none"> Improve the quality of data collected for the various segments. 	2019
	Average number of days per employee	100 %	<ul style="list-style-type: none"> Continuous training for employees and managers. Investor in People: taking of all necessary steps to retain the Gold accreditation achieved in 2018. 	2019
	% of women/% of men on the Board of Directors	85 %	<ul style="list-style-type: none"> Continuous vigilance on a parity men/women on the Board of Directors and the Executive Committee. 	2021
	Coverage in m ² of audited multi-tenant offices	23 %	<ul style="list-style-type: none"> Audit 50 % of multi-tenant buildings. Gradually improve accessibility based on audit observations. 	2022
	Number of buildings	100 %	<ul style="list-style-type: none"> Gradual preparation of multi-modal sheets for office buildings. 	2019
	Number of buildings	100 %	<ul style="list-style-type: none"> Gradually improve infrastructure for cyclists by: <ul style="list-style-type: none"> - increasing bicycle parkings; - improving the type of bicycle parking; - increasing the number of showers. 	2019
	Number of shared or public parking spaces	2.7 %	<ul style="list-style-type: none"> Study for the gradual conversion of 2,500 parking spaces into public parking as permits are renewed. 	2030
	Number of actions	100 %	<ul style="list-style-type: none"> Raise the awareness of staff members using a company car about their average consumption. 	2019
	Production in MWh	2 %	<ul style="list-style-type: none"> Install solar energy production systems in the Netherlands (estimated annual production: 471 MWh). Raise tenant awareness about investing in renewable energy sources during construction/renovation/extension projects. 	2019
	% surface area	100 %	<ul style="list-style-type: none"> Cofinimmo is planning to refurbish 3.45 % of its portfolio between 2019 and 2023 (excluding new constructions and acquisitions). 	2023
	% surface area	64 %	<ul style="list-style-type: none"> Increase the consumption data for the healthcare real estate segment to 75 %. 	2019
	Number of buildings	89 %	<ul style="list-style-type: none"> Track energy consumption reduction results. Designation of a 'PLAGE' coordinator and implementation of an energy cadastre. 	2019
	% of recycled carpet fitted compared to carpet purchases	100 %	<ul style="list-style-type: none"> Recovery of materials planned for new renovation projects. 	2019

ID	Commitments	Scope	Actions taken in 2018
25	Digital invoicing from suppliers and to clients.	Head office	<ul style="list-style-type: none"> In 2018, 16,228 invoices were received in digital format, i.e. 63 % of all invoices received (9,715 invoices scanned and 16,228 invoices sent by e-mail). Likewise, for 63 % of tenants, all documents (rent bills, rental-related expenses breakdowns, etc.) were sent in digital format.
26	Improve waste sorting in multi-tenant office buildings by raising awareness among occupants.	Offices	<ul style="list-style-type: none"> 44 % of the collected waste was recycled.
27	Update the head office's carbon footprint.	Head office	<ul style="list-style-type: none"> Updated the head office's carbon footprint based on the 2017 data. The company's carbon footprint has decreased. Over the last three years, it has gone from 715 tonnes of CO₂e in 2014 to 600 tCO₂e in 2017. By majority this is explained by the new travel policy (decrease of flights in business class). Specifically, the most significant source of emissions (59 %) is travel (company cars, business travel, commuting, journeys made by the company's visitors).
28	Decrease the CO ₂ emissions of leased cars.	Head office	<ul style="list-style-type: none"> Measured the impact of the mobility policy implemented in 2017, which provides mobility solutions and enables the combination of company cars with soft mobility. The efforts made since 2010 have enabled a 29 % decrease in the average CO₂ emissions (manufacturer data) of leased cars.



	Measurement of objective	Progress in 2018	Future actions	Deadline
	Number of invoices received/sent in digital format	63 %	<ul style="list-style-type: none">• 75 % of invoices will be received in digital format.• 75 % of tenants will receive their rent bills and rental-related expenses breakdowns in digital format.	2019
	% of waste recycled compared to the 70 % target	63 %	<ul style="list-style-type: none">• Improved waste sorting.	2019
	Carbon footprint per employee based on the spread of the real estate portfolio	100 %	<ul style="list-style-type: none">• New assessment of Cofinimmo's carbon footprint.	2020
	% vehicles < 95 g CO ₂ /km	3 %	<ul style="list-style-type: none">• Cofinimmo has committed to align itself with the new European Commission target of 95 g CO₂/km by 2021.	2021

Link between topics of Cofinimmo and SDGs

		SDG	Topics	SR pages
3		Good health and well-being	<ul style="list-style-type: none"> · Gradually decontaminate buildings still containing traces of asbestos. 	52-53
4		Quality education	<ul style="list-style-type: none"> · Implement the framework necessary for the development of employees. 	54-56
6		Clean water and sanitation	<ul style="list-style-type: none"> · Improve collection of water consumption data. 	72-73
7		Affordable and clean energy	<ul style="list-style-type: none"> · Increase renewable energy production. · Improve the portfolio's energy performance with a building renovation programme. · Extend energy accounting to the healthcare real estate segment. · Better measurement and management of the energy consumption of multi-tenant office buildings. 	63-70
8		Decent work and economic growth	<ul style="list-style-type: none"> · Mobilise employees. 	26
9		Industry, innovation and infrastructure	<ul style="list-style-type: none"> · Develop a culture of innovation within the company. 	42-45
10		Reduced inequalities	<ul style="list-style-type: none"> · Ensure sufficient diversity at all levels of the company. · Audit and search for potential improvements in building accessibility for persons with reduced mobility (PRM). 	57-59
11		Sustainable cities and communities	<ul style="list-style-type: none"> · Improve the aesthetics and public space when redeveloping existing buildings. · Obtain BREEAM and BREEAM In-Use certificates. · Inform clients about the accessibility of buildings using alternative transport modes to the car. · Promote the use of alternative transport modes to the car by improving facilities. · Increase the rate of use of car parks by sharing them or through a conversion into car parks for semi-public or public use. · Implement a mobility plan. · Increase the surface area of green spaces in the office portfolio while respecting biodiversity. 	46-51 60-61
12		Responsible consumption and production	<ul style="list-style-type: none"> · Partially recycle materials during renovation projects. · Digital invoicing from suppliers and to clients. · Improve waste sorting in multi-tenant office buildings by raising awareness among occupants. 	82-83
13		Climate action	<ul style="list-style-type: none"> · Update the head office's carbon footprint. · Decrease the CO₂ emissions of leased cars. 	82-83
16		Peace, justice and strong institutions	<ul style="list-style-type: none"> · Maximise the transparency of the company's non-financial information. · Extend the Environmental Management System's ISO 14001 certification in addition to the existing certification for the management of the global office portfolio, Project Management and Development. 	78-79
17		Partnerships for the goals	<ul style="list-style-type: none"> · Annually review the materiality matrix for the company's sustainability topics. · Promote the Green Charter, a collaboration agreement signed by Cofinimmo, Cofinimmo Services and tenants in order to actively promote sustainability and encourage all parties to reduce the environmental impact of leased properties: sharing of consumption data, initiatives to reduce consumption, better waste sorting, etc. · Include a separate clause in contracts and calls for tenders regarding the adoption of sustainability practices by subcontractors as a selection criterion. 	14-17

GRI content index

All the GRI Standards (see pages 85-89) have been reviewed by the Auditor, Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises.

Cofinimmo is not subject to the European legislation on non-financial reporting (EU Directive 2014/95). The Sustainability Report is therefore a voluntary initiative compliant with the legal requirements of the transposition of this directive into Belgian law.

Universal Standards

SR: See pages in 2018 Sustainability Report.

AFR: See pages in 2018 Annual Financial Report.

GRI 102: GENERAL DISCLOSURES 2016			
1. ORGANISATIONAL PROFILE			
102-1	Name of the organisation		Cofinimmo SA/NV
102-2	Activities, brands, products and services	SR 4-11, 19, 23 AFR 27-61	
102-3	Location of headquarters		Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels, Belgium
102-4	Location of operations	SR 13	
102-5	Ownership and legal form	SR 12 AFR 254-267	
102-6	Markets served	SR 13, 18 AFR 27-61	
102-7	Scale of the organisation	SR 12-13	
102-8	Information on employees and other workers	SR 57-59, 66, 76	Cofinimmo does not work with external contractors. All employees are recruited for an indefinite term. Social data are consolidated by the social secretariat Securex for Belgium and by the human resources department for France and the Netherlands.
102-9	Supply chain	SR 18-19	
102-10	Significant changes to the organisation and its supply chain	AFR 24-25	
102-11	Precautionary Principle or approach	SR 27-30 AFR 2-5	
102-12	External initiatives	SR 13, 78	Participation in GRESB and Vigeo Eiris surveys.
102-13	Membership of associations		The Shift, Women on Board, 'UPSI/BVS', IIP, EPRA, RICS, ULI, Alter Forum, 'ONA'
2. STRATEGY			
102-14	Statement from senior decision-maker	SR 2-3	
102-15	Key impacts, risks and opportunities	AFR 2-5	

3. ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behaviour	SR 26-30	https://www.cofinimmo.com/about-us/governance/
4. GOVERNANCE			
102-18	Governance structure	SR 27-30 AFR 124-151	
102-21	Consulting stakeholders on economic, environmental and social topics	SR 20-25	
102-22	Composition of the highest governance body and its committees	SR 30, 58 AFR 124-151	
102-24	Nominating and selecting the highest governance body	AFR 124-151	
102-25	Conflicts of interest	AFR 138-139	
5. STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	SR 24-25	
102-41	Collective bargaining agreements		There is no trade union representation within Cofinimmo due to a lack of candidates in the compulsory employee elections held every four years. Cofinimmo is part of Joint Committee 200 which governs the status of employees.
102-42	Identifying and selecting stakeholders	SR 20-25	
102-43	Approach to stakeholder engagement	SR 20-22	
102-44	Key topics and concerns raised	SR 26-64	
6. REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	AFR 226-227	
102-46	Defining report content and topic boundaries	SR 14-17	
102-47	List of material topics	SR 15	
102-48	Restatements of information		No significant restatement of information compared to information communicated in the 2017 Sustainability Report.
102-49	Changes in reporting		No substantial changes in the content and boundaries of topics compared to information communicated in the 2017 Sustainability Report.
102-50	Reporting period		Financial and tax year from 01.01.2018 to 31.12.2018.
102-51	Date of most recent report		The most recent sustainability report covers the sustainability strategy for 2017.
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		Jean Van Buggenhout, Head of Property Services & Corporate Social Responsibility. Hanna De Groote, Environmental Manager.
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	SR 85-89	
102-56	External assurance	SR 90-92	Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises SC s.f.d. SCRL performed a limited assurance audit on the performance measures, the compliance of the 2018 Sustainability Report with the GRI Standards Core option, as well as the Green and Social Bonds portfolio.

GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its boundary	SR 26-64	
103-2	The management approach and its components	SR 26-64	
103-3	Evaluation of the management approach	SR 26-64	

Topic-specific Standards**GRI 200: ECONOMIC STANDARDS**

	Net result from core activities per share	SR 12	
	Net Asset Value (NAV) (in fair value) per share	SR 12	
	Dividend	SR 12	
	Average cost of debt	SR 12	

GRI 201: ECONOMIC PERFORMANCE 2016

201-1	Direct economic value generated and distributed	SR 31	
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GRI 205: ANTI-CORRUPTION 2016

205-3	Confirmed incidents of corruption and actions taken	SR 26	
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GRI 300: ENVIRONMENTAL STANDARDS

CRE1	Building energy intensity	SR 70	
CRE2	Building water intensity	SR 73	
CRE3	GHG emissions intensity	SR 72	
CRE8	Type and number of sustainably certified assets	SR 74-75	https://www.cofinimmo.com/sustainability/performance-data/

GRI 301: MATERIALS 2016

Reason for omission: Given the number of renovation and/or redevelopment projects each year, the publication of these disclosures is not material compared to the other impacts of the activities of Cofinimmo. However, the Group remains vigilant as to whether actions are required for recycled materials.

GRI 302: ENERGY 2016

302-1	Energy consumption within the organisation	SR 67-69	
302-2	Energy consumption outside of the organisation	SR 67-69	
302-3	Energy intensity	SR 70	
302-4	Reduction of energy consumption	SR 63	

GRI 303: WATER AND EFFLUENTS 2018

303-5	Water consumption	SR 72	
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GRI 304: BIODIVERSITY 2016

Reason for omission: The activities of Cofinimmo do no impact protected areas and do not impact empty lots in urban areas. Biodiversity disclosures are therefore not material for these activities. However, Cofinimmo remains vigilant as to whether actions are required.

GRI 305: EMISSIONS 2016

305-1	Direct (Scope 1) GHG emissions	SR 71	
305-2	Energy indirect (Scope 2) GHG emissions	SR 71	
305-3	Other indirect (Scope 3) GHG emissions	SR 71	
305-4	GHG emissions intensity	SR 72	
305-5	Reduction of GHG emissions	SR 63	

GRI 306: EFFLUENTS AND WASTE 2016

306-2	Waste by type and disposal method	SR 73-74	
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GRI 400: SOCIAL STANDARDS

	Operations with a significant real or potential negative impact on local communities	SR 42-51, 60-61	
	Deployment of the company's strategy relating to active citizenship		<ul style="list-style-type: none"> - Participation in Mobility Week. - Philanthropic initiative at year-end. In 2018, Cofinimmo has spent almost all of its budget for donations to a single philanthropic action. It has provided financial support to SOS Children's Villages, a non-governmental organisation supported by the FPS Foreign Affairs, for the construction of a veranda so to expand the living space of children in the Children's Village SOS Chantevent, located near Marche-en-Famenne (BE). Children do not always have the chance to grow up in a healthy family environment. When security, physical and emotional condition of a child is compromised, an alternative hosting solution may have to be considered. The SOS Chantevent Children's Village offers a new home and personalised support for children in this situation.

GRI 401: EMPLOYMENT 2016

401-1	New employee hires and employee turnover	SR 59, 76	
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GRI 402: LABOUR/MANAGEMENT RELATIONS 2016

402-1	Minimum notice periods regarding operational changes		The minimum notice period for operational changes is six weeks.
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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

403-9	Work-related injuries	SR 52	
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GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	SR 54	
404-3	Percentage of employees receiving regular performance and career development reviews	SR 76	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	SR 57-59	
405-2	Ratio of basic salary and remuneration of women to men	SR 56, 76	
GRI 406: NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective actions taken		No incidents of discrimination were reported in 2018.
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		In 2018, no operations or suppliers in which the right to freedom of association and collective bargaining may have been at risk were claimed. Respect for human rights is a red line in the collaboration with the partners. In addition, exposure is low given Cofinimmo's geography and business.
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments and development programs	SR 77	
GRI 415: PUBLIC POLICY 2016			
415-1	Political contributions		No financial or in kind political contributions were made in 2018.
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories	SR 52-53	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SR 77	

Statutory Auditor's report

Statutory Auditor's report on the limited review performed on the Non-Financial Data, the GRI Reference Table and the Green and Social Bonds Data in the document '2018 Sustainability Report' for the year ending on 31 December 2018

Pursuant to your request and in our capacity of Statutory Auditor of Cofinimmo NV/SA, we hereby present you our assurance report on:

- A selection of environmental, social and governance indicators ("the Non-Financial Data").
- The GRI reference table ("the GRI Reference Table").
- A selection of key green and social bond indicators of Cofinimmo NV/SA ("the Green and Social Bonds Data").
- The compliance of the green and social bonds with the green and social bonds principles.

The Non-Financial Data, the GRI Reference Table, and Green and Social Bonds Data ("the Data") are published in the Cofinimmo NV/SA document '2018 Sustainability report' for the year ending on December 31, 2018 ("the Document").

The Data are selected by Cofinimmo NV/SA. The Non-Financial Data are published on pages 67 to 77 of the Document, the GRI Reference Table is published on pages 85 to 89 of the Document and the Green and Social Bonds Data are published on pages 38 to 41 of the Document and marked with the symbol **Ⓢ**.

Responsibility of the Company

The Data have been prepared under the responsibility of the Board of Directors of Cofinimmo NV/SA in accordance with the following frameworks:

- Internal measurement and reporting principles.
- Reporting guidelines of the 'European Public Real Estate Association' (EPRA) reporting on sustainable development (EPRA sBPR on Sustainability Reporting, 3rd edition).
- Reporting guidelines of the Global Reporting Initiative Standards (GRI Standards) - option "Core", including performance indicators and additional content related to the material aspects to Cofinimmo NV/SA included in the supplement 'The Construction and Real Estate Sector Disclosures' of the GRI standards, specific to the Construction and Real Estate sector ("GRI CRESO").

For Green and Social Bonds Data, Cofinimmo NV/SA has been advised by the research and ESG (environmental, social and governance) services agency Vigeo Eiris and Cofinimmo NV/SA has based the Green and Social Bonds Data on the "Green and social bonds" principles issued by the "International Capital market Association"(ICMA) ("Green and Social Bonds Reporting framework").

The responsibility includes the selection and application of appropriate methods for the preparation of the Data, for ensuring the reliability of the underlying information and for the use of assumptions and reasonable estimates. Furthermore, the Board of Directors is also responsible for the definition, the implementation and maintenance of systems and procedures relevant for the preparation of the Data.

Responsibility of the Statutory Auditor

It is our responsibility, on the basis of our work:

- To express a limited assurance conclusion for the Non-Financial Data and the corresponding GRI Reference Table.

- To express a limited assurance conclusion for the identified Green and Social Bonds Data, including the verification of the allocation of funds and the compliance of the selected projects with the eligibility criteria.

We conducted our work in accordance with the international ISAE standard (International Standard on Assurance Engagements) 3000 (Revised)¹. Our independence is defined by the regulations as well as by the provisions of the professional Code of Ethics, issued by the International Federation of Accountants ("IFAC").

Scope

We have taken into account the perimeter according to:

- The scope of our work has been limited to the Data covering the year 2018.
- The scope of the Non-Financial Data linked to environment is defined by Cofinimmo NV/SA. This area covers 2 064 821 m² of real estate portfolio of Cofinimmo NV/SA. Coverage varies according to the different indicators.
- The scope of the Green and Social Bonds Data covers the 4 buildings financed by Cofinimmo's green and social bonds.

Nature and scope of the work

We have carried out the following procedures:

General:

- We assessed the appropriateness of the reporting framework with respect to its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector reporting practices.
- We verified the set-up of the process to obtain, consolidate and check the selected Data with regard to their completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the Data. We conducted interviews with the individuals responsible for the environmental, social, governance and other sustainable development reporting.

The Non-Financial Data:

- We have designed analytical procedures on the Non-Financial Data and verified, using sampling techniques, the calculations as well as the consolidation of the Non-Financial Data in order to obtain limited assurance that the selected Non-Financial Data do not contain any material errors that would question their preparation, in all material respects, in accordance with the Non-Financial Data Reporting Framework. A higher level of assurance would have required more extensive procedures.
- We assessed the compliance of the Document with the reporting guidelines of the 'European Public Real Estate Association' (EPRA) on sustainable development (EPRA sBPR on Sustainability Reporting, 3rd edition).

The GRI Reference Table:

- We have evaluated the compliance of the Document with reporting guidelines of the Global Reporting Initiative Standards (GRI Standards) – option "Core", including additional content and performance indicators related to material aspects for Cofinimmo NV/SA included in the GRI CRESO supplement to the construction and real estate sectors in order to obtain limited assurance that the GRI Reference Table does not contain any material errors that would question its preparation, in all material respects, in accordance with the GRI Standards ("Core" Option and GRI CRESO). A higher level of assurance would have required more extensive procedures.

(1) ISAE 3000 (Revised) - missions of attestation other than an audit or a review of historical financial information

The Green and Social Bonds Data:

- We have designed analytical procedures on the Green and Social Bonds Data and verified, using sampling techniques, the calculations as well as the consolidation of the Green and Social Bonds Data in order to obtain limited assurance that the selected Green and Social Bonds Data do not contain any material errors that would question their preparation, in all material respects, in accordance with the Green and Social Bonds Reporting Framework. A higher level of assurance would have required more extensive procedures.
- We evaluated the allocation of funds and compliance of the selected projects financed by the green and social bonds with the eligibility criteria.

Conclusion*The Non-Financial Data:*

- Based on our limited review, as described in this report, nothing came to our attention that causes us to believe that the Non-Financial Data have not been prepared, in all material respects, in accordance with the Non-Financial Data Reporting Framework, the EPRA Best Practices Recommendations on Sustainability Reporting (3rd edition).

The GRI Reference Table:

- Based on our limited review, as described in this report, nothing came to our attention that causes us to believe that the GRI Reference Table has not been prepared, in all material respects, in accordance with the GRI standards (option 'Core' and GRI CRESO).

The Green and Social Bonds Data:

- Based on our work, as described in this report,
 - Nothing came to our attention that causes us to believe that Green and Social Bonds Data have not been prepared, in all material respects, in accordance with the Green and Social Bonds Reporting Framework, and
 - We have not identified material errors regarding the allocation of the funds and the compliance of the selected projects financed by the green and social bonds with the eligibility criteria.

Zaventem, 27 March 2019

The statutory auditor


Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
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Hanna De Grootte, Environmental Manager

Pictures

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Design Studio, Adriaan Van Dam Fotografie,
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Portraits : David Plas

This report is also available in Dutch and French. The Dutch and English versions are translations made under Cofinimmo's responsibility. Only the French version constitutes legal evidence.

