

# Building futureproof healthcare real estate



CSR  
REPORT  
2021



aedifica  
housing with care

Aedifica at a glance	3
2021 key CSR achievements	4
<b>CSR INTRODUCTION</b>	<b>5</b>
Letter to the stakeholders	6
Integrated CSR strategy	7
Materiality	8
Sustainability risk assessment	9
CSR Governance	10
CSR goals	11
Aedifica and the SDGs	13
Sustainable Finance Framework	14
<b>OUR PORTFOLIO</b>	<b>15</b>
Tackling climate change	16
Net zero carbon pathway	18
Walking the talk	19
Building Assessment framework	20
Environmental performance	21
<b>OUR PARTNERS</b>	<b>23</b>
Stakeholder overview	24
Our operators	25
Green collaboration	26
Green investments	27
Community engagement	28
Connecting people through music	29
Partner in the healthcare industry	30
<b>OUR ORGANISATION</b>	<b>31</b>
Attractive place to work	32
Aedifica Academy	33
Diverse organisation	34
Health and well-being	35
Ethics, compliance and integrity	36
Composition of the Board of Directors and Executive Committee	37
Sustainable operations	38
<b>APPENDIX</b>	<b>39</b>
Environmental performance	40
Reporting parameters	42
Verification statement	43
EPRA content table	45
GRI content index	46

5

CSR INTRODUCTION

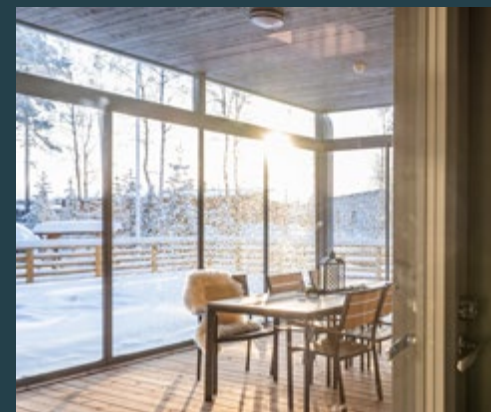


23

OUR PARTNERS

15

OUR PORTFOLIO



39

APPENDIX

31

OUR ORGANISATION

# Aedifica at a glance


**587**
**SITES**

(+91)


**2,030,000 m<sup>2</sup>**

 (+279,000 m<sup>2</sup>)

**€4,744 m**
**FAIR VALUE<sup>1</sup>**

(+€ 1,071 m)


**>32,700**
**RESIDENTS**

(+5,100)


**11,200**
**CHILDREN**

**€767 m**
**IN PIPELINE**

**100%**
**OCCUPANCY RATE**

## UNITED KINGDOM

**102 sites**
**>6,700 residents**
**297,400 m<sup>2</sup>**
**€822 m fair value**
**€66 m in pipeline**

## IRELAND

**9 sites**
**>780 residents**
**43,000 m<sup>2</sup>**
**€92 m fair value**
**€89 m in pipeline**

## SPAIN

**1 plot of land**
**€3 m in pipeline**

## BELGIUM

**83 sites**
**8,600 residents**
**507,500 m<sup>2</sup>**
**€1,213 m fair value**
**€74 m in pipeline**

## SWEDEN

**22 sites**
**120 residents &**
**600 children**
**16,000 m<sup>2</sup>**
**€78 m fair value**
**€8 m in pipeline**

## FINLAND

**198 sites**
**3,000 residents &**
**10,600 children**
**229,700 m<sup>2</sup>**
**€860 m fair value**
**€100 m in pipeline**

## NETHERLANDS

**72 sites**
**>3,200 residents**
**348,200 m<sup>2</sup>**
**€564 fair value**
**€75 m in pipeline**

## GERMANY

**101 sites**
**>10,300 residents**
**588,700 m<sup>2</sup>**
**€1,058 m fair value**
**€352 m in pipeline**
**NEW 2021**
**NEW 2021**

1. Fair value of the marketable investment properties including assets classified as held for sale\* and the right of use related to plots of land held in 'leasehold' in accordance with IFRS 16.

# 2021 key CSR achievements

## NEW CSR FRAMEWORK

In 2021 we have performed a new materiality assessment, updated our CSR framework and increased our ambitions by setting new CSR goals.

## €500 MILLION SUSTAINABILITY BOND

In September, Aedifica has successfully priced its first benchmark Sustainability Bond for a total size of €500 million. The strong investor demand for Aedifica was evidenced by an orderbook of €1.8 billion, more than 3.6 times covering the deal size. The proceeds were used to refinance environmentally sustainable care properties under the updated Sustainable Finance Framework.

## IMPROVEMENT OF ALL SUSTAINABILITY SCORES

Aedifica's ambitious sustainability strategy is paying off, as evidenced by the results of various ESG assessments. The GRESB score, the Green Star Rating and the MSCI rating have all increased significantly, while the Sustainalytics Risk Rating continued to decline and the Group's CSR Report has received an EPRA sBPR Gold Award for the second year in a row.

	2021	2020
EPRA sBPR	Gold	Gold
GRESB	66 ★★	57 ★
Sustainalytics Risk Rating	Low (11.9)	Low (17.8)
MSCI	BBB <sup>1</sup>	BB

1. MSCI-rating improved to A in February 2022.

## ENERGY CONSUMPTION DATA COVERAGE OF 83%

Aedifica does not operate the properties it owns and is therefore fully reliant on tenant cooperation for gathering consumption data. For the period under review, we have been able to collect energy consumption data for 83% and water consumption data for 79% of the assets. We are thus well on track to achieve our goal of reaching 80% data coverage by 2025.

## ENGAGEMENT SURVEYS

We organised engagement surveys for two critical stakeholder groups, namely our operators and our employees. These outcomes are used to better understand the areas for improvement so we can continue to meet the needs of our valued stakeholders.

## UPDATED AND NEW POLICIES

Throughout 2021 we have developed and updated several corporate policies:

- Human Rights Policy (new)
- Charter for Responsible Supplier Relations (new)
- Dealing Code (update)



# CSR introduction



# Letter to the stakeholders

2021 was a year in which we stepped up our sustainability ambitions. Following our materiality assessment, we developed a new CSR framework consisting of three pillars. Each pillar includes clear long-term goals that help us create sustainable value. Our company's mission is fully embedded in our updated sustainability strategy: to help Europe's (ageing) population live in dignity and comfort by offering innovative housing and care concepts that enable people to be cared for in the way they prefer.

- **CSR strategy**  
UPDATED
- **€500 million**  
SUSTAINABILITY BOND
- **83%**  
OF ENERGY CONSUMPTION  
DATA MONITORED
- **100 participants**  
IN OPERATOR ENGAGEMENT  
SURVEY
- **Great Place to Work**  
LABEL OBTAINED FOR 2022

We have developed a net zero carbon pathway that outlines the steps we are committed to taking in all our business activities to reduce our carbon emissions. The pathway will affect acquisitions and (re)developments and will require significant efforts to reduce carbon emissions from our existing portfolio as well as emissions related to our own operations through our local offices and business travel. We recognise that in the face of the climate crisis, we need to actively work with our operators, local communities and society as a whole to reduce our carbon footprint and make our portfolio resilient for the future needs of our residents.

Aedifica's goal is to be a leader in the health-care real estate sector, and we are only able to fully lead the right way by consulting with key stakeholders in our business. 2021 was a year in which we continued to actively listen to our stakeholders through engagement surveys. We conducted surveys for our operators and our own employees to better understand where we can further improve the way we operate. You will find more details on the results of these surveys in this report. We also updated our internal policies and procedures, including our Human Rights Policy and our Supplier Code of Conduct, both of which are designed to strengthen relationships with other stakeholder groups and further raise the bar within our industry.

**Stefaan Gielens**  
Chief Executive Officer

Our updated sustainability strategy is fully supporting our company's mission to help residents to live in dignity and comfort and receive the care they need.

**STEFAN GIELENS, CEO**



# Integrated CSR strategy

Aedifica creates value for its stakeholders and society at large in a sustainable way. We have outlined a strategy that allows us to achieve our growth ambitions while meeting our ecological and social responsibilities. By investing in a sector with a demographically driven growth potential, leveraging our specialist expertise and diversifying our investments along three axes, while reducing our environmental impact, strengthening relations with our partners and building a responsible organisation, Aedifica sets the stage for continued sustainable growth in the years to come.

## DRIVERS FOR GROWTH



### GROWTH POTENTIAL

DEMOGRAPHIC EVOLUTION DRIVES NEED FOR HEALTHCARE REAL ESTATE



### SPECIALIST

LEVERAGING EXPERTISE AND KNOWLEDGE DEVELOPED OVER THE PAST 16 YEARS



### DIVERSIFICATION

DIVERSIFYING IN TERMS OF GEOGRAPHY, TYPE OF TENANTS AND TYPE OF BUILDINGS

## OPERATE IN A SUSTAINABLE WAY



### OUR PORTFOLIO

REDUCING ENVIRONMENTAL IMPACT, OPERATIONAL COSTS AND RISKS



### OUR PARTNERS

STRENGTHENING RELATIONSHIPS IN THE HEALTHCARE UNIVERSE (WITH LOCAL AUTHORITIES, OPERATORS, DEVELOPERS, SHAREHOLDERS, ETC)



### OUR ORGANISATION

BEING A LEADER IN THE HEALTHCARE REAL ESTATE SECTOR

## VALUE CREATION

ATTRACTIVE HEALTHCARE REAL ESTATE ACROSS EUROPE

**587**  
SITES  
**> 32,700**  
RESIDENTS

STRONG PARTNERSHIPS WITH KEY STAKEHOLDERS

**+120**  
OPERATORS IN EIGHT COUNTRIES

ATTRACTIVE PLACE TO WORK

**114**  
EMPLOYEES

SUSTAINABLE RETURNS FOR INVESTORS

**€232 m**  
RENTAL INCOME  
**€3.40**  
GROSS DIVIDEND PER SHARE

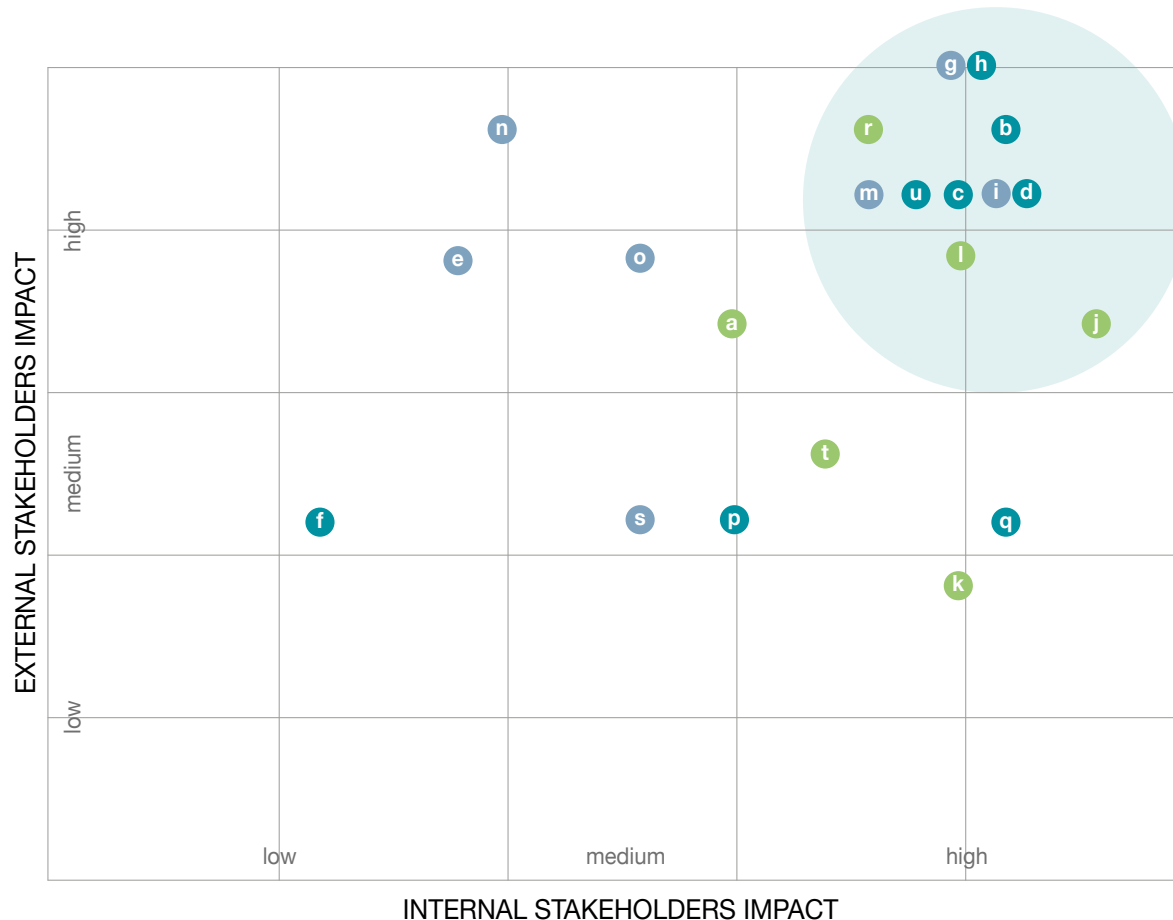


# Materiality

In 2021, we conducted a materiality assessment with the support of an independent external consultant. The assessment included a peer review, interviews with internal and external stakeholders, an online survey and internal presentations. The results are shown in the materiality matrix, with the most material topics plotted on the top right. Our sustainability efforts in the coming years will focus primarily on these topics. Based on the new matrix, we have updated our CSR framework and set out new goals for the future, assuming our responsibility and responding to the topics of importance to the Group to the maximum extent possible.

Those topics not presented in the top right of the matrix are relevant to our industry but are considered less material for Aedifica in the coming years. This does not mean that we are not interested in these matters or that we will not focus on or communicate about them. It just means that Aedifica's efforts on these topics will not have as much impact on our day-to-day operations.

In this Corporate Social Responsibility Report, you will find more details on the 2021 performance on the most material topics.



## Our portfolio

- b Building certifications
- c Climate change adaptation
- d Life-Cycle assessments (LCA)
- f Biodiversity
- h Carbon neutral portfolio
- p Invest in research and development
- q Access to (green) finance
- u Compliance with (local) changing building regulations

## Our partners

- e Provide sustainable mobility solutions
- g Efficient operations by operators
- i Engage with operators to reduce environmental impact
- m Operators' satisfaction, service quality
- n Health, safety and well-being at asset level
- o Provide quality healthcare services for society
- s Sustainable procurement

## Our organisation

- a Carbon neutral organisation
- j Talent development and training in the workplace
- k Diversity and equal opportunities
- l Health and well-being employees
- r Ethics, compliance and integrity
- t Data protection and cyber security



# Sustainability risk assessment

The environment in which Aedifica operates is constantly evolving. Identifying and managing the risks that our company faces is therefore critical to its success. The Executive Committee and the Board of Directors closely monitor Aedifica's key risk factors. Our key environmental and social risk factors are listed on this page. Have a look at our Annual Financial Report for an overview of the company's risk factors and mitigation measures.



FOR AN OVERVIEW OF THE COMPANY'S RISK FACTORS, SEE PAGES 142-151 OF OUR 2021 ANNUAL FINANCIAL REPORT.

Risk	Responsive action
<b>Environmental Risks</b>	
Environmental risks linked to potential building acquisition	<ul style="list-style-type: none"> <li>• Risk mitigation/elimination plans are put in place.</li> <li>• Analysis of soil quality of high-risk sites.</li> <li>• Analysis of the used materials and the building's modularity.</li> <li>• Our goal is to introduce a life cycle assessment for each new building.</li> </ul>
Physical impact on buildings due to extreme weather conditions	<ul style="list-style-type: none"> <li>• Incorporation of flood risks and environmental aspects into the due diligence process for each acquisition.</li> </ul>
Changes to environmental regulations	<ul style="list-style-type: none"> <li>• Active policy aiming at optimising the energy performance of buildings.</li> <li>• Incorporation of flood risks and environmental aspects into the due diligence process for each acquisition.</li> </ul>
Environmental risks related to poorly managed or maintained buildings by the operators (e.g. leaking water tanks, leaking cooling infrastructure, short circuits, etc.)	<ul style="list-style-type: none"> <li>• Aedifica's triple net long leases imply that care home operators are responsible for the day-to-day management and maintenance of the buildings</li> <li>• However, we perform yearly maintenance condition checks on all our buildings since 2017. These checks are based on the Dutch norm NEN 2767, which allows us to objectively and uniformly measure the physical and technical quality of our buildings.</li> </ul>
Negative impact on the value of a building	<ul style="list-style-type: none"> <li>• Aedifica's triple net long leases imply that care home operators are responsible for the day-to-day management and maintenance of the buildings</li> <li>• However, we perform yearly maintenance condition checks on all our buildings since 2017. These checks are based on the Dutch norm NEN 2767, which allows us to objectively and uniformly measure the physical and technical quality of our buildings.</li> </ul>
Non compliance with EU directives	<ul style="list-style-type: none"> <li>• Since 78% of the floorspace (m<sup>2</sup>) we own is less than 20 years old, this risk would potentially impact a limited portion of our portfolio. We make major efforts to optimise energy efficiency in our entire portfolio.</li> <li>• As EU regulation will tighten going forward, Aedifica is actively working to reduce the greenhouse gas intensity of its portfolio, as laid out in this document.</li> <li>• Having energy-efficient buildings will be a major asset in attracting operators who will be able to minimise their energy costs.</li> </ul>
Presence of asbestos in our portfolio	<ul style="list-style-type: none"> <li>• Since 78% of the floorspace (m<sup>2</sup>) we own is less than 20 years old, the risks of presence of asbestos in our portfolio is very limited.</li> <li>• For each new investment in a building in which asbestos might be present, a study is conducted to determine the likelihood of asbestos being present and to identify the related risks and required actions.</li> </ul>
Potential impact on the Group's reputation	<ul style="list-style-type: none"> <li>• We communicate transparently - and in accordance with EPRA and GRI reporting standards - on our sustainability performance.</li> </ul>
<b>Social Risks</b>	
Reputation risk due to the treatment of residents by our operators	<ul style="list-style-type: none"> <li>• The comfort and quality treatment of the residents in our buildings is of utmost importance to us. All reports from the local healthcare agencies are followed-up thoroughly. In case of irregularities, operators are reviewed and are asked to present a plan to avoid any future violations.</li> </ul>
Employee retention on a corporate level	<ul style="list-style-type: none"> <li>• We constantly invest in a healthy, safe and pleasant work environment to keep our employees safe and motivated.</li> <li>• In 2021, we conducted an employee survey to measure employee engagement and satisfaction. This survey will be used as the foundation to implement new measures to improve employee satisfaction (see pages 32-35 for more information).</li> </ul>

# CSR Governance

In 2018, Aedifica established a CSR Committee that is responsible for implementing the company's CSR strategy. The CSR Committee now comprises a Steering Committee and three working groups, which carry out their respective actions to achieve our CSR goals and report to the Steering Committee. The composition of the Steering Committee is designed to ensure that all the actions we implement are drawn from our core business and are as efficient and impactful as possible thanks to the expertise of its members.

## THE STEERING COMMITTEE'S ROLE IS TO

- assess and manage risks and opportunities related to climate change;
- propose concrete and economically viable measures to improve the environmental performance of the Company and its portfolio;
- ensure that the Group complies with legal, national and international environmental requirements;
- pursue the implementation of the Group's environmental strategy in all business segments, in collaboration with the operational teams;
- promote dialogue with all stakeholders in order to determine which efforts need to be made and to develop long-term partnerships that reinforce the positive impact of the actions implemented;
- communicate the Group's performance to all stakeholders.

## THE MEMBERS OF THE CSR STEERING COMMITTEE ARE

- Stefaan Gielens, CEO and Board Member
- Ingrid Daerden, CFO and Board Member
- Raoul Thomassen, COO and Board Member
- Ineke Dens, HQ Legal Manager
- Werner Dignef, HR Manager
- Delphine Noirhomme, Investor Relations Manager
- Bernard Oosterbosch, Group Technical / Development Manager
- Riikka Säkkinen, HR and Communications Director Finland
- Maarten Terryn, Senior Group Technical / Development Manager



Sharing experiences is fundamental to making a difference and implementing change. Depending on the topics raised, guests are invited to join the CSR Steering Committee meetings. By establishing a structured dialogue between Aedifica's local teams and the head office, country managers are included in meetings on a regular basis to allow all teams to be kept up to date on Aedifica's CSR strategy and vice versa, to ensure that our strategy takes into account the expectations of local stakeholders.

# CSR goals

Following the materiality assessment in 2021, we have revamped our action plan and committed ourselves to more ambitious short-, medium- and long-term CSR goals. These goals allow us to focus our efforts on reducing our environmental impact, working with key stakeholders (such as employees, shareholders, residents, etc.) to achieve these targets, while keeping responsible business practices in mind.

## OUR PORTFOLIO



REDUCING  
ENVIRONMENTAL  
IMPACT,  
OPERATIONAL  
COSTS AND RISKS



### GOALS

- Achieving net zero emissions for the real estate portfolio by 2050
- Applying Building Assessment (BA) strategy to 100% of our properties in operation by 2025
- Undertaking a climate change risk assessment in 2023

## OUR PARTNERS



STRENGTHENING  
RELATIONSHIPS  
WITHIN THE  
HEALTHCARE REAL  
ESTATE SECTOR



### GOALS

- Increasing the response rate of operators participating in engagement survey
- Implementing a green awareness programme for tenants
- Organising Operator Days in each region every three years
- Organising annual Community Days for employees

## OUR ORGANISATION



BEING A LEADER  
IN THE  
HEALTHCARE  
REAL ESTATE  
SECTOR



### GOALS

- Rolling out the Aedifica Academy to all regions
- Organising an annual employee satisfaction survey
- Mandatory annual ethics training for employees
- Implementing a health & well-being programme in our offices



## OUR PORTFOLIO

### REDUCING ENVIRONMENTAL IMPACT, OPERATIONAL COSTS AND RISKS

Aedifica focus areas	Actions	Portfolio/ Organisation	Date	2021 status	KPI's (2021)
Lifecycle assessment of the portfolio - toward a net zero future	Include energy performance of buildings in assessment of potential investments - acquisitions, developments and redevelopment - as well as divestments	Portfolio	2023	ongoing	ESG criteria are part of the investment process
	Recurring analysis on the technical condition of the buildings following the NEN 2767 standard (Dutch technical standard, internationally acknowledged)	Portfolio	recurring	ongoing	
	Use EPC (or similar) standard for determining energy use intensities. These will be the basis for developing business plans toward net zero emissions per asset. Achieve EPC coverage of 80% of the portfolio.	Portfolio	2023	ongoing (2021: 70%)	% of assets with EPC
	Set up sustainable development framework	Portfolio	2023	✓ Implemented in 2021	
	Recurring analysis using sustainability framework - part of our building assessment - for each of our buildings.	Portfolio	recurring	ongoing	
Energy management	Encourage green electricity consumption	Portfolio	2025	ongoing (2021: 20%)	% of green electricity (purchased and/or produced)
	Target energy and water monitoring of 80% of the portfolio in cooperation with our tenants. Tenants will be provided with feedback on these numbers	Portfolio	2025	On track (2021: 83% for energy & 79% for water)	Data coverage
Risk Management	Assess to incorporate climate change risks into risk management strategy and processes	Organisation	continuous	✓	

## OUR PARTNERS

### STRENGTHENING RELATIONSHIPS WITHIN THE HEALTHCARE REAL ESTATE SECTOR

Stakeholder relations	Set up sustainability requirements for external suppliers and service providers	Portfolio and Organisation	✓	✓ Implemented in 2021	Charter for Responsible Supplier Relations developed
Operator's satisfaction, service quality	Organise a tenant satisfaction survey	Portfolio	undertaken in 2021	✓ (2021: +100 participants)	% participant rate
	Our care homes provide a pivotal role in communities and between generations, allowing residents and their families to meet and interact and host services for residents and the neighborhood. Beyond investing in these, Aedifica is supporting specific community engagements initiatives and supports volunteering initiatives	Organisation	recurring	ongoing	Aedifica supported communities in various ways, including donating €55,000

## OUR ORGANISATION

### BEING A LEADER IN THE HEALTHCARE REAL ESTATE SECTOR

Climate change adaptation	Reduce landlord corporate emissions by 20% compared to 2019	Portfolio and Organisation	2025	on track (2021: -36%)	% decrease of CO <sub>2</sub> emissions per employee
Employee well-being at work	Organise annual employee survey and set up working group for implementing subsequent action plan	Organisation	recurring	✓ (2021: 92%)	% participation rate
	Run a well-being programme for employees	Organisation	continuous	ongoing (2021: 2.6%)	% of absenteeism
Talent development	Roll out the Aedifica Academy in all regions	Organisation	2022	ongoing	
Ethics, diversity, compliance & integrity	Maintain an agile & diverse (expertise, gender, age) governance model	Organisation	continuous	✓	
	Implement environmental, human rights & anti-bribery/anti-money laundering policy	Organisation	2021	✓	Policies have been implemented

# Aedifica and the SDGs

All over the world, the United Nations Sustainable Development Goals are considered the best blueprint for a better and more sustainable future for us all. Seventeen Sustainable Development Goals and 169 sub-goals address the biggest challenges we face globally.

The SDGs cover a wide range of sustainable issues such as poverty, health, education, climate change, and environmental degradation, and are a call to action for governments, organisations, and civil society. Aedifica uses the SDGs as an overarching framework to shape its CSR strategy. We have revised our focus on the SDGs following the 2021 materiality assessment and will focus our efforts on four aspects where we can make a meaningful contribution.

In addition to its public commitment to the SDGs, Aedifica has endorsed the UN Global Compact, the UN corporate social responsibility initiative, and its principles in the areas of human rights, labour, environment and anti-corruption.



## AEDIFICA'S APPROACH

### 5. GENDER EQUALITY

Aedifica strives for equal opportunities for the employees at all levels of our organisation. We monitor employee engagement and training opportunities and conduct an annual gender pay gap analysis to reduce any inequalities. Within our supply chain and in our interactions with other stakeholders, we aim to promote diversity and equal opportunities.

### 7. AFFORDABLE AND CLEAN ENERGY

Investing in energy efficiency is critical to achieving our carbon reduction goal. That's why we invest in advanced technologies that reduce energy consumption, on-site renewable energy generation such as solar, and benchmark the energy intensities of our entire portfolio to identify opportunities and raise operators' awareness of their relative inefficiencies.

### 12. RESPONSIBLE CONSUMPTION AND PRODUCTION

The introduction of a material passport for each (re)development project is key to better managing the natural resources needed during construction. We will therefore develop and implement this tool to gain better insight into our consumption, with the aim of achieving sustainable management and efficient use of natural resources. During operations, we will raise awareness to significantly reduce waste generation and increase recycling wherever possible.

### 13. CLIMATE ACTION

Our Building Assessment includes a climate change risk assessment, to better understand the impact of climate change on our organisation and its operators. We will work with local authorities to create resilient communities. Our carbon pathway lays the foundation to minimise our carbon emissions per year, with the ultimate goal of net zero emissions by 2050.

# Sustainable Finance Framework

To support Aedifica's commitment to achieving our CSR goals, the Group has developed a Sustainable Finance Framework (on which a Secondary Party Opinion was obtained from V.E., which is available on Aedifica's website). The proceeds from the financial instruments issued under this framework are used exclusively for the (re)financing of sustainable buildings, energy efficiency projects and projects of a social nature. To be eligible for this type of financing, the buildings or projects must meet the sustainability criteria described in the Sustainable Finance Framework. These criteria are based on the United Nations Sustainable Development Goals (SDGs).

In September 2021, Aedifica has successfully priced its first benchmark Sustainability Bond for a total size of €500 million. The strong investor demand for Aedifica was evidenced by an order-book of €1.8 billion, more than 3.6 times covering the deal size.

## Allocation of Proceeds

					31/12/2021
Sustainable finance instruments issued					
• Medium Term Note 2020 (ISIN BE6322837863)					€40 million
• Term Loan 2021					€40 million
• Bond 2021 (ISIN BE6330288687)					€500 million
Total amount of issued sustainable finance instruments					€580 million
Allocation of the proceeds of issued sustainable finance <sup>1</sup> instruments:					
• Breakdown by use of proceeds category					100% green buildings
• Breakdown by geographical area					NL 33%
					DE 30%
					FI 21%
					SE 11%
					UK 5%
					100% refinancing
					100% assets
• Breakdown of new financing vs. refinancing					
• Breakdown of the Eligible Assets (assets, capital expenditures)					
• Selection criteria:					
EPC label A or better <sup>2</sup>	38 assets	113,946	€317,188,746		
Energy intensity ≤ 100 kWh/m <sup>2</sup>	47 assets	94,608	€277,159,735		
<b>Total</b>	<b>85 assets</b>	<b>208,554</b>	<b>€594,348,481</b>		
Amount of unallocated proceeds					n.a. (€ 0)
<i>Impact reporting</i>	<i># green buildings</i>	<i>m<sup>2</sup></i>	<i>Fair value</i>	<i>Average EPC label</i>	
<i>Medium term note 2020</i>	8 assets	17,125	€52,660,000	A	
<i>Term loan 2021</i>	8 assets	10,959	€41,097,853	A	
<i>Bond 2021</i>	69 assets	180,470	€500,590,628	A	
• Climate change mitigation:					
The energy intensity in kWh/m <sup>2</sup> of the selected assets is 34% below the average of the Group's portfolio.					
Case studies and examples					See pages 19 and 27

1. The allocation of proceeds as included in the table above has been subject to a "limited assurance" review by EY Bedrijfsrevisoren BV (see page 44).

2. These assets were selected based on their EPC label A, in most cases these assets also meet the energy intensity condition of ≤ 100 kWh/m<sup>2</sup>.

3. Total annual energy consumption expressed in kWh/m<sup>2</sup> as indicated on the EPC certificate.



SEE PAGE 44 FOR EY'S REVIEW OPINION  
ON THE ALLOCATION OF PROCEEDS.



# Our portfolio



REDUCING OUR  
ENVIRONMENTAL IMPACT,  
OPERATIONAL COSTS AND RISKS



Our new net zero  
carbon pathway  
shows the way to  
achieve net zero  
emissions by 2050.

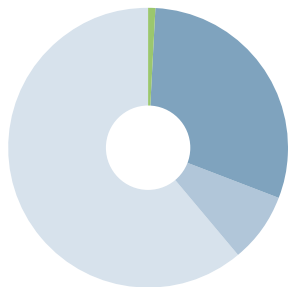
**RAOUL THOMASSEN,**  
COO

# Tackling climate change

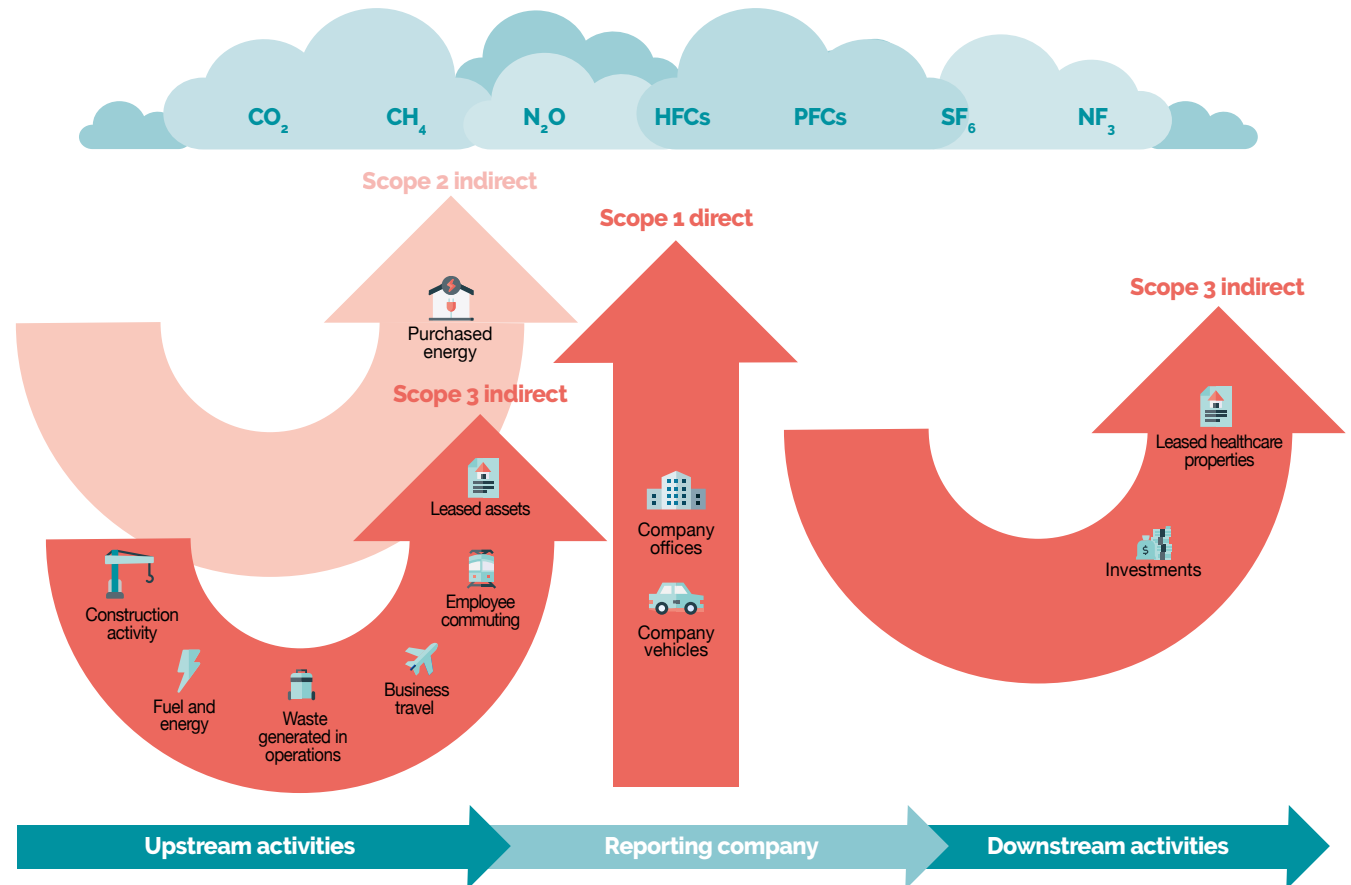
## REDUCING OUR IMPACT ON CLIMATE CHANGE

Aedifica is committed to achieving net zero emissions across its portfolio by 2050 to meet the goals of the Paris Agreement, helping to minimise our impact on climate change. In 2021, we developed a net zero carbon pathway that outlines how we will deliver on our promise to reduce the environmental footprint of our portfolio and that of our tenants. To achieve carbon neutrality, Aedifica will implement this net zero carbon pathway in the coming years. In 2021, the emissions associated with our own organisation contributed only approx. 1% to our carbon footprint. The remaining 99% is attributable to our value chain (downstream emissions).

### 2021 REPORTED GHG EMISSIONS (%)



- **1%** Organisation: 296 tCO<sub>2</sub>e
- **99%** Portfolio (83% coverage)
  - **30%** Electricity: 15,045 tCO<sub>2</sub>e
  - **8%** District heating: 4,067 tCO<sub>2</sub>e
  - **61%** Fuels: 30,006 tCO<sub>2</sub>e





Aedifica's biggest challenge will be to reduce these downstream carbon emissions, which are mainly caused by the energy consumption of operators and residents. To reduce these emissions, we have developed a robust and comprehensive approach, as outlined in our pathway. We will be using the Climate Risk Real Estate Monitor (CRREM) tool to monitor our portfolio's progress against the energy and carbon intensity targets for each country. This CRREM tool offers Aedifica the possibility to monitor our progress regarding the portfolio's carbon reduction against reduction targets in line with the Paris Agreement. By adding new and more sustainable properties through our acquisition and development activities, making green investments in our existing portfolio, and working with our operators, we will continuously be reducing our environmental footprint.

In 2021, carbon emissions increased by 1% from 2020 levels on a like-for-like basis, taking into account that 2021 was being noticeably cooler than 2020. Together with the additional ventilation requirements due to Covid-19, this resulted in additional energy demands for building heating. The greenhouse gas intensity - the amount of greenhouse gasses emitted per square meter - of Aedifica's portfolio in 2021 was 36 kgCO<sub>2</sub>/m<sup>2</sup>, a 2% decrease compared to 2020. We closely monitor 83% of the buildings' carbon emissions, and were able to increase coverage for 2020 from 70% to 78%. We will continuously work on expanding data coverage and quality in the coming years. Aedifica uses the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard guidelines to quantify and report on its greenhouse gas emissions.

## MINIMISING CLIMATE CHANGE IMPACT ON PORTFOLIO

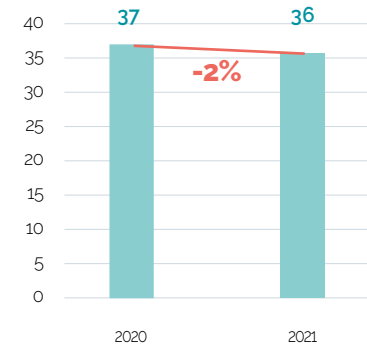
Climate change may lead to warmer summers across the European continent, which may require modifications to buildings to keep indoor temperatures comfortable for building occupants. This is particularly critical in the elderly care sector, as this vulnerable group is less able to regulate body temperatures. This rise in temperatures may lead to a complete rethinking of the way buildings are designed, with more attention paid to active and passive cooling of buildings. In addition, climate change may lead to rising sea levels and extreme weather conditions that could damage buildings, such as the 2021 floods that affected some of the Group's properties in Germany.

To mitigate these risks we are implementing a Building Assessment framework which includes a review of 42 risk points. This review is performed at different stages of the building's life cycle. For each development, acquisition and standing investment, we will assess a spectrum of potential risks, including loss of general use of the building, flood risk, stability risk, fire risk, explosion risk, environmental impact, energy/sustainability certification, and health and safety issues. As part of this Building Assessment, we will further incorporate climate change-related risks and conduct a comprehensive climate change risk and opportunity assessment in 2023 to better understand the physical and transition risks to our portfolio, organisation, and key stakeholders.



FOR MORE INFORMATION ON OUR  
BUILDING ASSESSMENT FRAMEWORK,  
SEE PAGE 20.

**Portfolio GHG intensity (GHG-Int):**  
in kgCO<sub>2</sub>/m<sup>2</sup> per year



**SOLAR PANELS ON THE ROOF  
OF THE REMBERTUS CARE  
HOME · MECHELEN, BE**



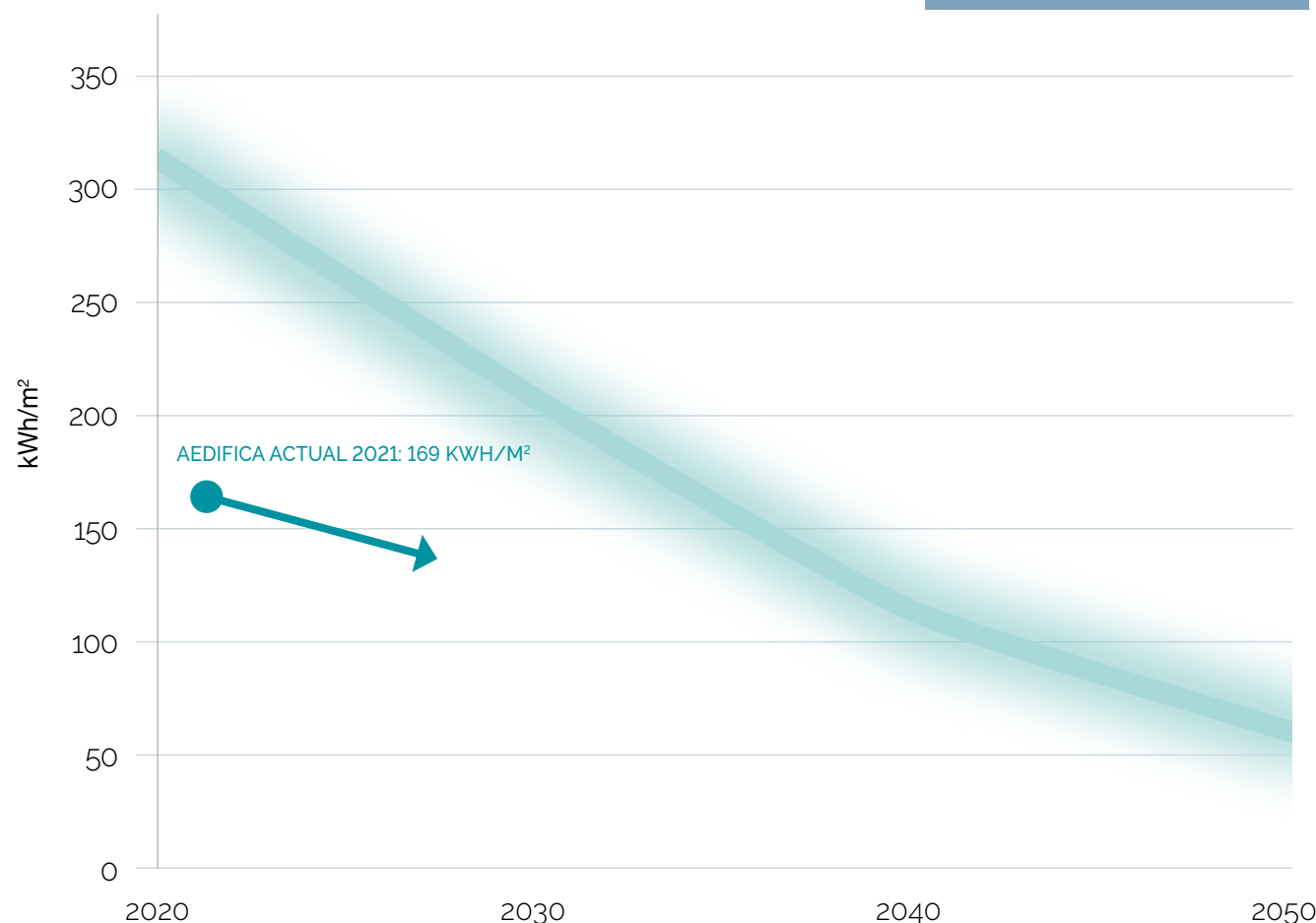


# Net zero carbon pathway

We have developed a net zero carbon pathway that will be addressing every aspect of our business activities. Each of these activities, large and small, contributes to our goal of reaching net zero GhG emissions by 2050. We recognise that this is a challenging journey in which collaboration and knowledge sharing within the industry is essential. Aedifica is committed to accompanying its stakeholders on this journey, being accountable and explaining the challenges we face as a company, in the real estate industry and in society at large.

Business activities	Actions to take this decade
Development	<ul style="list-style-type: none"> <li>• Perform life cycle assessments</li> <li>• Implement sustainable development guidelines</li> <li>• Introduce a building passport to measure embodied carbon</li> </ul>
Acquisitions and divestments	<ul style="list-style-type: none"> <li>• Perform ESG assessment acquisitions</li> <li>• Use CRREM-based pathways</li> </ul>
Standing investments	<ul style="list-style-type: none"> <li>• Roll out Building Assessment tool</li> <li>• Benchmark performance</li> <li>• Set country and asset level targets</li> <li>• Green investments</li> </ul>
Collaborate with operators	<ul style="list-style-type: none"> <li>• Roll out green lease contracts and educate operators</li> <li>• Organise Operator Days</li> <li>• Implement smart meters</li> </ul>
Management operations	<ul style="list-style-type: none"> <li>• Monitor and off-set carbon impact</li> <li>• Educate employees</li> <li>• Update green travel policies</li> </ul>

Pathway to net zero GHG emissions European healthcare sector<sup>1</sup>



1. Bandwidth here shows combined pathways committed by the different governments for the healthcare sector in their countries (the 8 countries Aedifica is active) as part of the Paris Accord, expressed in net energy use intensity (kWh/m<sup>2</sup>).

# Walking the talk

At every stage of our value creation process, we strive to reduce our impact on the environment by acquiring efficient buildings and (re)developing buildings to optimise energy consumption, user comfort and reduce operating costs for operators.



## Acquisition

### Portfolio of 16 care properties - Sweden

- Total contractual value of the 16 properties: approx. SEK 530 million
- Total capacity: 114 residents

In 2021, the Group acquired 100% of the shares in the Swedish real estate company that (indirectly) owns the existing buildings and related land.

The specialist residential care centres in Sweden are all purpose-built care properties that are tailored to the needs of people with disabilities.

During the design of the buildings, a particular focus was placed on reducing energy demand, as well as sustainable energy use through heat pumps.

The expected average energy consumption of these properties (based on the energy label) is over 50% more efficient than the actual average energy consumption of the Group's portfolio.

## Development

### Corby Priors Hall Park – United Kingdom

- Total investment: approx. £12 million
- Total capacity: 66 residents

The purpose-built care home was developed amid new residential and commercial developments near Corby.

The care home accommodates a total of 66 residents in spacious suites designed to meet the needs of seniors requiring continuous care. During the development of the building, investments were made in sustainable technologies. Thanks to the installation of a geothermal heat pump, the building obtained an energy label A and, further improving the sustainability of Aedifica's real estate portfolio.

In addition to optimising heating demand, solar gains were calculated and compared to recommended limits in order to reduce the health risk of overheating in summer.

## Redevelopment

### Plantijn – Belgium

- Contractual value: approx. €10 million
- Total capacity: 110 units

The Plantijn care home is located in Kapellen, a green residential area near Antwerp. The care home welcomes up to 110 residents.

The site is built around a villa classified as 'architectural heritage' and was completely renovated, bringing the building up to meet current and future comfort and compliance requirements while fully preserving the cultural-historical value of the building.

The entire building envelope was renovated and insulated according to the latest standard and investments were made in a total renewal of all technical installations, including switching to a low-temperature heating regime and adding solar panels.

# Building Assessment framework

Aedifica has developed a Building Assessment framework that provides our technical property management team with a structure to monitor the quality of each building. Although Aedifica is not directly involved in the operation of our care homes, we have an impact on how infrastructure is designed, built and maintained in accordance with evolving regulations and current construction techniques. The Building Assessment framework is based on three pillars: proper monitoring of the overall maintenance condition, the energy consumption and sustainability character of our buildings and their compliance with all applicable regulations.

The sustainability pillar of the Building Assessment framework provides local Aedifica teams with a roadmap for minimising the environmental impact of their respective portfolio. This framework defines technical requirements for energy efficiency, environmental aspects (e.g., measures to reduce water consumption and improve biodiversity), health criteria (e.g., ventilation rates for air quality) and quality of life criteria for residents (e.g., accessibility) for future development projects. Our development projects in the Netherlands generally already meet most of these criteria, as the Dutch version of our sustainable development framework is similar to the GPR standard.

## BUILDING ASSESSMENT FRAMEWORK



### MAINTENANCE

- Detailed desktop and on-site condition assessments – according to the principles of the NEN2767 standard.
- On-site visits are conducted by our operations team or independent third parties.
- Share uniform approach between countries.
- Follow-up actions with the operators.



### SUSTAINABILITY

- Energy data collection on annual basis.
- Define and implement sustainable development guidelines per country.
- Energy labels and Energy Audits provide input for measures needed to improve energy efficiency, including on-site renewable energy generation – input for the CRREM pathways per asset.



### COMPLIANCE

- Legislation and risk framework – a standardised matrix (adapted to local and regional legislation and regulations) to check a building for compliance. This ranges from building permits and elevator certificates to flood risk assessments.
- Ensure structural and facility compliance to ensure the health and safety of residents and employees.

### Asset, health and safety

H&S-Asset (assessments)	100%
H&S-Comp (compliance)	n/a <sup>1</sup>

1. Our compliance assessment is based on a mix of internal and mandatory external reviews. Their scope extends beyond the buildings and is related to the health care processes of the operator as well. In 2021 some of these reviews have led to qualified statements, which are being followed up. While generally – under triple net leases – this is a responsibility of the operator, as an owner we continue to monitor the resolution of these issues.

SOLAR PANELS ON THE ROOF  
OF MARTHA FLORA DORDRECHT  
CARE HOME • DORDRECHT, NL





# Environmental performance

## MONITORING CONSUMPTION DATA

For more than three years, we have been working toward our goal of increasing our portfolio's energy and water consumption data coverage. Thanks to the awareness we have created among our operators, we are achieving higher data coverage and are well on our way to reaching our goal of 80% coverage by 2025.

During 2021, we have been able to collect additional energy consumption and GHG emission data in relation to 2020, increasing our coverage for that year from 70% to 78% and thereby allowing for better verification with the data of the subsequent year. For 2021, the coverage for energy consumption and GHG emissions has increased further to 83%. For water consumption, a data coverage of 79% was achieved for 2021.

By collecting, validating and verifying operational data, we are improving our understanding of our buildings' footprint. This is an important step in engaging with our operators so that we are better equipped to jointly develop plans for net zero emission at the asset level. As a building owner, we collect consumption data over a one-year reference period to benchmark our buildings and provide feedback and recommendations to our tenants.

## ENERGY CONSUMPTION

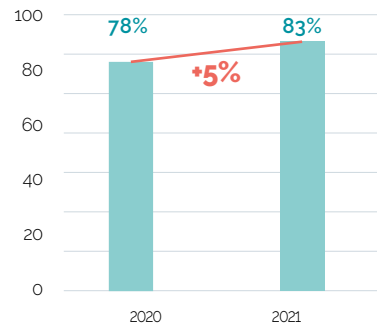
In 2021, we measured the energy consumption of 426 assets, which consumed a total of 233,380 MWh of energy. On a like-for-like basis, 2021 electricity consumption decreased by 2% compared to 2020. Our continued efforts in implementing management systems as part of our new labelling strategy will continue to positively impact these numbers. Ongoing energy-saving projects will encourage operators to further expand solar panel installations on our properties, thereby increasing the use of renewable energy sources.

In 2021, 150 assets used district heating instead of using a single production unit. The advantage of using district heating is that the energy needed for the community is produced on a larger scale. In the last two years the number of assets that

use district heating has increased by twenty-fold. 270 of our assets use fuel to heat the property, provide hot water, and cook. Compared to 2020, on a like-for-like comparison fuel consumption increased by 5%.

The site net energy use intensity of a building represents the amount of energy consumed from the energy grid (in kWh) per square meter and includes all uses of energy in our buildings from the lightning- heating- and cooling installations, including the plugloads from kitchens and laundry rooms, net of any renewable energy generated onsite (e.g. through solar panels). The net energy intensity of our portfolio increased by 3% from 171 kWh/m<sup>2</sup> in 2020, to 176 kWh/m<sup>2</sup> in 2021 on a like-for-like basis. The contributions of our energy efficiency measures were offset by the impact of the cooler climate in 2021 versus 2020, resulting in additional energy needed for heating. On a total portfolio level (non like-for-like), net energy intensity remained approximately the same.

### Energy consumption data coverage



LOHJA SAHAPIHA - LOHJA (FI)



## RENEWABLE ENERGY

In 2021, 20% or 13,600MWh of electricity consumed was procured from renewable sources, either through on-site generation or green energy contracts. We encourage our operators to follow our lead and take steps to reduce electricity consumption and switch to green power contracts, as this would significantly reduce the indirect greenhouse gas emissions of our portfolio.

With the intention of reducing direct emissions for our portfolio, we are increasingly investing in renewable technologies to meet our buildings' heating demand. To this end, 86 of our assets were using heat pumps as their main production unit. On specific sites, alternative systems such as biomass, for example, are being examined.

## WATER PERFORMANCE

The primary source of water supply for our assets is municipal water. We monitor 79% of water use in our portfolio, totalling 986 megalitres in 2021. Like-for-Like numbers increased by 4% compared to 2020. Water intensity - indicating the amount of water used per square meter - decreased by 1% on a portfolio level.

## WASTE PERFORMANCE

For waste management in our portfolio, we strive to maintain complete and consistent data through ongoing dialogue with our operators. In 2021, we collected waste data for 57% of our portfolio, totalling 4,882 tonnes.

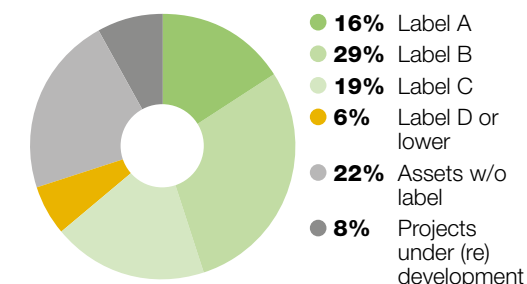
## IMPROVE BUILDING CERTIFICATES

To properly assess the intrinsic energy performance of the portfolio of our assets we collect information from our operators and benchmark their relative environmental performance. Our portfolio approach includes comparing the actual energy usage with the energy levels stated in the EPC (Energy Performance Certificate) standard. EPCs were first introduced as part of the EU Energy Performance of Buildings Directive and will continue to play an important role in the future as part of the EU Taxonomy regulation. The EPCs provide us with an independent view on the energy efficiency of a building, by documenting not only a label, but as well an estimate of the energy intensity.

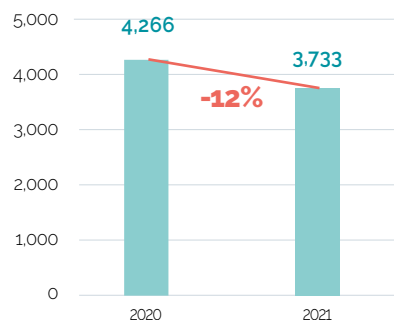
In 2020, we started to compile an inventory of the existing certificates in our portfolio. This provided us with a clear overview of our portfolio. Buildings with an EPC of level C or better are considered compliant with the country's standards / ambitions. In 2021, we increased the EPC coverage of the entire portfolio from 57% to 70%. We developed a clear roadmap to structurally improve the portfolio's energy efficiency:

- For new developments, the sustainable development framework will help achieve our energy intensity targets.
- Based on the building assessment framework for existing assets, renovation plans will be investigated and implemented
- Funding by sustainable financial instruments will facilitate investments in sustainable new construction projects or specific sustainability projects in the existing portfolio.
- Energy inefficient buildings will be considered for asset rotation when renovation is not feasible.

## BREAKDOWN OF CATEGORIES (% OF TOTAL M<sup>2</sup> OF PORTFOLIO)



## Waste production (Waste-LfL)



Cert-Tot	Floor area m <sup>2</sup>	Asset value in € million
Label A	322,000	634
Label B	589,000	1,569
Label C	378,000	1,003
Label D or lower	127,000	278
Assets w/o label	446,000	1,077
Projects under (re) development	168,000	126



# Our partners



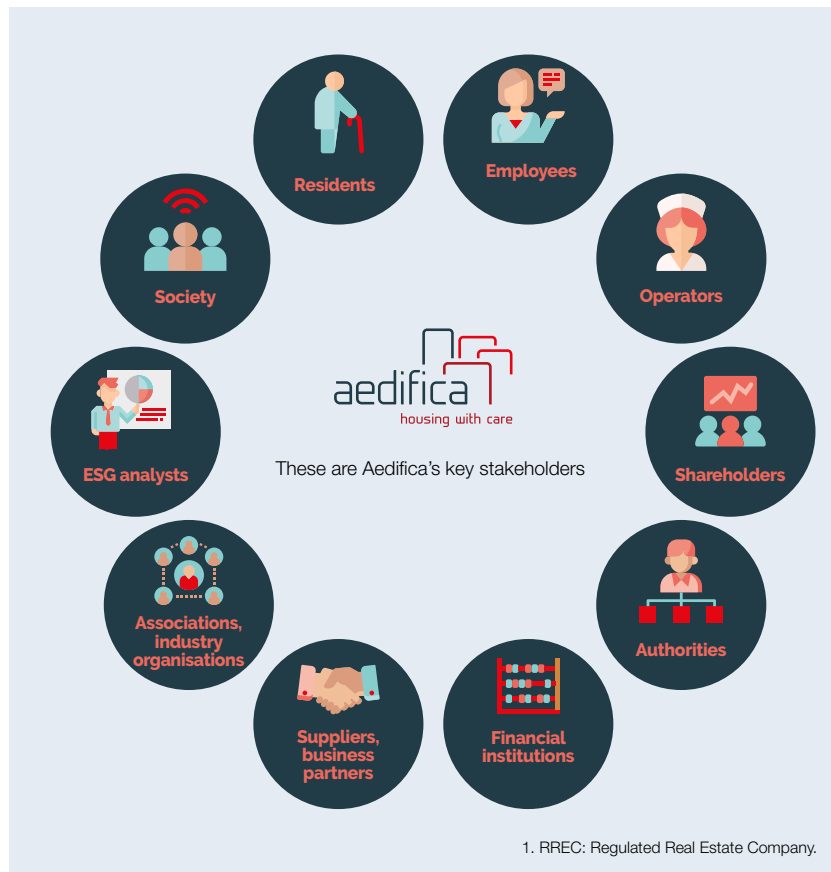
STRENGTHENING RELATIONSHIPS  
WITHIN THE HEALTHCARE REAL  
ESTATE SECTOR

We will need to work closely together with industry partners to minimise our collective environmental impact.

**STEFAN GIELENS,**  
CEO

# Stakeholder overview

Aedifica is committed to bringing together the various stakeholders who have an impact on the daily lives of the residents and care staff who live and work in our buildings. We aim to be a partner to all of these stakeholders, actively listening, sharing information and educating them on the latest trends in the real estate industry. Above all, relationships with our operators and communities are essential to creating long-term sustainable value.



Stakeholder	Mode of engagement	Frequency	Main topics / Expectations
<b>Employees</b>	<ul style="list-style-type: none"> <li>Performance appraisal</li> <li>Employee survey</li> <li>Day-to-day communication</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Annually</li> <li>Daily</li> </ul>	<ul style="list-style-type: none"> <li>Labour conditions and benefits</li> <li>Employee well-being</li> <li>Employee satisfaction and engagement</li> <li>Corporate performance</li> <li>Personal performance</li> <li>Personal development, training and development</li> <li>Job promotion</li> <li>Brand and values</li> <li>Community involvement</li> </ul>
<b>Operators</b>	<ul style="list-style-type: none"> <li>Site visits</li> <li>Buildings condition check</li> <li>One-to-one meetings</li> <li>E-mail exchange</li> <li>Events</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>Continuous informal contact</li> </ul>	<ul style="list-style-type: none"> <li>Permits</li> <li>New developments</li> <li>Energy and water consumption</li> <li>Occupation rate</li> <li>Building conditions and relevance</li> <li>Quality of care</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>General assembly</li> <li>Investor relations contact</li> </ul>	<ul style="list-style-type: none"> <li>Regularly/Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Corporate performance</li> <li>Corporate governance questions</li> <li>Role in society</li> </ul>
<b>Authorities</b>	<ul style="list-style-type: none"> <li>Industry roundtables</li> <li>One-to-one meetings</li> <li>Compliance screening</li> </ul>	<ul style="list-style-type: none"> <li>Occasionally</li> </ul>	<ul style="list-style-type: none"> <li>EU taxonomy</li> <li>RREC<sup>1</sup> regulation</li> </ul>
<b>Financial institutions</b>	<ul style="list-style-type: none"> <li>Key account managers</li> <li>Roundtables/events</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Long-term financing</li> <li>Risks</li> <li>Corporate financial performance</li> <li>ESG KPIs</li> </ul>
<b>Suppliers and business partners</b>	<ul style="list-style-type: none"> <li>One-to-one meetings</li> <li>Project development</li> <li>Tenders</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Project development</li> <li>Compliance with elderly healthcare standards</li> <li>Health and safety</li> <li>Environmental impact</li> <li>Business ethics</li> </ul>
<b>Associations, industry organisations</b>	<ul style="list-style-type: none"> <li>Membership meetings</li> <li>Thematic events</li> <li>One-to-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>Occasionally</li> </ul>	<ul style="list-style-type: none"> <li>Regulation</li> <li>Market trends</li> </ul>
<b>ESG analysts</b>	<ul style="list-style-type: none"> <li>Assessment questionnaires</li> <li>Thematic events</li> <li>One-to-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> </ul>	<ul style="list-style-type: none"> <li>Questions, expectations regarding licence to operate</li> <li>ESG assessment</li> <li>Community involvement</li> </ul>
<b>Society</b>	<ul style="list-style-type: none"> <li>Internet</li> <li>Various communication channels (press release)</li> <li>Schools, universities</li> <li>Social media (LinkedIn, Twitter)</li> <li>Memberships</li> </ul>	<ul style="list-style-type: none"> <li>Regularly/monthly</li> </ul>	<ul style="list-style-type: none"> <li>Corporate performance</li> <li>Role in society</li> <li>Role of women in management</li> <li>Community involvement</li> </ul>
<b>Residential and non-residential care clients</b>	<ul style="list-style-type: none"> <li>Community engagement programme</li> </ul>	<ul style="list-style-type: none"> <li>Occasionally</li> </ul>	<ul style="list-style-type: none"> <li>Role in society</li> <li>Community involvement</li> <li>Research (future) needs</li> <li>Quality of care</li> </ul>



# Our operators

## PARTNERS IN HEALTHCARE REAL ESTATE

We remain committed to our partners by proactively reaching out to them and maintaining good relationships. In this way, we seek to understand their needs and discuss the issues they find important. This open attitude underpins the Group's identity and long-term vision.

## OPERATOR ENGAGEMENT: MEASURING SUCCESS

In 2021, an engagement survey was conducted to measure operator satisfaction. In total, over 100 participants from 6 countries took part in the survey, representing a large part of our portfolio. The survey results provide useful insights into our current services and interactions, as well as potential additional operator needs and strategic priorities. These results serve as the basis for improvements in Aedifica's collaboration and dialogue with its tenants. Aedifica is committed to conducting a similar engagement survey next year to compare results and identify trends in the healthcare sector.

## OPERATOR DAYS

Aedifica understands the challenging context in which our operators have to work every day. They are primarily concerned with providing health-care to people in need and not necessarily with the administration and technical maintenance of the buildings. For this reason, Aedifica will hold Operator Days in every country where it operates.

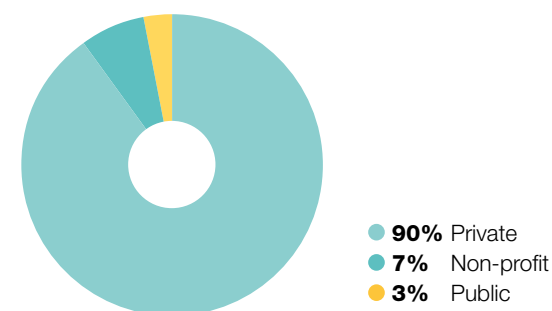
Once every three years, Aedifica will invite representatives of its care properties to participate in Operator Days to share knowledge and best practices on efficient property management, investment in innovation, new real estate-related care solutions, and the risks and opportunities of climate change. By organising these Operator Days in each region, we can share the knowledge gained in different regions and through collaboration with multiple operators.

**+100  
PARTICIPANTS**  
RESPONSE RATE OPERATOR  
SURVEY

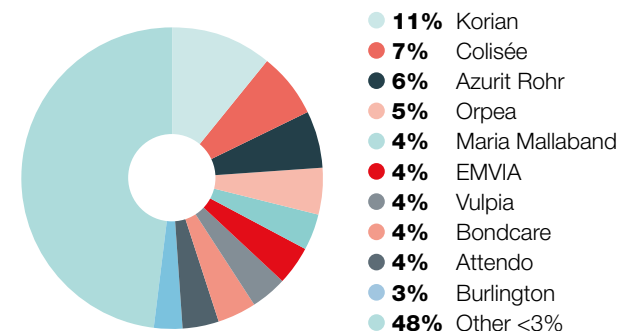
## TOP PRIORITIES:

1. ACCESS TO QUALIFIED CARE STAFF
2. IMPROVING OCCUPANCY
3. IMPROVING RESIDENT SATISFACTION

## BREAKDOWN OF CONTRACTUAL RENTS BY TENANT SECTOR (%)



## BREAKDOWN OF CONTRACTUAL RENTS BY TENANT GROUP (%)



# Green collaboration

## FOCUS ON THE LONG TERM

Aedifica focuses on long-term investments. This significantly influences the type of facilities we buy or develop, but also the type of relationships we want to build and maintain with our operators. For this reason, we always analyse the operator's business plan at the beginning of a project.

We typically enter into long-term triple net leases with care home operators. This means that these operators are responsible for the day-to-day management and maintenance of the buildings. We, on the other hand, focus entirely on optimising the buildings and the relationships with our operators. We continuously track trends and research the needs of (future) care home residents so that we can align our investments in healthcare real estate accordingly.

In our operator engagement survey, we found that environmental performance is not among the top five priorities of our operators. But 55% of respondents said they are committed to achieving net zero emissions under the Paris Agreement. As landlords, this means that we will need to work together with our tenants to achieve this over-arching goal and start discussing green investment opportunities and assessing property intensities to identify inefficiencies.

## GOING GREEN

In terms of scope 3 downstream emissions, in our case primarily consisting of emissions from operating care homes, Aedifica works with its tenants to provide benchmarks and outcomes from the Building Assessment framework to improve energy efficiency. While the nature of our leases does not allow us to directly intervene in the way tenants operate our buildings, in more and more cases we are finding a common goal in energy efficiency.

In an increasing number of cases, we are able to formalise this collaboration, by agreeing the recommendations from energy efficiency audits are implemented by operators, provided the payback period is relatively short. This process encourages innovation, reduces operating costs and is consistent with Aedifica's commitment to reduce carbon emissions.

At Aedifica we are committed to:

- Sharing best practices and benchmarking energy and water intensities
- Formalising environmental collaboration in the form of green leases
- Discussing CSR issues with local teams during Asset Management meetings and Operator Days



BUYTEN HAVEN • DORDRECHT, NL

# Green investments

In Dordrecht, Aedifica developed a care home for residential dementia care in close collaboration with Martha Flora. The building was realised on the former site of the Maranatha Church, with specific investments to limit energy demand. In 28 apartments, divided over two floors, elderly people with dementia are cared for and accommodated.

Fitting into the existing social fabric, a mixed project was developed with on the ground and second floor the Martha Flora care home, and seven residential apartments sold to private owners on the third floor. The 28 care units range in size from 32 to 49 m<sup>2</sup>. In addition, each apartment has an 8 m<sup>2</sup> bathroom.

In order to limit the energy demand, investments were made in extensive insulation of the building envelope and a balanced ventilation system with heat recovery. In terms of technology, this building is not heated by gas, but by a geothermal heat pump. Geothermal energy is also used to cool the building.

To meet the remaining energy demand of the site, Aedifica invested in solar panels, bringing the share of renewable energy to 76% of the building's total consumption. An A++++ energy label was therefore delivered for this project, with a reported energy consumption of 22 kWh/m<sup>2</sup> per year.



MARTHA FLORA DORDRECHT •  
DORDRECHT, NL





# Community engagement

To understand and connect with our communities, Aedifica encourages its employees to actively contribute to the health and well-being of the residents and communities of the buildings we own. During Community Days, employees can take a day off to invest their time in making our properties more attractive, assisting elderly residents or doing other volunteer work.

In 2021, Aedifica supported its communities in a number of ways, including donating over €55,000 to charities and non-profit organisations. Examples of our community support:

- **Be.Source:** an initiative that supports actions to improve the living conditions of vulnerable elderly people.
- **Boost for talents:** an initiative that aims to give young people from disadvantaged backgrounds equal educational opportunities.
- **Music:** as research shows that music has a positive effect on people suffering from dementia, Aedifica continued to support the Philomela Foundation, an organisation that provides classical concerts for residents of care homes in the Netherlands (see page 29). Aedifica also organised a series of Christmas concerts.
- **Pflegecampus Plauen:** Aedifica made a donation to this care campus, which brings different generations together, for the purchase of rehabilitation equipment.
- **In Finland,** employees visited a shelter to donate bed linen.

## CONTRIBUTING TO SOCIETY BY PROVIDING QUALITATIVE PROPERTIES

As an investor in healthcare real estate, Aedifica contributes to a better society by developing innovative residential care concepts for a wide range of care clients. Our primary focus continues to be on the elderly who require various types of residential care. In 2021, over 587 properties provided homes for over 32,700 residents across Europe.

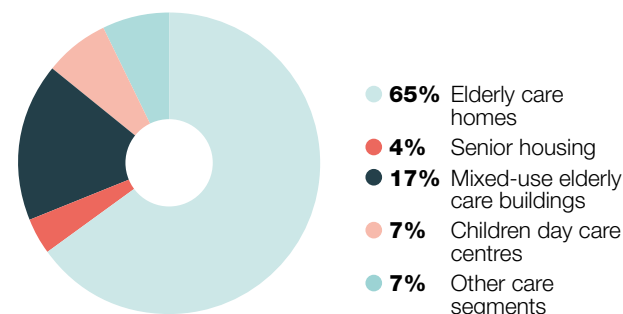
In recent years, Aedifica has also focused on other types of housing and care facilities, including care facilities for people with disabilities, child day-care centres and schools.

### Community engagement, impact assessments and development programmes

Comty-Eng	Aedifica attempts to have a positive impact on local communities. The reader is referred to the explanation above for more details on our community actions.
Headquarters	100%
Portfolio	100%

**€55,000**  
IN CHARITY  
DONATIONS IN 2021

### BREAKDOWN BY FACILITY TYPE IN FAIR VALUE (%)





# Connecting people through music

Aedifica cares a lot about its residents. As part of our community engagement programme, we collaborated with the Philomela Foundation to organise classical concerts for the residents and staff in ten properties in the Netherlands. Philomela is a Dutch non-profit organisation that aims to connect people of different cultures, age groups or social backgrounds through classical music in an accessible and interactive way.

The musical events were very much appreciated by our residents. That is why Aedifica committed to fund a new series of concerts in 2022.



PHILOMELA CONCERT IN DE MERENHOEF  
CARE HOME • MAARSSEN, NL



# Partner in the healthcare industry

## SHARING EXPERTISE

Being a leader in the healthcare real estate sector, we have a responsibility to invest in our sector, to share knowledge and collaborate with key stakeholders.

Each year, we welcome interns to our offices and offer them the opportunity to gain valuable experience in a work environment. In addition, senior managers share their knowledge at seminars across Europe. In 2021, for example, our Finnish team shared their experience with over 100 Dutch healthcare professionals in Amsterdam. Moreover, Aedifica's CEO, Stefaan Gielens, is a frequent guest lecturer in the postgraduate programme in real estate studies at KU Leuven.

## DRIVE CSR INTO THE VALUE CHAIN

To further embed sustainable best practices in the real estate market, we published our new Charter for Responsible Supplier Relations in 2021. The charter clarifies the social, ethical and sustainable responsibilities of suppliers when working with Aedifica. This includes adherence to Aedifica's business ethics and Code of Conduct, compliance with labour standards and our newly developed Human Rights policy, providing a healthy and

safe workplace, and minimising the environmental impact.

With this new Charter for Responsible Supplier Relations, Aedifica aims to provide a framework for its main partners in all countries where it operates to jointly respect and promote these 10 fundamental UNGC principles. In addition, Aedifica itself is also making various commitments to build sustainable and balanced relationships with its suppliers.

INSPIRATION SESSION ON HEALTHCARE AND REAL ESTATE ORGANISED BY AEDIFICA IN KLEIN VELDEKENS CARE HOME • GEEL, BE



This Charter for Responsible Supplier Relations provides us with a solid framework for promoting our commitments to sustainable business practices with our partners, who we expect to share and support the same values as Aedifica. However, this is not a one-way street: we ask our main suppliers to make this commitment, but we also promise to apply the same principles in our relationship with them.

**THOMAS MOERMAN**

GENERAL COUNSEL AND COMPLIANCE OFFICER



FIND OUT MORE ABOUT OUR CHARTER FOR RESPONSIBLE SUPPLIER RELATIONS ON OUR [WEBSITE](#)



# Our organisation



BEING A LEADER IN THE  
HEALTHCARE REAL ESTATE SECTOR

Creating an attractive  
and meaningful  
workplace is critical in  
our industry to attract  
and retain talent.

**INGRID DAERDEN,**  
CFO

# Attractive place to work

## A GREAT PLACE TO WORK

Similar to last year, Aedifica conducted an employee engagement survey in 2021. However, this was the first time we carried out a European survey for all countries called 'Great Place to work'. The survey was conducted by an independent third party and gives us insight into what is important to our employees and provides us with the right tools to improve staff well-being and create a happy workforce.

Following the survey and an in-depth analysis of the company's culture, Aedifica was recognised as a great place to work the first time it participated, allowing the company to carry the Great Place to Work® Certified label through 2022. With a 92% response rate, Aedifica is committed to monitoring employee engagement in the years to come.

Top five employee engagement survey results:

- People are treated fairly regardless of sexual orientation
- Aedifica is a physically safe place to work
- Staff is proud to tell others that they work at Aedifica
- People are treated fairly regardless of their race
- Management is competent in running the company

## CONNECTING EMPLOYEES

After two years of restrictive working conditions, we hosted our International Employee Event. We welcomed our colleagues from Belgium, the

Netherlands, Germany, Sweden, Finland, and the United Kingdom to this special event, which included team-building activities in the afternoon and a social dinner in the evening. Colleagues were eager to meet in person, resulting in a very high attendance rate at the event.

As a result of Aedifica's continued international expansion in several European countries, we are strengthening the international role of the HR department:

- standardising processes and policies by providing formal appraisals to all employees,
- introducing an onboarding program, and
- launching an international newsletter.

## ATTRACTIVE REMUNERATION

Remuneration of employees consists of a fixed and a variable remuneration supplemented with fringe benefits (such as a mobility budget, private health insurance and group insurance). The concrete components of the remuneration package may vary from country to country taking into account local legislation and the social insurance regime. In principle all staff members are employed on the basis of a permanent employment contract. Variable remuneration for employees is linked to individual performances and is paid annually. Belgian employees benefit from a non-recurrent result-based payment linked to pre-defined collective targets (a mix of financial and non-financial - ESG related - KPIs).

Finnish and Swedish staff members benefit from an equity incentive plan based on pre-defined targets related to investment capex and EBIT margin.

### OUR TEAM



**114**  
EMPLOYEES



**40 years**  
AVERAGE AGE

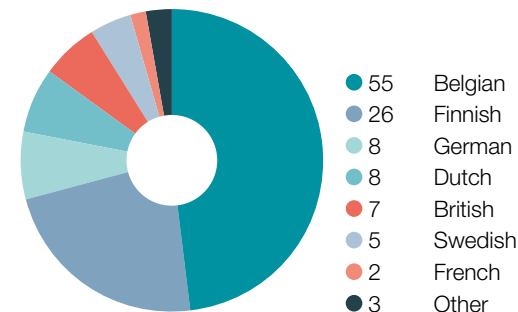


**39**  
WOMEN



**75**  
MEN

### NATIONALITIES





# Aedifica Academy

## TALENT DEVELOPMENT

At Aedifica, we have created a workplace culture in which employees receive continuous feedback, in addition to a formal annual performance review by their manager. Aedifica actively supports internal staff rotation, as it typically leads to improved skills and a better understanding of the company culture and internal processes. In 2021, 100% of our employees received a performance evaluation and development review.

We offer job-specific training, such as the post-graduate programmes in (healthcare) real estate at KU Leuven, but also regularly organise soft skills

courses. In 2021, Aedifica employees received an average of 17.7 hours of training per person, compared to 20 hours in 2020.

## AEDIFICA ACADEMY

In 2022, the HR team will begin rolling out the Aedifica Academy. The Aedifica Academy will be a training programme that not only consists of a series of mandatory training courses on important topics within the company and the industry, but also allows employees to create their own personal and professional development programme.

The Aedifica Academy builds on Hoivatilat Academy, which our Finnish colleagues established two years ago. The goal of this program is to provide employees with a motivational growth and development programme to optimise the organisation, the team and each individual. In 2021, six training sessions were organised for employees in Finland, covering various topics such as leasing, public procurement, negotiation skills, different construction contracts, real estate business and financing, and sustainability.

Beyond the Academy, individual training was also offered on request and as needed.

## TOWNHALL MEETINGS

In 2021, all of our employees received CSR training as part of our so-called Townhall Meetings. These meetings were organised twice in 2021 and offer the teams the opportunity to benefit from participating in a European platform of healthcare real estate professionals and focus on the operating model and corporate social responsibility.

### Employee performance appraisals (Emp-Dev)

Emp-Dev	100% of the total workforce receive performance and career development reviews (formalised once a year)
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### TRAINING AND DEVELOPMENT (EMP-TRAINING)

Emp-Training (1 January - 31 December 2021)	#	%
Total number of employees <sup>1</sup>	106.9	
Number of employees who followed training	79	69%
Total number of training hours	1,892	
Average hours of training per employee	17.7	
Total number of training hours – women	495	26%
Total number of training hours – men	1,397	74%

1. At the end of the reporting period in FTE.



# Diverse organisation

## 2021 ORGANISATION

Aedifica believes that diversity, equal opportunities and respect for everyone are fundamental to the proper functioning of the company at all levels, i.e. at Board and Executive Committee level (see infra) but also at the level of its country managers and employees. Indeed, when selecting country managers and employees, diversity in all its forms is considered so that a complementary team can be established with a good spread in terms of gender, age, education, cultural background, etc.

This vision has resulted in a harmonised team that is made up of people from different educational and cultural backgrounds, with a good mix of experience and a balanced gender ratio. Our strong focus on diversity fosters internal creativity, enriches the internal dynamics within Aedifica and contributes strongly to the growth of the Company.

In 2021, we had 114 employees of 11 different nationalities working at Aedifica. During the year, we welcomed 28 new employees to Aedifica as part of our onboarding programme, including the

integration of the UK Team. 34% of our employees are female and compensation is comparable between genders. Aedifica conducts an annual gender pay gap analysis to identify potential imbalances.

## BOARD DIVERSITY

Aedifica also pays attention to diversity in all its aspects in the composition of its Board and Executive Committee. This attention to diversity in all its aspects means that there is not so much focus on one aspect of diversity, but always on the complementarity of competences, national and international experience, personalities and profiles in the composition of these bodies, in addition to the expertise and integrity required for the performance of these functions.

This has resulted in a Board of Directors and Executive Committee, which is highly diverse in composition in terms of gender, cultural and academic background, as well as nationality. Pursuant to Article 7:86 BCCA, at least one-third of the

members of the Board of Directors must be of a different gender than the other members. This legal requirement does not apply to the Executive Committee; nevertheless, the company also strives for gender diversity in the composition of

the Executive Committee. The precise gender make-up fluctuates over time as positions become vacant and given the complementarity between different members and the company's attention to various types of diversity (including gender).

## EMPLOYEE NEW HIRES & TURNOVER

Emp-New Hires & Turnover in 2021	Number	Rate
New hires	28	23.9%
Employee turnover	8	7.3%

## EMPLOYEE GENDER DIVERSITY (DIVERSITY-EMP)<sup>1</sup>

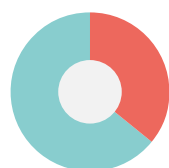
Diversity-Emp in 2021	Women		Men	
	(in headcount)	(in %)	(in headcount)	(in %)
Employees <sup>2</sup>	39	34%	75	66%
Executive Committee (excl. CEO) <sup>3</sup>	1	25%	3	75%
Board of Directors	4	36%	7	64%

## GENDER PAY RATIO (DIVERSITY-PAY)

Diversity-Pay in 2021	Number of people	Gender ratio	Number of FTEs	Remuneration % women/men
<b>Employees (excl. Executive Committee)</b>				
Women	38	35%	36.6	75%
Men	71	65%	70.4	
<b>Executive Committee (excl. CEO)<sup>3</sup></b>				
Women	1	25%	1	116%
Men	3	75%	3	
<b>Board of Directors (excl. Chairman and Executive Committee members)</b>				
Women	3	50%		108%
Men	3	50%		

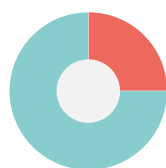
## MIXED GENDER RATIO

### BOARD OF DIRECTORS



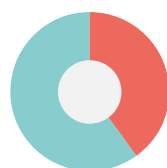
women 4 (36%)  
men 7 (64%)

### EXECUTIVE COMMITTEE<sup>3</sup>



woman 1 (25%)  
men 3 (75%)

### EMPLOYEES



women 39 (34%)  
men 75 (66%)

1. As of 31 December 2021.  
2. Including the Executive Committee.  
3. Excluding CEO.

# Health and well-being

At Aedifica, we take 'housing with care' seriously in all our business activities. The principles of care that we apply to our real estate portfolio also extend to our own workforce. By looking after the health and well-being of our employees, we ensure that Aedifica remains an attractive place to work. By embedding our corporate values into our operations, we aim to be a leader in the healthcare real estate sector.

## EMPLOYEE HEALTH & WELL-BEING

A Health & Well-being Committee was established in 2021 and met three times during the year. The Committee includes members of the Human Resources department, head office staff, and representatives from our local teams. The Committee has been working on our community engagement programme and have prepared an action plan in early 2022 based on the results of the annual employee engagement survey. The employee engagement programme will cover topics such as work-life balance, office health and safety, employee growth and development, and employee recognition.

There were no work-related accidents or fatalities to report in 2021. We hold regular emergency drills at our headquarters and first aid can be provided in our offices if needed.

### EMPLOYEE HEALTH AND SAFETY (H&S-EMP)

H&S Emp	2021
Work-related accidents	0
Lost day rate	0%
Absentee rate	2.6%

## TELEWORK POLICY

In 2021, Aedifica introduced a telework policy for its employees at its headquarters in Belgium. This policy allows all employees to work up to 50% of their working hours from home. This flexible arrangement allows staff to spend less time commuting and better balance their work and personal lives. Following a positive evaluation from the employees in Belgium, the policy will be rolled out in the future to the other countries where Aedifica is active, in accordance with the applicable local social legislation.

## OUR VALUES

### Care

- Implementing a robust employee engagement programme, developed by and for our employees
- Providing flexible working conditions so employees have a positive work-life balance

### Agile

- Offering employees a development plan that increases personal and professional skills to meet the challenging needs of our industry
- Having succession planning in place for all key positions

### Transparency

- Updating our internal codes, standards and guidelines to reflect industry best practice
- Informing employees on the Code of Ethics annually

### Leadership

- Measuring engagement levels through independent surveys to identify further improvements to our organisation and truly become an industry leader
- Inspiring and recognising the talent working at Aedifica



# Ethics, compliance and integrity

Aedifica pursues a business culture characterised by honesty and integrity, a sense of responsibility, strict ethics, and compliance with the statutory rules and corporate governance standards. This has been part of Aedifica's heritage since its founding in 2005 and Aedifica will continue to path.

## CODE OF CONDUCT

To that end, Aedifica has developed a Code of Conduct that provides an ethical framework and offers guidelines to its employees on how to behave to live up to these values and standards.

It forms an annex to the Corporate Governance Charter and sets guidelines for dealing with issues such as:

- conflicts of interest
- the purchase and sale of shares (insider trading)
- corruption and unauthorised use of company property
- respect and dignity in the workplace,

and it incorporates in that respect by reference our other internal ethical policies (dealing code, anti-bribery and corruption policy and human rights policy).

A violation of the applicable legal rules, the Corporate Governance Charter or the Code of Conduct by a member of Aedifica's staff shall if necessary lead to dismissal for cause. The Code of Conduct

is publicly available on our website as an appendix to the Corporate Governance Charter.

Aedifica's suppliers are also expected to uphold the same standards and values. In that respect Aedifica has developed a Charter for Responsible Supplier Relations that constitutes a common frame of reference for Aedifica and its suppliers, and also incorporates by reference Aedifica other internal ethical policies.

## RAISING AWARENESS

To ensure that our employees follow the Code of Conduct, we provide compliance training to raise awareness among our workforce. In 2021, we also provided specific training on competition law for country leads and relevant departments. Anti-money laundering training was provided too to country leads and members of the M&A and Investment team to ensure the implementation of the anti-money laundering policy that was adopted at the end of 2020. Furthermore, the members of the Board of Directors received training on the use of the new Board platform. This platform increases the security of confidential information and allows a more efficient information flow.

## PROCESS FOR MANAGING CONFLICTS OF INTEREST

Gov-Col	We refer to section 10 of the corporate governance statement in the Annual Financial Report and the Corporate Governance Charter (Chapter 3.5.5) for more details.
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As from 2022, the compliance training will be integrated (as a mandatory course) in our Aedifica Academy.

New employees working at Aedifica receive information on relevant policies and key takeaways. Typically, one-on-one meetings are organised to ensure that employees fully understand and follow internal policies and codes. These new employees are also required to sign that they have received and fully understood the Corporate Governance Charter, the internal Privacy policy, the Anti-bribery and corruption policy and the Human rights policy.

## NEW IN 2021

- HUMAN RIGHTS POLICY
- CHARTER FOR RESPONSIBLE SUPPLIER RELATIONS
- REVISED VERSION OF DEALING CODE

## INTERNAL PROCEDURE FOR REPORTING IRREGULARITIES

Aedifica encourages its employees to report actual or potential infringements of statutory rules, the Corporate Governance Charter and the Code of Conduct when a reasonable suspicion of such an infringement exists.

We have established an internal whistle-blower procedure to:

- encourage employees to speak up and report irregularities
- protect employees who report irregularities
- handle all reports consistently, discreetly and confidentially
- guarantee a fair investigation for all parties involved
- take all reasonable steps to address irregularities
- take action against anyone who discriminates against an employee for making a report in good faith.

Issues can be reported in a safe environment to Aedifica's Compliance Officer or to the Chair of the Board of Directors.

Throughout 2021, there were no violations of the Code of Conduct.



# Composition of the Board of Directors and Executive Committee

With regard to the composition of the Board of Directors and the Executive Committee, Aedifica applies various diversity requirements (gender, age, professional background, international experience, etc.) in accordance with the Law of September 3, 2017 on the disclosure of non-financial and diversity information by certain large undertakings and groups.

The members of the Board of Directors collectively combine a broad range of competencies required to manage the Company, taking into account the Group's activities and its status as a listed regulated real estate company. These competencies range from extensive experience in the real estate and healthcare markets to functional skills in areas such as audit & risk, M&A and sustainability.

## APPOINTMENT OF THE HIGHEST GOVERNANCE BODY

In accordance with Article 10 of the Articles of Association, the members of the Board of Directors are appointed by the General Meeting of Shareholders for a maximum term of three years, and they can also be removed at any time. They may be re-elected. The mandate of the retiring and non-re-elected members of the Board of Directors ends immediately after the General Meeting that provides for the new appointments.

If one or more mandates become vacant, the remaining Directors, meeting in council, may provisionally provide for replacements until the

next General Meeting, which will then decide on the final appointment. This right becomes an obligation each time the number of Directors in office or the number of Independent Directors no longer reaches the statutory minimum. A Director appointed to replace another person must complete the mandate of the person he or she is replacing. The next General Meeting must confirm the mandate of the co-opted member of the Board of Directors or not.

When the Board of Directors proposes, upon recommendation of the Nomination and Remuneration Committee, candidates for appointment to the General Meeting and appoints members of the Executive Committee, it considers diversity, background, (international) experience and expertise in order to ensure a diversified composition of these bodies.

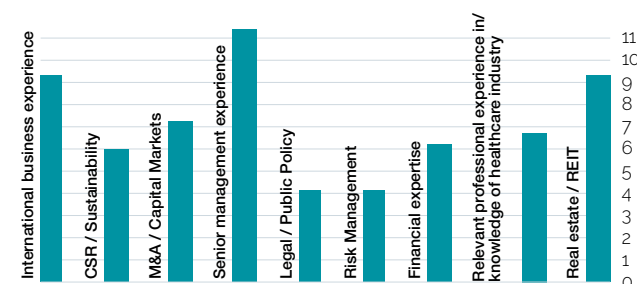


FOR MORE INFORMATION ON THE COMPOSITION OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE, PLEASE REFER TO THE CORPORATE GOVERNANCE STATEMENT IN OUR ANNUAL FINANCIAL REPORT AND IN THE CORPORATE GOVERNANCE CHARTER (CHAPTERS 2.2 & 3.3).

## COMPOSITION OF THE HIGHEST GOVERNANCE BODY (GOV-BOARD)

Gov-Board	2021
Board of Directors	Mr Serge Wibaut - Chairman/Non-Executive Independent Director
	Mr Stefaan Gielens - Chief Executive Officer - Executive Director
	Mr Sven Bogaerts - CLO / CM&AO - Executive Director <sup>1</sup>
	Ms Ingrid Daerden - CFO - Executive Director <sup>1</sup>
	Mr Charles-Antoine van Aelst - CIO - Executive Director <sup>1</sup>
	Mr Jean Franken - Non-Executive Independent Director
	Mr Pertti Huuskonen - Non-Executive Independent Director <sup>1</sup>
	Ms Katrien Kesteloot - Non-Executive Independent Director
	Ms Elisabeth May-Roberti - Non-Executive Independent Director
	Mr Luc Plasman - Non-Executive Independent Director
	Ms Marleen Willekens - Non-Executive Independent Director
Executive Committee	Mr Stefaan Gielens - Chief Executive Officer
	Ms Ingrid Daerden - Chief Financial Officer
	Mr Charles-Antoine Van Aelst - Chief Investment Officer
	Mr Sven Bogaerts - Chief Legal and Mergers & Acquisitions Officer
	Mr Raoul Thomassen - Chief Operational Officer

## SKILLS AND EXPERTISE OF AEDIFICA'S BOARD OF DIRECTORS



# Sustainable operations

In 2021, we continued to monitor the carbon footprint of our operations. Compared to our real estate portfolio, carbon emissions of our organisation are relatively limited. However, we take action at every level where we leave a carbon footprint. In 2021, we have developed a net zero carbon pathway to also minimise the impact of our administrative activities. This includes procuring energy from renewable sources, educating all employees about their carbon impact, and offsetting our remaining carbon emissions.

## OUR 2021 CARBON IMPACT

In 2021, the calculation of our corporate footprint was extended to the entire corporate organisation, headquarters and the various local offices in the countries where we operate. We emitted approx. 296 tCO<sub>2</sub>e, or 2.8 tCO<sub>2</sub>e per FTE. This represents a 13% increase in absolute numbers compared to 2019 (263 tCO<sub>2</sub>e), our benchmark year. Carbon intensity per FTE decreased by 36% compared to 2019. As a reminder: just like 2020, 2021 was still heavily impacted by the Covid-19 pandemic and although we are convinced that the way of working has changed structurally, the figures of the coming years are expected to give a more normalised view on the current situation. All electricity consumed at our headquarters is generated from renewable energy sources. Primary sources of GHG emissions are related to our transport; company cars accounted for 63% and other business travel 24%.

At our headquarters, we developed a comprehensive mobility plan, understanding that this is an important tool to provide our employees with a better work-life balance and increase their job satisfaction. As part of this plan, our employees were offered the opportunity to work from home occasionally and are incentivised to use public transportation or bicycles for their daily commute in the form of a bicycle allowance and full reimbursements for train tickets.

## CO<sub>2</sub>-NEUTRAL CORPORATE CARBON FOOTPRINT

In 2021, carbon emissions for the total corporate carbon footprint of our organisation were off-set by supporting two global certified climate projects.

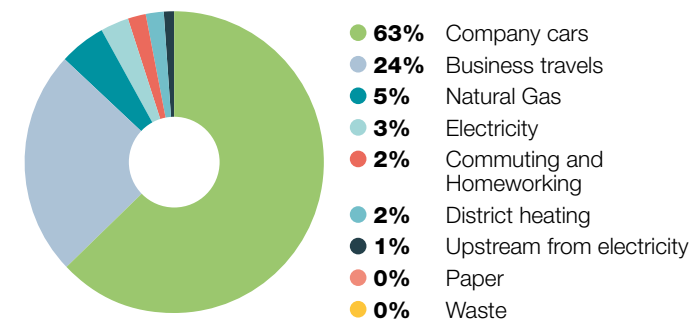
Kenya's ecosystems are under threat from climate change, on top of that, large areas of forest land are cleared to make room for agricultural land. The traditional agricultural practices in Kenya are unsustainable and leave the soil depleted, forcing farmers to go deeper into the forest to find new fertile land. The Project promotes and implements sustainable agricultural land management practices in western Kenya. These practices are more resilient against climate change, resulting in a higher crop yield and keep the soil healthy. This protects the forest and it improves the livelihoods of farmers by giving a higher and more stable income.

The Indian power grid is damagingly reliant on fossil fuel based power plants. The country ranks very high on coal dependency, emitting huge amounts of CO<sub>2</sub>. As a consequence, the energy sector in India contributes to pollution and poor air quality. The India Wind Project supports the development of wind turbines in the regions of Karnataka, Andhra Pradesh and Tamil Nadu, providing the power grid with clean, renewable energy and stimulates the transition to a low carbon economy.

**36%**  
REDUCTION IN  
CARBON INTENSITY  
PER EMPLOYEE  
COMPARED TO 2019



## AEDIFICA'S TOTAL tCO<sub>2</sub>e EMISSIONS PER CATEGORY





# Appendix





# Environmental performance

## AEDIFICA TOTAL PORTFOLIO

			Absolute				Like-for-Like			
			2020	2021	Difference 2021 vs 2020	Difference (%)	2020	2021	Difference 2021 vs 2020	Difference (%)
Elec-Abs & LfL	Total annual consumption	kWh per year	60,442,492	68,950,559	8,508,066	14%	55,210,134	54,071,232	-1,138,902	-2%
	% coverage	%	88%	91%	2%		85%	85%	0%	
	Share of green electricity (purchased and/or produced)	%	17%	20%	3%		24%	22%	-2%	
DH&C-Abs & LfL	Total annual consumption	kWh per year	18,302,059	27,755,619	9,453,560	52%	18,302,059	19,249,402	947,343	5%
	% coverage	%	100%	100%	0%		88%	88%	0%	
Fuels-Abs & LfL	Total annual consumption	kWh per year	116,451,023	136,674,067	20,223,044	17%	108,159,557	113,627,941	5,468,384	5%
	% coverage	%	79%	84%	5%		75%	75%	0%	
Energy-Int	Total energy intensity	kWh/m <sup>2</sup> per year	171	171	0.1	0%	168	172	4.3	3%
	Site net energy use intensity (net of onsite renewable energy generation)	kWh/m <sup>2</sup> per year	169	169	0.3	0%	166	170	4.2	3%
	% coverage	%	78%	83%	5%		75%	75%	0%	
Total greenhouse gas emissions (scope 3 downstream)		total tCO <sub>2</sub> e per year	41,948	49,118	7,170	17%	38,924	39,621	698	2%
GHG-Dir-Abs & LfL	Direct	tCO <sub>2</sub> e per year	21,848	25,802	3,953	18%	20,322	21,519	1,197	6%
	% coverage	%	79%	84%	5%		75%	75%	0%	
GHG-Indir-Abs & LfL	Indirect (location based)	tCO <sub>2</sub> e per year	20,100	23,317	3,216	16%	18,601	18,102	-499	-3%
	% coverage	%	85%	89%	4%		81%	81%	0%	
GHG-Int	Total CO <sub>2</sub> intensity	kgCO <sub>2</sub> /m <sup>2</sup> per year	37	36	-0,7	-2%	36	36	0,3	1%
	% coverage	%	78%	83%	5%		75%	75%	0%	
Water-Abs & LfL	Total annual consumption of water	total m <sup>3</sup> per year	929,063	985,840	56,777	6%	850,426	881,152	30,726	4%
	% coverage	%	84%	79%	-4%		74%	81%	7%	
Water-Int	Total water intensity	m <sup>3</sup> per m <sup>2</sup>	0.8	0.8	0.0	-1%	0.8	0.8	0.0	4%
	% coverage	%	84%	79%	-5%		81%	81%	0%	
Waste Abs & LfL	Total waste production	Total tons of waste per year	5,521	4,882	-639	-12%	4,266	3,733	-533	-12%
	% coverage	%	46%	57%	12%		45%	51%	6%	

## AEDIFICA CORPORATE FOOTPRINT

			Absolute				Per FTE				
			2019	2020	2021	Distribution (%)	2019	2020	2021	Difference 2021 vs 2019	Difference (%)
	<b>Corporate greenhouse gas emissions</b>										
	<i>Average number of FTE's throughout the reporting period</i>	<i>FTE</i>	<i>59.00</i>	<i>92.20</i>	<i>104.20</i>						
	<i>Total office space</i>	<i>m²</i>	<i>1,528</i>	<i>2,087</i>	<i>2,130</i>						
	<b>Total corporate greenhouse gas emissions and intensity</b>	<b>tCO<sub>2</sub>e per year</b>	<b>263</b>	<b>327</b>	<b>296</b>	<b>100%</b>	<b>4.5</b>	<b>3.5</b>	<b>2.8</b>	<b>-1.6</b>	<b>-36%</b>
	Scope 1 and 2 emissions		204	230	217	73%	3.5	2.5	2.1	-1.4	-40%
<b>GHG-Dir-Abs</b>	<b>Direct</b>	<b>tCO<sub>2</sub>e per year</b>									
	<b>Scope 1</b>		<b>200</b>	<b>216</b>	<b>202</b>	<b>68%</b>	<b>3.4</b>	<b>2.3</b>	<b>1.9</b>	<b>-1.5</b>	<b>-43%</b>
	Natural Gas		13	14	16	5%	0.2	0.1	0.2		
	Refrigerants		-	-	-	0%	-	-	-		
	Company cars		188	202	186	63%	3.2	2.2	1.8		
<b>GHG-Indir-Abs</b>	<b>Indirect (location based)</b>	<b>tCO<sub>2</sub>e per year</b>				<b>0%</b>					
	<b>Scope 2 -</b>		<b>3</b>	<b>13</b>	<b>15</b>	<b>5%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>164%</b>
	Electricity (incl upstream)		3	9	10	3%	0.1	0.1	0.1		
	District heating		-	5	5	2%	-	0.0	0.1		
	<b>Scope 3 (upstream)</b>		<b>59</b>	<b>98</b>	<b>79</b>	<b>27%</b>	<b>1.0</b>	<b>1.1</b>	<b>0.8</b>	<b>-0.2</b>	<b>-24%</b>
	Commuting and Homeworking		16	10	8	3%	0.3	0.1	0.1		
	Business travels		40	86	70	24%	0.7	0.9	0.7		
	Waste		1	1	1	0%	0.0	0.0	0.0		
	Paper		2	0	0	0%	0.0	0.0	0.0		
<b>GHG-Int</b>	<b>Total CO<sub>2</sub> intensity</b>	<b>kgCO<sub>2</sub>/m² per year</b>	<b>172</b>	<b>157</b>	<b>139</b>						
<b>Waste Abs</b>	<b>Total weight of waste</b>	<b>Total ton of waste per year</b>	<b>8</b>	<b>9</b>	<b>7</b>		<b>0.13</b>	<b>0.10</b>	<b>0.07</b>	<b>-0.07</b>	<b>-51%</b>
	<b>Total annual energy consumption of offices</b>										
	<i>Total office space</i>	<i>m²</i>	<i>1,528</i>	<i>2,087</i>	<i>2,130</i>						
<b>Elec-Abs</b>	<b>Total annual consumption</b>	<b>kWh per year</b>	<b>88,391</b>	<b>107,332</b>	<b>112,655</b>						
<b>DH&amp;C-Abs</b>	<b>Total annual consumption</b>	<b>kWh per year</b>	<b>NA</b>	<b>42,100</b>	<b>48,850</b>						
<b>Fuels-Abs</b>	<b>Total annual consumption</b>	<b>kWh per year</b>	<b>58,478</b>	<b>64,493</b>	<b>75,512</b>						
<b>Energy-Int</b>	<b>Total energy intensity office spaces</b>	<b>kWh/m² per year</b>	<b>96.11</b>	<b>102.48</b>	<b>111.29</b>						

# Reporting parameters

Aedifica's CSR Report is based on the EPRA sBPR guidelines and is in accordance with the Global Reporting Initiative's (GRI) standard: Core level. Consideration has been given to the GRI's industry-specific supplement for the construction and real estate sector.

## ORGANISATIONAL BOUNDARIES

Aedifica limits its CSR Report to healthcare real estate properties owned by the Group in accordance with the principles of the Greenhouse Gas Protocol. Within this scope, all owned properties are considered except for properties owned by our former entity Immo.be SA/NV, which includes only apartment buildings. This branch has been excluded from the Group level consolidation since March 2019. Corporate data covers our daily activities at our leased administrative headquarters in Brussels.

## DATA COLLECTION

To assess the sustainable performance figures of Aedifica's portfolio, consumption data is collected in a systematic dialogue with our operators. In order to establish our carbon footprint and monitor the impact of the efforts of landlords and operators combined, it is important to have frequent access to reliable data. This can be achieved in a number of ways; either by directly receiving this from the utility companies based on their digital meters, from an intermediate company who is working with the utility companies, by installing additional (sub) meters of our own or by receiving them directly from the operators.

## COVERAGE

As part of our roadmap, Aedifica aims to further improve data coverage and quality over the next few years. We strive to increase the coverage of our report every year. Waste production data are not actively monitored by our operators, which makes it hard to provide sound information. In the coming years, we will increase awareness on this subject and report on these data as well.

## BOUNDARIES - REPORTING ON LANDLORD AND TENANT CONSUMPTION

All data on our portfolio's energy consumption were obtained via the operators' energy management system or energy accounting system.

## NORMALISATION

Intensity ratios were measured by using the building's total floor area as a denominator.

## GHG CALCULATION

In line with international ambitions and climate agreements, Aedifica, in collaboration with an external partner, calculated the climate impact of its headquarters and 83% of its total portfolio, a significant improvement compared to the 43% data coverage of 2019. For this reason, the absolute data consumption (portfolio) increased significantly in the last two years and cannot be compared in absolute terms.

We calculate our emissions in line with the Green-house Gas (GHG) Protocol Corporate Accounting and Reporting Standard by considering the following emission factors from the "UK Department for Business, Energy & Industrial Strategy - Green-house gas reporting" and the "International Energy Agency":

- For corporate footprint, the emissions from company cars have also been considered and calculated using the total fuel consumption (in litres) of the company cars fleet. Different carbon conversion factors are applied to each fuel type.
- For the CO<sub>2</sub>-neutrality scope of Aedifica's corporate footprint, the following GHG emissions sources have been considered: natural gas consumption, electricity consumption, fuel consumed by the company cars, but also homework commuting, business travel, corporate paper purchasing and waste generated on the HQ site. For the carbon impact of electricity consumption, we have considered the fact that the contract is a 'green' electricity contract, consistent with a 'market-based approach'.

## EMISSIONS FACTORS

### Direct GHG emissions

	Unit	Direct emission	Indirect emission	Source
Natural Gas, Europe	kgCO <sub>2</sub> e/kWh HHV	0.1850	0.0292	BC 8.6
Domestic fuel	kgCO <sub>2</sub> e/kWh HHV	0.2486	0.0541	ADEME
Propan	kgCO <sub>2</sub> e/kWh HHV	0.2141	0.0250	BEIS 2021
Wood Pellets	kgCO <sub>2</sub> e/kWh LHV	-	0.0113	Base Carbone ADEME

### Indirect GHG emissions (including upstream emissions)

Belgium	Unit	Value for 2020	Value for 2021	Source 2021
Purchased grey electricity BE	kgCO <sub>2</sub> e/kWh	0.2096	0.2112	IEA 2021
Purchased green electricity (EU)	kgCO <sub>2</sub> e/kWh	0.0150	0.0141	IEA 2021
Produced green electricity (EU)	kgCO <sub>2</sub> e/kWh	0.0150	0.0440	BC 8.6
Purchased grey electricity FI	kgCO <sub>2</sub> e/kWh	0.1312	0.1443	IEA 2021
Purchased grey electricity DE	kgCO <sub>2</sub> e/kWh	0.4518	0.4041	IEA 2021
Purchased grey electricity NL	kgCO <sub>2</sub> e/kWh	0.4504	0.3969	IEA 2021
Purchased grey electricity UK	kgCO <sub>2</sub> e/kWh	0.2636	0.2512	IEA 2021
Purchased grey electricity SE	kgCO <sub>2</sub> e/kWh	0.0203	0.0692	IEA 2021
Disctrict heating FI	kgCO <sub>2</sub> e/kWh	0.1260	0.1073	IEA 2021
Disctrict heating DE	kgCO <sub>2</sub> e/kWh	0.3274	0.3040	IEA 2021
Disctrict heating NL	kgCO <sub>2</sub> e/kWh	0.3301	0.2823	IEA 2021
Disctrict heating UK	kgCO <sub>2</sub> e/kWh	0.2125	0.1975	IEA 2021
Disctrict heating SE	kgCO <sub>2</sub> e/kWh	0.0285	0.0347	IEA 2021



# Verification statement

## EXTERNAL VERIFICATION

CO2logic, a leading Belgian environmental consulting company, has performed a verification procedure as outlined by the certificate below.

Brussels, on 29<sup>th</sup> may 2022

### ENVIRONMENTAL VERIFICATION STATEMENT – LIMITED ASSURANCE



CO2logic SA, a Belgian environmental leading consulting company, has been contracted by Aedifica for the independent third-party verification of environmental indicators as provided in the company annual report to a limited level of assurance.

This verification exercise has been performed to the ISO 14064-3 standard regarding direct and indirect carbon dioxide equivalent emissions (CO<sub>2</sub>e).

CO2logic has performed a verification procedure on the following 2021 key performance data:

- Coverage calculation related to the reported portfolio and the like-for-like (LfL) portfolio (%)
- Electricity consumption related to the absolute and the like-for-like (LfL) reporting scope (kWh)
- Natural gas & Heating oil consumption related to the absolute and the like-for-like (LfL) reporting scope (kWh)
- District Heating & Cooling consumption related to the absolute and the like-for-like (LfL) reporting scope (kWh)
- Water consumption related to the absolute and the like-for-like (LfL) reporting scope (m<sup>3</sup>)
- Waste production by disposal routes related to the absolute and the like-for-like (LfL) reporting scope (tons)
- Building energy intensity related to the absolute and the like-for-like (LfL) reporting scope (kWh/m<sup>2</sup>)
- Water intensity related to the absolute and the like-for-like (LfL) reporting scope (m<sup>3</sup>/m<sup>2</sup>)
- Direct greenhouse gases related to the absolute and the like-for-like (LfL) reporting scope (tCO<sub>2</sub>e)
- Indirect greenhouse gases related to the absolute and the like-for-like (LfL) reporting scope (tCO<sub>2</sub>e)
- Greenhouse gas intensity related to the absolute and the like-for-like (LfL) reporting scope (tCO<sub>2</sub>e/m<sup>2</sup>)

In this verification exercise, CO2logic assignment has been focused on:

- performing consistency checks and variations between 2019 and 2021 related to the energy, greenhouse gases, waste and water data annually collected by Aedifica for own offices (Aedifica Headquarters, Germany, The Netherlands, Sweden, United Kingdom, Finland) as well as for Aedifica portfolio in scope for FY 2021.
- verifying the consolidation process and results of the data collected by Aedifica
- verifying that the calculation related to the greenhouse gases performance measures have been correctly performed, with a correct split between direct and indirect greenhouse gas emissions and the use of an accurate emission factors database

Final reporting scope for energy, greenhouse gases emissions, water and waste has been validated together with CO2logic. Some Aedifica operators and/or sites have been excluded from the final reporting scope for 2021 when they were not able to comprehensively provide specific data nor explain significant changes. All significant variations and errors identified during the verification process have been duly explained and corrected where applicable.

Based on the scope of the data and information provided by Aedifica and the work CO2logic performed, nothing has appeared CO2logic to believe that the selected key performance data and the progress against the previous year described above, are not fairly stated.

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## Limited Assurance report of the Independent Auditor

**Introduction** We were engaged by Aedifica nv to provide a limited assurance conclusion on the allocation of proceeds for the issuances included in chapter Sustainable Finance Framework of Aedifica's CSR Report 2021 ('the Selected Information').

**Conclusion** Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information is not prepared, in all material respects, in accordance with the applied criteria of proceeds allocation to Eligible Assets disclosed in section 'Use of Proceeds' of Aedifica's Sustainable Finance Framework (<https://aedifica.eu/wp-content/uploads/2021/08/20210826-Aedifica-Sustainable-Finance-Framework.pdf> (hereafter 'the Criteria').

**Basis for our conclusion** We have carried out our limited assurance engagement on the Selected Information in accordance with the International Standard on Assurance Engagements (ISAE) 3000: "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described in the section 'Our responsibilities' of our report.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Responsibilities of Aedifica for the Selected Information** Aedifica is responsible for the preparation of the CSR Report 2021 and the Selected Information contained herein in accordance with the Criteria.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the CSR Report 2021 and the Selected Information contained herein that is free from material misstatement, whether due to fraud or error.

It also includes developing the Criteria, selecting and applying policies, making judgments and estimates that are reasonable in the circumstances and maintaining adequate records in relation to the CSR Report and the Selected Information contained herein.

**Our responsibilities** Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed in relation to the Selected Information. We conducted our

engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

Procedures performed in an assurance engagement to obtain a limited level of assurance are aimed to determine the plausibility of information and are less extensive than a reasonable assurance engagement. The level of assurance obtained in limited assurance engagements is therefore substantially less than the level of assurance obtained in a reasonable assurance engagement.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Selected Information. The materiality affects the nature, timing and extent of our review procedures and the evaluation of the effect of identified misstatements on our conclusion.

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

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with the International Standard on Assurance Engagements (ISAE) 3000, ethical requirements and independence requirements.

Our limited assurance conclusion relates solely to the Selected Information. Also it is not our responsibility to provide any form of assurance on:

- The suitability of the Criteria in relation to the ICMA's Green Bond Principles 2021 ("GBP"), APLMA/LMA/LSTA's Green Loan Principles 2021 ("GLP") and Social Bond Principles 2021 ("SBP") which was assessed by V.E. in the 'Second Party Opinion' published in August

2021 on [https://aedifica.eu/wp-content/uploads/2021/08/20210830\\_V.E\\_SPO\\_Aedifica\\_VF\\_V3.pdf](https://aedifica.eu/wp-content/uploads/2021/08/20210830_V.E_SPO_Aedifica_VF_V3.pdf)

- The management of the proceeds from the sustainable finance instruments prior to their allocation or the use of these proceeds after their allocation.

**Procedures performed** Our limited assurance engagement on the Selected Information consists of making inquiries, primarily of persons responsible for the preparation of the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included, among others:

- Identifying areas of the Selected Information where material misstatements, whether due to fraud or error, are likely to arise, designing and performing limited assurance procedures responsive to those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Developing an understanding of internal control relevant to the limited assurance engagement in order to design limited assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the Committee's internal control;
- Evaluating the appropriateness of the reporting Criteria used and their consistent application, including the reasonableness of estimates made by the Committee and related disclosures to the Selected Information;
- Interviewing relevant persons responsible for providing the Selected Information, for carrying out internal control procedures on and consolidating the Selected Information;
- Reviewing relevant internal and external documentation, on a limited test basis, in order to determine the reliability of the Selected Information;
- Analytical review procedures to confirm our understanding of evolutions in the Selected Information.

Brussels, 8 June 2022

EY Réviseurs d'Entreprises SRL  
Represented by

**Joeri Klaykens**  
(Signature)

Joeri Klaykens  
Partner

\* Acting on behalf of a SRL

22JK0452

Digitally signed by Joeri Klaykens  
(Signature)  
DN: cn=Joeri Klaykens  
(Signature), c=BE  
Date: 2022.06.08 12:06:07  
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# EPRA content table

Aedifica voluntarily reports according to the European Public Real Estate Association (EPRA) Sustainability Best Practices Recommendations for Sustainability Reporting (sBPR guidelines) to allow for comparisons with other players in the real estate sector. The following table provides an overview of the indicators reported on, and where in this report they can be found. Given the synergies with other reporting frameworks, notably

with the Global Reporting Initiative (GRI) Standards, the respective GRI indicator linked to each EPRA indicator is featured in the right column. For an exhaustive list of GRI indicators, please see the table in the next chapter. The table provides references to information as published in chapters of the 2020/2021 Annual Financial Report (AFR), the Corporate Governance Charter and this 2021 CSR Report (CSR).

Sustainability – social indicators		Page number
<b>Diversity-Emp</b>	Employee gender diversity	SR p. 34
<b>Diversity-Pay</b>	Gender pay ratio	SR p. 34
<b>Emp-Training</b>	Employee training and development	SR p. 33
<b>Emp-Dev</b>	Employee performance analysis	SR p. 33
<b>Emp-Turnover</b>	Employee turnover	SR p. 34
<b>Emp-New hires</b>	Employee new hires	SR p. 34
<b>H&amp;S-Emp</b>	Employee health and safety	SR p. 35
<b>H&amp;S-Asset</b>	Asset health and safety assessments	SR p. 20
<b>H&amp;S-Comp</b>	Asset health and safety compliance	SR p. 20
<b>Comty-Eng</b>	Community engagement, impact assessments and development programs	SR p. 28
<b>Gov-Board</b>	Composition of the highest governance body	SR p. 37 AR p. 100 and following Corporate Governance Charter
<b>Gov-Selec</b>	Process for nominating and selecting the highest governance body	SR p. 37 AR p. 100 and following Corporate Governance Charter
<b>Gov-Col</b>	Process for managing conflicts of interest	See section 9 of the corporate governance statement in the Annual Financial Report and the Corporate Governance Charter (Chapter 3.5.5) for more details.

Sustainability – environmental indicators		Page number
<b>Elec-Abs</b>	Total electricity consumption	SR p. 40
<b>Elec-LfL</b>	Like-for-like total electricity consumption	SR p. 40
<b>DH&amp;C-Abs</b>	Total district heating & cooling consumption	SR p. 40
<b>DH&amp;C-LfL</b>	Like-for-like total district heating & cooling consumption	SR p. 40
<b>Fuels-Abs</b>	Total fuel consumption	SR p. 40
<b>Fuels-LfL</b>	Like-for-like total fuel consumption	SR p. 40
<b>Energy-Int</b>	Building energy intensity	SR p. 40
<b>GHG-Dir-Abs</b>	Total direct greenhouse gas (GHG) emissions	SR p. 40
<b>GHG-Indir-Abs</b>	Total indirect greenhouse gas (GHG) emissions	SR p. 40
<b>GHG-Dir-LfL</b>	Like-for-like total direct greenhouse gas (GHG) emissions	SR p. 40
<b>GHG-Indir-LfL</b>	Like-for-like total indirect greenhouse gas (GHG) emissions	SR p. 40
<b>GHG-Int</b>	Greenhouse gas (GHG) intensity from building energy consumption	SR p. 40
<b>Water-Abs</b>	Total water consumption	SR p. 40
<b>Water-LfL</b>	Like-for-like total water consumption	SR p. 40
<b>Water-Int</b>	Building water intensity	SR p. 40
<b>Waste-Abs</b>	Total weight of waste by disposal route	SR p. 40
<b>Waste-LfL</b>	Like-for-like total weight of waste by disposal route	SR p. 40
<b>Cert-Tot</b>	Type and number of sustainably certified assets	SR p. 22



# GRI content index

UNIVERSAL STANDARDS		
GRI 102: General Disclosures	Page number	Comment
<b>1. Organisational profile</b>		
102-1	Name of the organisation	Aedifica
102-2	Activities, brands, products and services	30-31 (AR)
102-3	Location of headquarters	Rue Belliard 40 (bte 11), B-1040 Brussels
102-4	Location of operations	3
102-5	Ownership and legal form	Public Limited Liability Company Public Regulated Real Estate Company under Belgian Law
102-6	Markets served	3 Belgium, Netherlands, Germany, United Kingdom, Sweden, Finland, Ireland (2021)
102-7	Scale of the organisation	3, 32-35
102-8	Information on employees and other workers	32-35
102-9	Supply chain	24-25
102-10	Significant changes to the organisation and its supply chain	3, 8, 14
102-11	Precautionary Principle or approach	9
102-12	External initiatives	13, 26-28
102-13	Membership of associations	24
<b>2. Strategy</b>		
102-14	Statement from senior decision-maker	6
102-15	Key impacts, risks, and opportunities	8-9
<b>3. Ethics and integrity</b>		
102-16	Values, principles, standards, and norms of behavior	35
102-17	Mechanisms for advice and concerns about ethics	36

GRI 102: General Disclosures	Page number	Comment
<b>4. Governance</b>		
102-18	Governance structure	103 (AR)
102-21	Consulting stakeholders on economic, environmental, and social topics	8
102-22	Composition of the highest governance body and its committees	37, 103 (AR) EPRA: Gov-Board
102-23	Chair of the highest governance body	37
102-24	Nominating and selecting the highest governance body	37 EPRA: Gov-select
102-25	Conflicts of interest	36, 124 (AR) EPRA: Gov-Col
102-26	Role of highest governance body in setting purpose, values, and strategy	37, 108 (AR)
102-28	Evaluating the highest governance body's performance	113 (AR)
102-29	Identifying and managing economic, environmental, and social impacts	8
102-32	Highest governance body's role in sustainability reporting	10
102-33	Communicating critical concerns	36
102-35	Remuneration policies	37, 114 (AR)
102-36	Process for determining remuneration	37, 114 (AR)
<b>5. Stakeholder engagement</b>		
102-40	List of stakeholder groups	24
102-41	Collective bargaining agreements	SR 2020 page 24
102-42	Identifying and selecting stakeholders	24
102-43	Approach to stakeholder engagement	24-30
102-44	Key topics and concerns raised	8, 24-30

**6. Reporting practice**

<b>102-45</b>	Entities included in the consolidated financial statements	67 (AR)	
<b>102-46</b>	Defining report content and topic boundaries	42	
<b>102-47</b>	List of material topics	8	
<b>102-48</b>	Restatements of information	41	
<b>102-49</b>	Changes in reporting	8, 11	
<b>102-50</b>	Reporting period	1 January 2021 - 31 December 2021	
<b>102-51</b>	Date of most recent report	June 2022	
<b>102-52</b>	Reporting cycle	Annually	
<b>102-53</b>	Contact point for questions regarding the report	info@aedifica.eu	
<b>102-54</b>	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option	
<b>102-55</b>	GRI Content Index	46-48	
<b>102-56</b>	External Assurance	43	

**TOPIC-SPECIFIC STANDARDS**

<b>GRI 201: Economic performance</b>		<b>Page number</b>	<b>Comment</b>
<b>201-1</b>	Direct economic value generated and distributed	30-31 (AR), 52-53 (AR)	
<b>201-2</b>	Financial implications and other risks and opportunities due to climate change	17, 151 (AR)	
<b>GRI 203: Indirect economic impacts</b>			
<b>203-1</b>	Infrastructure investments and services supported	3, 16-25 (AR)	
<b>GRI 205: Anti-corruption</b>			
<b>205-3</b>	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption in 2021.	
<b>GRI 207: Tax</b>			
<b>207-1</b>	Approach to tax	147 (AR)	

**GRI 302: Energy**

<b>302-1</b>	Energy consumption within the organisation	40	EPRA: Elec-Abs, Elec-LfL, DH&C-Abs, DH&C-LfL, Fuels-Abs, Fuels-LfL In accordance with sector practices, energy consumption is expressed in kWh
<b>302-2</b>	Energy consumption outside of the organisation	40	In accordance with sector practices, energy consumption is expressed in kWh
<b>302-3</b>	Energy intensity	40	EPRA: Energy-Int In accordance with sector practices, energy consumption is expressed in kWh
<b>303-4</b>	Reduction of energy consumption	40	In accordance with sector practices, energy consumption is expressed in kWh
<b>302-5</b>	Reductions in energy requirements of products and services	40	In accordance with sector practices, energy consumption is expressed in kWh

**GRI 303: Water and effluents 7: Tax**

<b>303-5</b>	Water consumption	40	EPRA: Water-Abs, Water-LfL
<b>GRI 306: Waste</b>			
<b>306</b>	Effluents and waste	40	
<b>GRI 305: Emissions</b>		<b>Page number</b>	<b>Comment</b>
<b>305-1</b>	Direct (Scope 1) GHG emissions	40	EPRA: GHG-Dir-Abs, GHG-Dir-LfL
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	40	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
<b>305-3</b>	Other indirect (Scope 3) GHG emissions	40	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
<b>305-4</b>	GHG emissions intensity	40	EPRA: GHG-Int
<b>305-5</b>	Reduction of GHG emissions	40	

**GRI 307: Environmental compliance**

<b>307-1</b>	Non-compliance with environmental laws and regulations	There were no cases of non-compliance.
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**GRI 401: Employment**

<b>401-1</b>	New employee hires and employee turnover	34	EPRA: Emp-New hires, Emp-Turnover
<b>401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Not relevant.

**GRI 402: Labor/management relations**

<b>402-1</b>	Minimum notice periods regarding operational changes		Aedifica applies the Belgian legislation on legal notice periods.
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**GRI 403: Occupational health & safety**

<b>403-1</b>	Occupational health and management system	20	
<b>403-2</b>	Hazard identification, risk assessment and incident investigation	35	EPRA: H&S-Emp
<b>403-6</b>	Promotion of worker health	35	
<b>403-9</b>	Work-related injuries	35	EPRA: H&S-Emp
<b>403-10</b>	Work-related ill health	35	

**GRI 404: Training and education**

<b>404-1</b>	Average hours of training per year per employee	33	EPRA: Emp-Training
<b>404-2</b>	Programmes for upgrading employee skills and transition assistance programs	33	
<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	33	EPRA: Emp-Training

**GRI 405: Diversity and equal opportunity**

<b>405-1</b>	Diversity of governance bodies and employees	34	EPRA: Diversity-Emp
<b>405-2</b>	Ratio of basic salary and remuneration of women to men	34	EPRA: Diversity-Pay

**GRI 406: Non-discrimination**

<b>406-1</b>	Incidents of discrimination and corrective actions taken		There were no cases of discrimination.
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<b>GRI 408: Child labor</b>	<b>Page number</b>	<b>Comment</b>
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<b>408-1</b>	Operations and suppliers at significant risk for incidents of child labor		There were no operations or suppliers at significant risk for incidents of child labor.
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**GRI 409: Forced or compulsory labor**

<b>409-1</b>	Operations and suppliers at significant risk for forced or compulsory labor		There were no operations or suppliers at significant risk for forced or compulsory labor.
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**GRI 413: Local communities**

<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	28-30	EPRA: Comty-Eng
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**GRI 418: Customer privacy**

<b>418-1</b>	Substantiated complaints concerning breaches of customer privacy and losses of customer data		There were no such complaints in 2021.
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**GRI 419: Socioeconomic compliance**

<b>419-1</b>	Non-compliance with laws and regulations in the social and economic area		There were no cases of non-compliance.
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**SECTOR-SPECIFIC STANDARDS**

<b>CRE: Construction and real estate</b>	<b>Page number</b>	<b>Comment</b>
<b>CRE 1</b>	Building energy intensity	40 EPRA: Energy-Int
<b>CRE 2</b>	Building water intensity	40 EPRA: Water-Int
<b>CRE 3</b>	Greenhouse gas emissions intensity from buildings	40 EPRA: GHG-Int



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