



# GOVERNANCE



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

**P.96** CORPORATE GOVERNANCE STATEMENT

**P.111** ESG DECISION-MAKING PROCESS

**P.114** BUSINESS ETHICS AND COMPLIANCE

**P.119** TRANSPARENT REPORTING AND DISCLOSURE

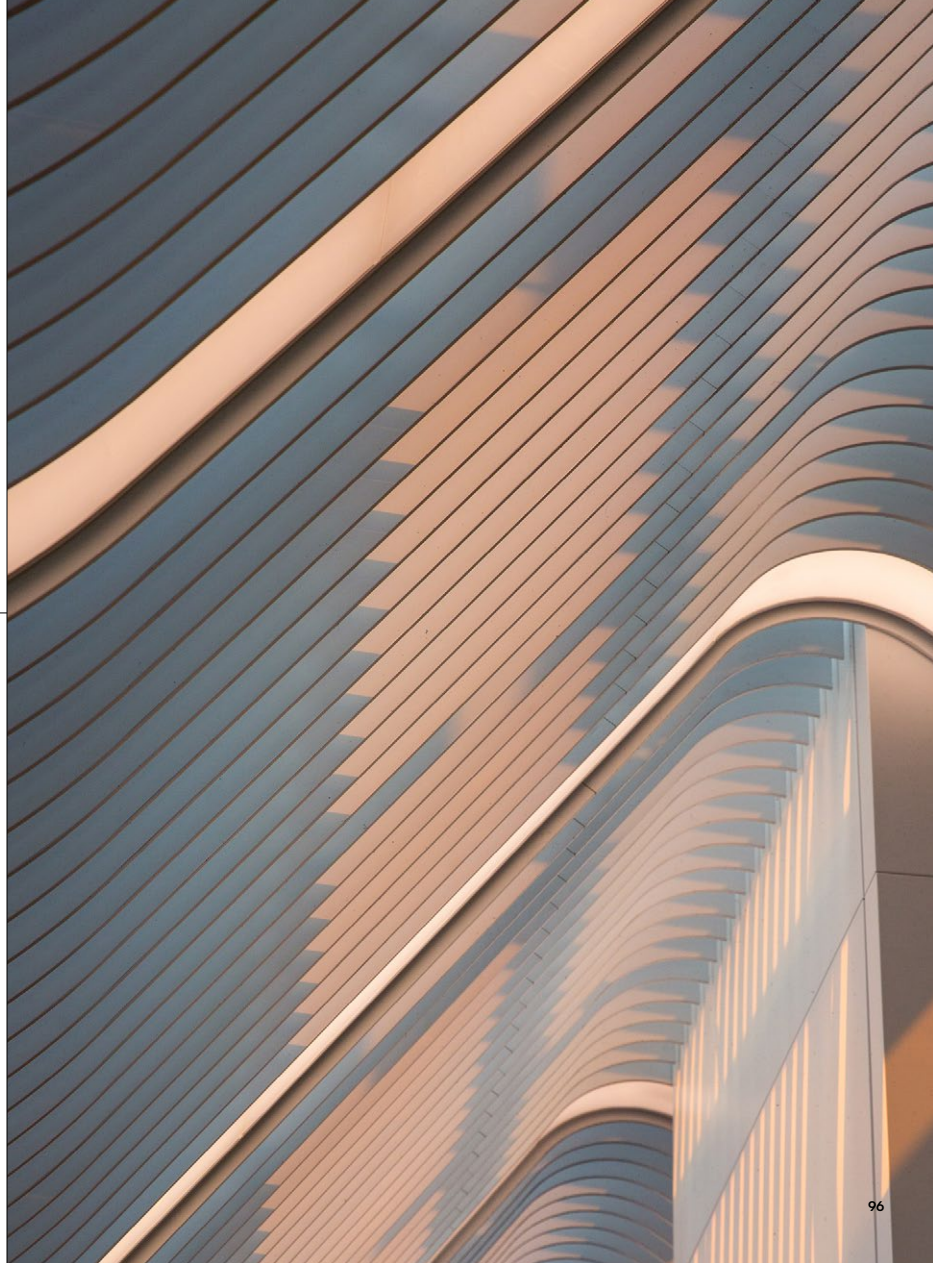
*The full 2030 Action Plan, comprising all governance targets, can be consulted in the Performance data chapter of this Report.*

📄 2030 ACTION PLAN, P.169

## GOVERNANCE

# Corporate governance statement.

Having opted for a “one-tier” governance structure, each company of the Group structure of Befimmo is run by a Board of Directors empowered to carry out all acts necessary or useful to achieve its purpose.



## Management structure

Having opted for a “one-tier” governance structure, each company of the Group structure of Befimmo is run by a **Board of Directors** empowered to carry out all acts necessary or useful to achieve its purpose, except those reserved by law or the articles of association to the General Meeting.

Both the Board of Directors of Befimmo Group SA/NV (FIIS/GVBF) and of Befimmo Real Estate Group SRL/BV have delegated specific management powers to Executive Officers, who act collectively, within an **Executive Committee**.

▣ GROUP STRUCTURE, P.110

## Board of Directors

### Board composition

In accordance with its articles of association, each Company is administered by a Board of Directors, appointed by the General Meeting.

Complementarity in skills, experience, knowledge and age are highly valued when composing a Board of Directors. This complementarity promotes innovation, risk management, and sustainable growth. Additionally, it fosters a culture of collaboration and constructive debate, enhancing the Board’s effectiveness in fulfilling its responsibilities.

All Directors should also have the personal qualities required to carry out their duties in a flexible and collective manner. They must have an impeccable reputation for integrity, a critical mind, strong business sense and the ability to develop a strategic vision.

### Procedure for the appointment and renewal of Directors

Directors are appointed and their mandates are renewed by the General Meeting. Before the appointment and/or renewal of a Director, the following criteria are taken into consideration:

- The appropriate number of Directors;
- The suitability to the needs of the Board of the profile of the Director whose mandate is being considered for renewal;
- The Director profile being sought, based on general criteria for the selection of Directors (including the skills, knowledge and experience available and needed within the Board), and any specific criteria for selection.

Before the appointment and/or renewal of a Director, interviews with the candidates may take place, as well as a review of their curriculum vitae and references, an assessment and an analysis of the other mandates they hold. Any appointment of a Director or renewal of a mandate, whether for an executive or non-executive Director, should allow the Board to continue their work and to maintain the required balance of skills and experience.

If one or more mandates become vacant, the remaining Directors have the right to fill them provisionally, until the next General Meeting, which will confirm (or not) the mandate of the co-opted Director(s).

### Role and duties of the Chairman

The Chairman steers the activities of the Board. In his/her absence, Board meetings are chaired by a Director designated by the other Directors.

The Chairman endeavours to ensure that the Directors reach a consensus by discussing the items on the agenda in a critical and constructive way and takes the necessary measures to develop a climate of trust within the Board of Directors by contributing to open discussions and offering constructive dissent and support for the Board’s decisions.



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If one or more mandates become vacant, **the remaining Directors have the right to fill them provisionally,** until the next General Meeting.

**Functioning**

The Board of Directors pursues sustainable value creation by setting the strategy of each company within the framework of the ESG Policy that it defines, establishing effective, responsible and ethical leadership and monitoring its performance.

To do so, the Board develops an inclusive approach which balances the legitimate interests and expectations of its shareholder(s) and those of other stakeholders.

The Board of Directors is empowered to perform all acts necessary or useful for the achievement of the Company's purpose, except those reserved to the General Meeting by law or by the articles of association.

The Board is organised to ensure that it exercises its powers and responsibilities in the best possible way. It meets as often as necessary.

The articles of association lay down the following rules concerning the decision-making process of the Board of Directors:

- Except in case of force majeure, the deliberations and resolutions of the Board of Directors are valid only if at least half of its members are present or represented (and, for some companies, if at least two members are present). If half of its members are not present or represented, a new meeting must be convened which, provided at least two Directors are present, may make valid deliberations and resolutions on the topics on the agenda of the preceding meeting;
- Decisions of the Board shall be taken by absolute majority of the Directors present or represented. In the event of a tie, the chairman of the meeting has the casting vote;
- Decisions of the Board of Directors may be taken by unanimous decision of all the Directors, expressed in writing.

The decisions of the Board of Directors are recorded in the minutes, which must be approved by the Board.

**Self-assessment**

Every three years at least, the Board assesses its own composition, size, effectiveness and functioning.

This self-assessment exercise has the following main objectives:

- To challenge the composition of the Board of Directors;
- To appraise the functioning of the Board of Directors;
- To check whether important issues are properly prepared and discussed;
- To evaluate whether the chosen governance structure remains appropriate.

## PLEASE NOTE

The Group, which is now part of the Brookfield group, is mainly structured around two Companies:

- › **Befimmo Group SA/NV**, a holding company with FIIS/GVBF status that owns a number of subsidiaries; and
- › **Befimmo Real Estate Group SRL/BV**, which carries out the Group's operational activities, together with a number of operating subsidiaries.

This chapter will therefore be mainly focused on those two Companies.

**Board of Directors of Befimmo Group SA/NV**

On 31 December 2023, the Board consisted of five Directors, specifically:

- One executive Director;
- Four non-executive Directors, three of whom are independent.

As of 14 July 2023, at the incorporation of Befimmo Group SA/NV, the following Directors were appointed:

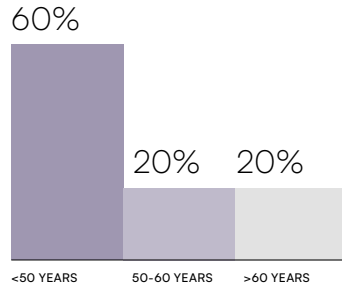
- AN&MO SRL/BV, represented by its permanent representative, Mr. Vincent Querton;
- Revron SRL/BV, represented by its permanent representative, Mr. Jean-Philip Vroninks;
- Mr. Luc Leroi;
- Mr. Damien Rensonnet;
- Mr. Benedict Annable.

A brief description of the professional background of each Director is included hereafter.

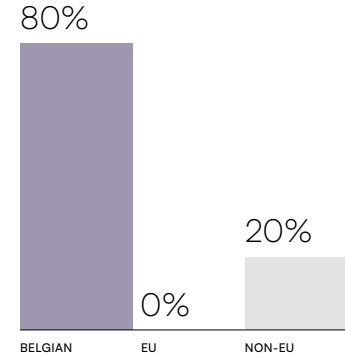


**KEY FIGURES**

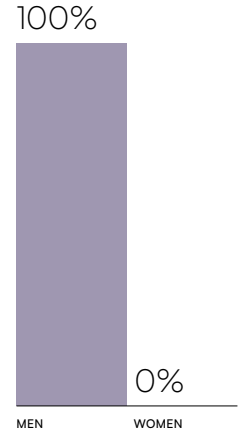
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NATIONALITY



GENDER DIVERSITY



**COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2023**

Position on the Board	Expiry of current mandate	Attendance rate
AN&MO SRL/BV, represented by its permanent representative, <b>Mr. Vincent Querton</b> - Chairman	June 2029	85.71%
Revron SRL/BV, represented by its permanent representative, <b>Mr. Jean-Philip Vroninks</b> - Managing Director	June 2029	100%
<b>Mr. Luc Leroi</b> - Non-executive Director	June 2029	100%
<b>Mr. Damien Rensonnet</b> - Non-executive Director	June 2029	100%
<b>Mr. Benedicte Annable</b> - Non-executive Director	June 2029	51.14%

BOARD OF DIRECTORS OF BEFIMMO GROUP SA/NV

### Mr. Vincent Querton

Chairman and independent, non-executive Director



AS PERMANENT REPRESENTATIVE OF AN&MO SRL/BV

Mr. Vincent Querton is the Chairman of Befimmo Group SA/NV and qualifies as independent, non-executive Director. He holds a law degree (UCL) and an MBA from INSEAD-CEDEP (Fontainebleau). Mr. Querton has extensive experience in the banking and real-estate sectors in Belgium and abroad. He was Chief Operating Officer of Fortis Real Estate (later AGRE) from 1996 to 2002 (during which time he was Chairman of Devimo and a member of the Management Board of Interparking), and worked at Jones Lang LaSalle (JLL) from 2003 to February 2017 as International Director and CEO Benelux. Since October 2017, he has been CEO of Ascencio, a BE-REIT specialising in the retail sector (retail premises located mainly on the outskirts of cities).

### Mr. Jean-Philip Vroninks

Executive Director



AS PERMANENT REPRESENTATIVE OF REVRON SRL/BV

Mr. Jean-Philip Vroninks is the Managing Director of Befimmo Group SA/NV and of Befimmo Real Estate Group SRL/BV and the Chair of their Executive Committee. After obtaining his licentiate in Economic Sciences at EHSAL Brussels and a master in International Finance at London Middlesex University, Mr. Vroninks began his career at Citibank in Brussels and then KPMG in London. In 2003, Mr. Vroninks joined the Capital Markets department of King Sturge in Belgium (2003-2009). In 2009, he was promoted to Managing Director and, after the merger of King Sturge and JLL in 2011, became the head of the Belux Capital Markets team. At the beginning of 2017, he became the CEO of JLL in Belgium and Luxembourg. From 2020 on, he was also Head of Capital Markets Benelux at JLL. He was appointed Managing Director of Befimmo SA/NV<sup>1</sup> in May 2021.

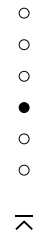
### Mr. Luc Leroi

Independent, non-executive Director



Mr. Luc Leroi is independent and non-executive Director of Befimmo Group SA/NV since 14 July 2023. He began his career 1989 as junior auditor with Deloitte Luxembourg and spent more than 20 years at Fortis Luxembourg and Credit Lyonnais Luxembourg in the fund sector and as tax advisor. From 2002 until 2009 he was CFO of a listed real-estate company present in Central Europe. Since 2009 he serves as independent Director for several institutional groups active in the real estate sector but also in infrastructure and renewable energies. Mr. Luc Leroi is a graduate in commercial and financial science (1988-HEC) and in fiscal science (1999-ESSF-IFBL).

1. In May 2021, Befimmo SA/NV was a listed company and had the status of a BE-REIT ("société immobilière réglementée"/"gereguleerde vastgoedvenootschap"). With effect on 1<sup>st</sup> November 2023 took place the demerger of Befimmo SA/NV and its restructuring into the Group structure (see page 110).



BOARD OF DIRECTORS OF BEFIMMO GROUP SA/NV

### Mr. Damien Rensonnet

Independent, non-executive Director



Mr. Damien Rensonnet is an independent and non-executive Director of Befimmo Group SA/NV since 14 July 2023. He is a graduate in commercial and financial science (ULG-HEC Liège) and is certified in Corporate Governance (INSEAD). He began his career in accounting and tax at PwC in Luxembourg (2001-2004), before joining the international investment firm The Carlyle Group where he held a number of roles from 2004 to 2021. Towards the end of his tenure at Carlyle, Mr. Rensonnet was an executive Director focusing on fund operations and financial management of European real estate investments. He was actively involved in structuring and closing of 100+ Real Estate investments in multiple sectors and jurisdictions. Mr. Damien Rensonnet currently works in consulting and management in the alternative investment industry.

### Mr. Benedict Annable

Non-executive Director



Mr. Ben Annable is a non-executive Director of Befimmo Group SA/NV. As Managing Director in Brookfield's Real Estate group, he is responsible for the negotiation and legal aspects of the real estate group's European mergers and acquisitions activities, including deal structuring and execution. Prior to joining Brookfield in 2018, Mr. Annable was a partner at a leading U.K. law firm, where he focused on M&A and joint ventures. Mr. Annable holds a Graduate Diploma in Law from The University of Law and a Bachelor of Arts degree from Durham University.

**Board of Directors of Befimmo Real Estate Group SRL/BV**

On 31 December 2023, the Board consisted of four Directors, specifically:

- Three executive Directors:
  - Revron SRL/BV, represented by its permanent representative, Mr. Jean-Philip Vroninks;
  - Phirema SRL/BV, represented by its permanent representative, Mr. Philippe Berlamont;
  - Mrs. Martine Rorif; and
- One non-executive Director:
  - Mr. Glenn LaFountain.

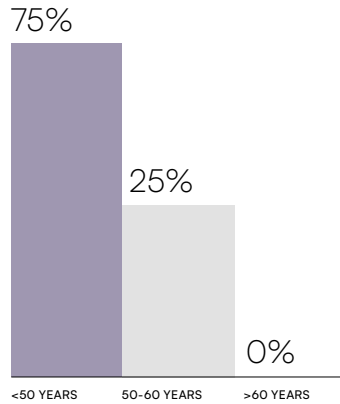
The aforementioned four Directors do not qualify as independent Directors.

A brief description of the professional background of each Director is included hereafter.

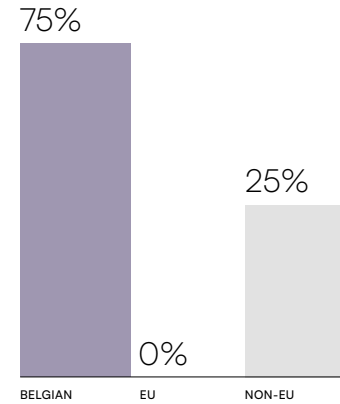


**KEY FIGURES**

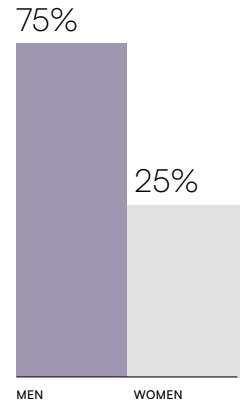
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NATIONALITY



GENDER DIVERSITY



**COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2023**

Position on the Board	Expiry of current mandate	Attendance rate
Revron SRL/BV, represented by its permanent representative, <b>Mr. Jean-Philip Vroninks</b> - Managing Director	Illimited	100%
Phirema SRL/BV, represented by its permanent representative, <b>Mr. Philippe Berlamont</b> - Executive Director	Illimited	100%
<b>Mrs. Martine Rorif</b> - Executive Director	Illimited	100%
<b>Mr. Glenn LaFountain</b> - Non-executive Director	Illimited	100%







### Executive Committee

Having opted for a "one-tier" governance structure, each company of the Group structure is run by a **Board of Directors** empowered to carry out all acts necessary or useful to achieve its purpose, except those reserved by law or the articles of association to the General Meeting.

Both the Board of Directors of Befimmo Group SA/NV (FIIS/GVBF) and of Befimmo Real Estate Group SRL/BV have delegated specific management powers to Executive Officers, who act collectively, within an **Executive Committee**.

The Board is regularly informed of the activities of the Executive Committee.

### Composition

The members of the Executive Committee are appointed by the Board of Directors.

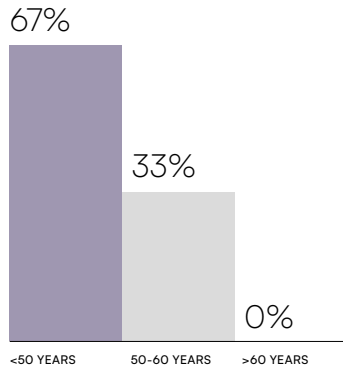
On 31 December 2023, the Executive Committee of Befimmo Group SA/NV and of Befimmo Real Estate Group SRL/BV had three members:

- Revron SRL/BV, Managing Director, represented by its permanent representative, Mr. Jean-Philip Vroninks;
- Phirema SRL/BV, Director, represented by its permanent representative, Mr. Philippe Berlamont;
- Mrs. Martine Rorif, Director.

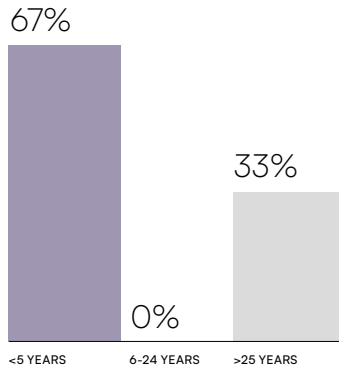
A description of their professional background can be found on pages 103 and 104 of the present Report.

#### KEY FIGURES

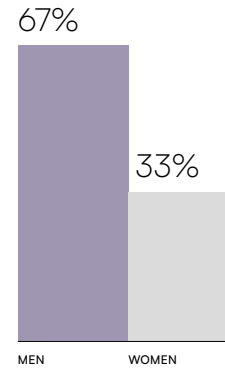
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SENIORITY



GENDER DIVERSITY



### Duties

The Executive Committee is mainly entrusted with the following duties:

- Analysing and implementing the general policy and strategy of resp. Befimmo Group SA/NV and Befimmo Real Estate Group SRL/BV, as decided by the respective Boards of Directors and implementing the decisions of the Board of Directors;
- Making a balanced and clear assessment of the financial situation, budget and business plan of each company that is part of the Group structure, in accordance with accounting standards;
- Implementing internal controls (systems to identify, assess, manage, and monitor financial and other risks), without prejudice to the monitoring role of the Board of Directors;
- Reporting to the respective Boards of Directors, the competent authorities and the Statutory Auditor(s);
- Preparing the publication of financial statements and other financial and non-financial information.

In this context, the Boards of Directors of Befimmo Group SA/NV and Befimmo Real Estate Group SRL/BV have delegated specific decision-making and representation powers to the related Executive Committee, which are updated regularly.

The Executive Committee operates on a collegial basis, with **decisions taken by the consensus** of its members, who are collegially responsible.

The Executive Committee exercises its duties without prejudice to the powers of the Board of Directors.

The Executive Committee of Befimmo Real Estate Group SRL/BV oversees:

- The day-to-day management of Befimmo Real Estate Group SRL/BV, including (but not limited to) the commercial, operational and technical management of the property portfolio;
- Leading the operational team of Befimmo Real Estate Group SRL/BV and its subsidiaries, in accordance with its strategy and general policy.

### Activity Report to the Board of Directors

The Executive Committee reports at least quarterly to the Board of Directors.

### Operating mode

The Executive Committee operates on a collegial basis, with decisions taken by the consensus of its members, who are collegially responsible.

If a consensus cannot be reached, the item or file concerned is put on the agenda of the meeting of the Board of Directors for deliberation and decision.

The Executive Committee meets as often as necessary, under the chairmanship of the CEO, and in principle once a week. It can be convened at any time by the Chairman or at the request of at least two members of the Executive Committee.

On 31 December 2023, the Executive Committee of Befimmo Real Estate Group SRL/BV led a team of 76 employees without taking into account the teams of which Silversquare Belgium and Sparks Meeting are composed of.

## Leadership Committee

During the Executive Committees that takes place every week, the following Managers (also called "**Leaders**") are invited to join the Executive Committee to present and discuss ongoing projects and to propose actions to be taken:

- Mr. Rudi op 't Roodt, Chief Technical & Sustainability Officer;
- Mr. Olivier De Bisscop, Chief Portfolio Officer;
- Mr. Axel Kuborn (Silversquare), Chief Operator Officer.

These members form Befimmo's Leadership Committee. This Committee is the platform of information-sharing and decision-making for all ongoing business-related subjects.

## Management

The heads of departments on 31 December 2023 are:

- Mr. Olivier De Bisscop<sup>1</sup> (Chief Portfolio Officer);
- Mr. Christophe le Fevere<sup>1</sup> (Head of Asset Management);
- Mr. Nicolas Nélis (Chief Project Officer);
- Mr. Eric Jambor (Head of Property Management);
- Mr. Edouard Scarcez (Head of Investment);
- Mr. Arnaud Opsommer (Head of Building Administration, Business Data & Operations Budget);
- Mr. Frédéric Tourné (Head of Environmental Management);
- Mr. Rudi op 't Roodt<sup>1</sup> (Chief Technical & Sustainability Officer);
- Mrs. Madelieve Timmermans (Head of Marketing & Communication);
- Mr. Stéphane dos Santos (Chief Accountant);
- Mr. Pierre-Olivier Schmitz (Head of Controlling);
- Mrs. Florence Weemaels (Head of Human Resources);
- Mr. Jelle Defraye (Head of Technology & Data Solutions).

1. Acting on behalf of a company.

## Remuneration policy

The remuneration policy that applies to the Group structure is established in accordance with the Code of Companies and Associations.

It is designed to reward those involved in the operational activities of the Group and its subsidiaries in a way that allows it to attract, retain, and motivate selected team members, considering the Group structure and its characteristics and challenges, properly and effectively managing risk, and keeping the costs of the various remunerations under control.

It also aims to promote the creation of sustainable value within the Group structure, and to contribute to the implementation of its strategy. This is done mainly by setting qualitative and quantitative performance criteria for the members of the Executive Committee that are in line with the objectives of the Group structure and that include, in addition to financial performance criteria, additional measurable criteria related to its ESG Policy, its commitments regarding social responsibility and other long-term objectives.

In this way, the remuneration policy aims to create a close link between the interests of its Executives and those of the Group structure, its shareholder(s) and all other stakeholders.

Befimmo Real Estate Group SRL/BV and its subsidiaries aim to remunerate the team at a level that compares well with the remuneration paid by other companies of comparable size and activities for similar functions.

To keep up to date with market pay scales, the Group structure contributes to benchmarks organised by specialised consultants and market surveys.



Befimmo Real Estate Group SRL/BV and its subsidiaries aim to **remunerate the team at a level that compares well with the remuneration paid by other companies** of comparable size and activities for similar functions.

## Non-executive Directors

The remuneration of the non-executive Directors is set by the General Meeting.

Remuneration is composed of:

- A fixed annual amount;
- Attendance tokens; these are awarded to non-executive Directors for attending meetings of the Board of Directors.

The non-executive Directors do not receive any performance-related pay, such as bonuses or stock options, nor do they receive any benefits in kind, or benefits associated with pension schemes. No shares are awarded to non-executive Directors.

The Directors may hold a Directorship in other companies that are part of the Group structure.

## The Chief Executive Officer

The Managing Director - who is not remunerated as a Director - carries the function of Chief Executive Officer (CEO) and is a member of the Executive Committee of Befimmo Group SA/NV and of Befimmo Real Estate Group SRL/BV.

The remuneration of the CEO consists of a fixed portion, a variable portion and a long-term incentive plan.

- **Fixed portion:** The amount of the fixed annual remuneration is determined on the basis of comparisons with the fixed remunerations on the market for comparable positions in comparable companies. The fixed annual remuneration is paid monthly, in twelfths, at the end of the month.
- **Variable portion in cash:** The target amount of the annual variable remuneration, corresponding to a quality service that meets expectations in terms of results, professionalism and motivation, is predetermined when setting the targets. It is a combination of personal qualitative targets and financial qualitative targets that apply to the Group structure. Are avoided performance criteria that could encourage the CEO to give preference to short-term goals that influence his variable remuneration and would have an adverse impact on the Group structure in the medium and long term.
- **Long-term incentive plan:** The CEO may be allocated a long-term incentive plan, creating a close link between the interests of the CEO and those of the Group structure and its shareholder.
- **Miscellaneous expenses:** Expenses incurred by the CEO in the course of his routine management are reimbursed, on presentation of supporting documents.

## Control environment

### Company organisation

The Boards of Directors of Befimmo Group SA/NV and of Befimmo Real Estate Group SRL/BV have established an Executive Committee.

Operational functions are carried out by Befimmo Real Estate Group SRL/BV and its subsidiaries in its technical departments (Project Management, Property Management and Environmental Management), its Commercial department and Investment department.

Support functions are provided by the following departments of Befimmo Real Estate Group SRL/BV and its subsidiaries: Finance, Building Administration, Legal, Marketing & Communication, Sustainability, Human Resources and IT.

Each member of Befimmo Real Estate Group SRL/BV and its subsidiaries has a job description. There is a procedure for the delegation of authority for both internal matters (decision-making powers) and external matters (powers of signature and representation).

The Boards of Directors of Befimmo Group SA/NV and of Befimmo Real Estate Group SRL/BV have delegated a number of powers of decision-making and representation to its Executive Committee. In this context, the Executive Committee has a power to sub-delegate, which it has exercised, while setting limits in terms of the acts and amounts concerned, in line with the hierarchical position of the authorised employees of Befimmo Real Estate Group SRL/BV and its subsidiary, Befimmo Property Services. These sub-delegations include an internal procedure for approving orders and invoices. The principle of dual signatures is applied. There is also a specific procedure for authorising payments. All these powers are formalised in internal procedures.

The Human Resources department ensures that the skills required for each role are defined and that the procedures are observed, notably for annual performance appraisal and pay review.

### External players

Some external stakeholders also play a role in the control environment, most importantly the Statutory Auditor and the independent real-estate experts.

### Ethics

The Board of Directors has drafted a Code of Ethics, which is supplemented by the following policies: a Whistleblowing Policy, an Anti-Corruption Policy, a Data Privacy Policy, a Policy on Diversity, Inclusion and Zero Tolerance, an ESG Policy, a Supplier Code of Conduct and a Philanthropy and Associative Partnership Policy. All policies are described in detail in the Business ethics and compliance chapter of the present Report.

▣ BUSINESS ETHICS AND COMPLIANCE, P.114

These documents can also be consulted on the corporate website.

## Rules for preventing conflicts of interest

The Group structure is required to comply with its legal and regulatory obligations in this area (amongst which Article 7:96 of the Code of Companies and Associations) both within its Board of Directors and within any of its Committees.

### Article 7:96 of the Code of Companies and Associations

Pursuant to Article 7:96 of the Code of Companies and Associations, if a Director has a direct or indirect interest of financial nature that conflicts with a decision or transaction that falls to the Board of Directors (subject to certain exceptions), he/she shall notify the other members before it is discussed by the Board. His or her statement, as well as the explanation on the nature of such conflicting interest, must be included in the minutes of the meeting of the Board of Directors which is to take the decision.

The conflicted Director may not take part in the discussions of the Board of Directors relating to the transactions or decisions concerned, nor take part in the vote.

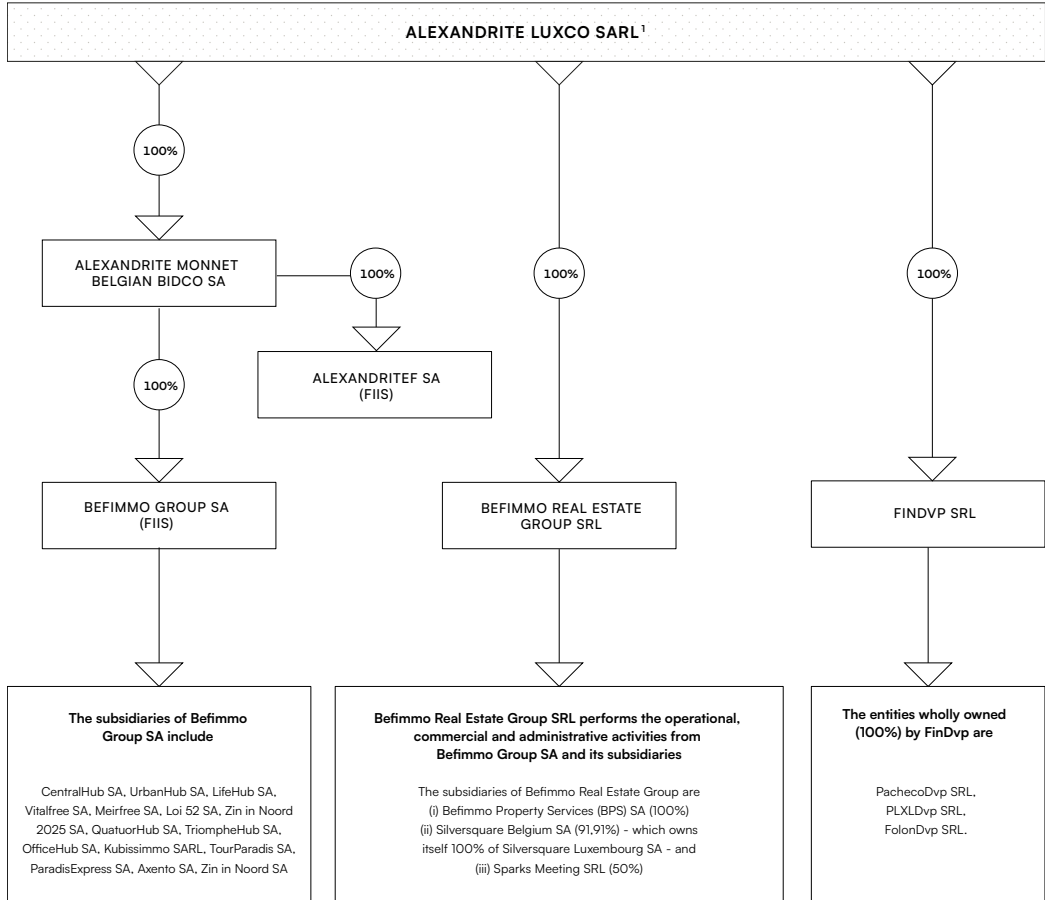
In its report on the annual accounts, the Statutory Auditor shall assess the financial consequences for the Company of the decisions of the Board of Directors for which there is a conflicting interest. In addition, the relevant part of the minutes shall be reproduced in the management report.

In addition, all team members must avoid finding themselves in a situation of conflict of interest between their personal interests and those of the Group structure, particularly in the context of relations with its shareholder and subsidiaries, customers, contractors, suppliers and other third parties.

## Share ownership, structure and organisation

Following the completion of the restructuring of the Group as of 1<sup>st</sup> November 2023, the Group structure and its ownership is now as follows.

### GROUP STRUCTURE



1. An entity fully controlled by one of Brookfield's real-estate private funds.

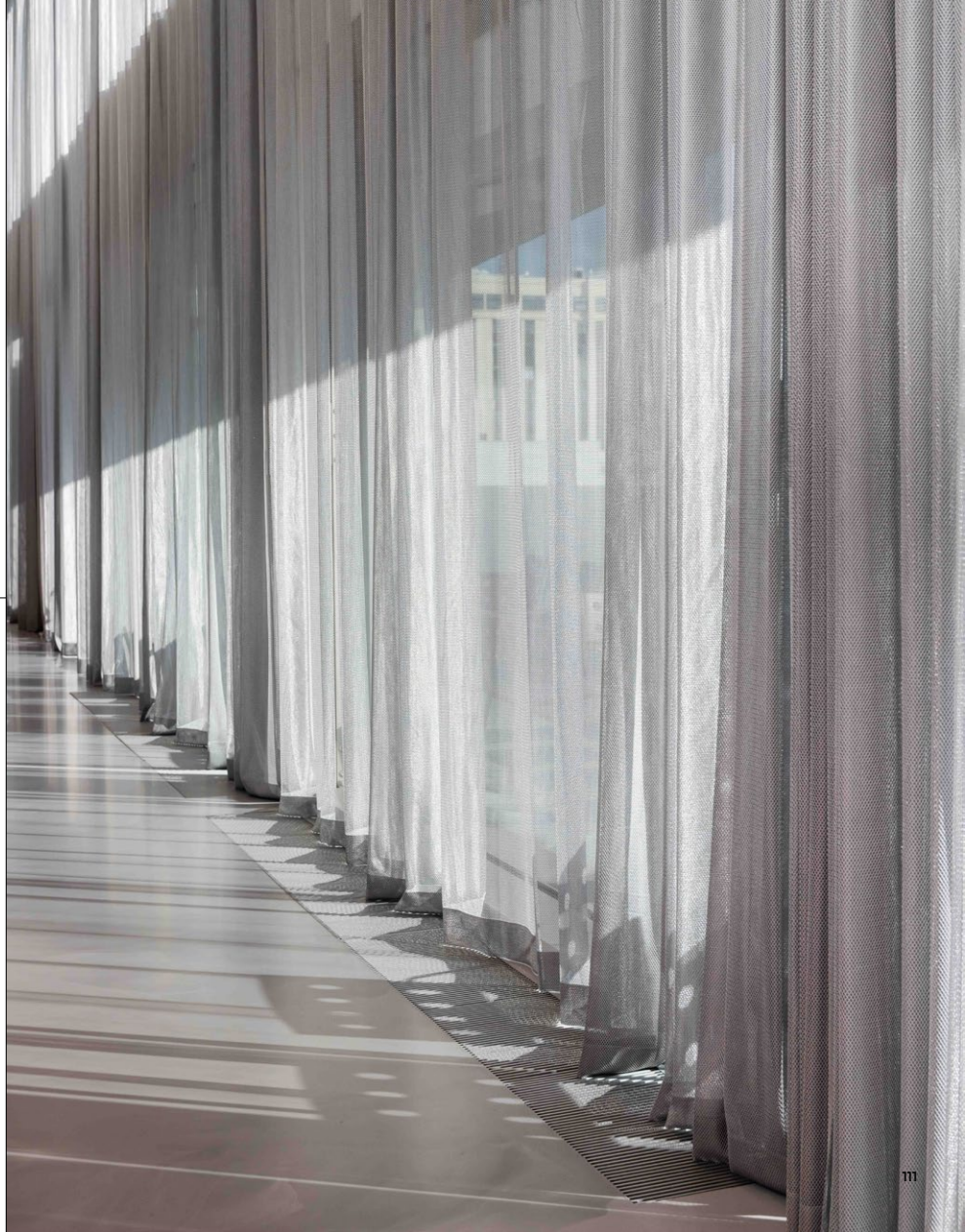


GOVERNANCE

# ESG decision-making process.

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ESG aspects are an integral part of Befimmo's decision-making process as is explained hereafter.



### At Board level

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

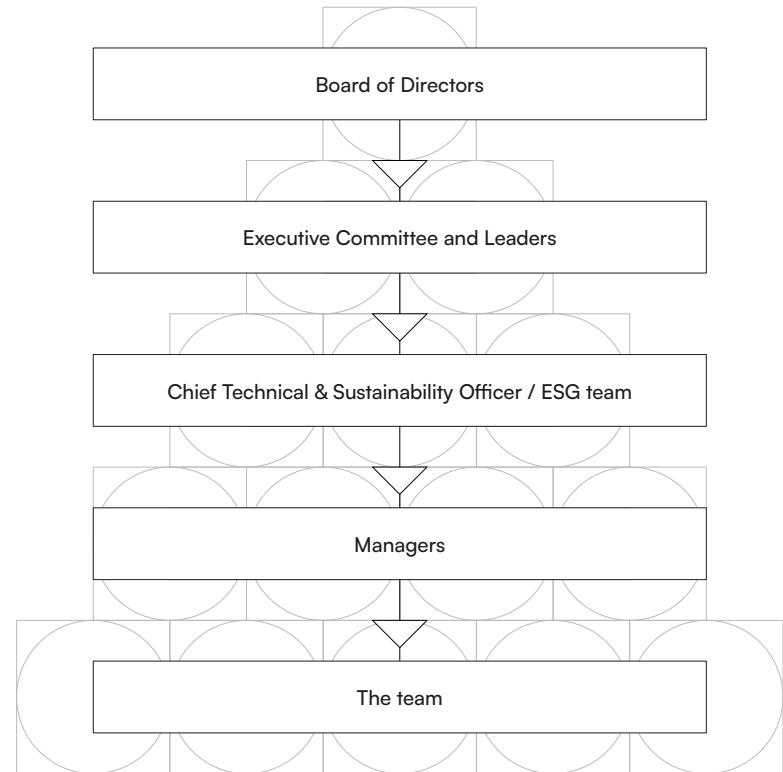
The Group structure has fully integrated the sustainability principles within its overall strategy and day-to-day operations by anticipating on environmental, social and governance evolutions. The Board of Directors has ultimate oversight of ESG risks and opportunities at a strategic level.

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

### At strategic level

As ESG is integrated into the overall strategy of the Group structure, all important ESG topics are discussed within the Executive Committee. During the Executive Committee, the Chief Technical & Sustainability Officer is one of the Leaders that is invited to this strategic Committee to present and discuss ongoing projects and to propose actions to be taken related to ESG. The Committee is hence a cross-functional team that provides a forum for regular and in-depth discussions on ESG aspects. The Leaders within this Committee meet on a weekly basis.

### ESG GOVERNANCE



The Committee is entrusted with the following responsibilities:

- Monitoring of and compliance with ESG regulations;
- Monitoring and analysing market trends and developments and share insights with key stakeholders;
- Developing proposals, coordinating the integration of ESG aspects into core activities and driving implementation;
- Reporting on implemented actions;
- Ensuring that operational projects are in line with the integrated strategy.

The Leaders that are invited to join the Executive Committee on a weekly basis are described in detail in the Corporate governance statement.

▮ CORPORATE GOVERNANCE STATEMENT, P.96

## At operational level

In order to supervise, analyse and tackle ESG-related material impacts and risks, the supervisory bodies have set up different specialised departments at operational level.

### Project Management and Sustainability

The Chief Technical & Sustainability Officer, one of the Leaders invited to the Executive Committee, reports directly to the CEO. His role is both strategic (developing strategy on ESG aspects, managing relations with stakeholders) and operational (coordinating and running sustainability projects, managing the 2030 Action Plan, acting as in-house consultant for other departments, and encouraging team members to embrace change).

The Environmental Management team is part of the same division and is responsible for improving the environmental performance

of the portfolio, both in terms of (re)development projects and operational buildings.

The ESG team monitors the Action Plan, collects data and provides transparent reporting, while complying with current ESG legislation and standards.

### Human Resources

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

### Legal

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

### Property Management

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

### Team

Generally speaking, the entire team is involved in the ESG approach of the Company, depending on the field of expertise, and is aware of the major impact of the real-estate sector on the environment.

The targets described in the 2030 Action Plan for each department are the driving force towards a more sustainable reflection. Each department added its own ESG targets to the Action Plan and are responsible for tracking and achieving each target. In this way, the entire team is part of the ESG progress the Group structure makes.

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The targets described in the **2030 Action Plan** for each department are the driving force towards a more **sustainable reflection**.



GOVERNANCE

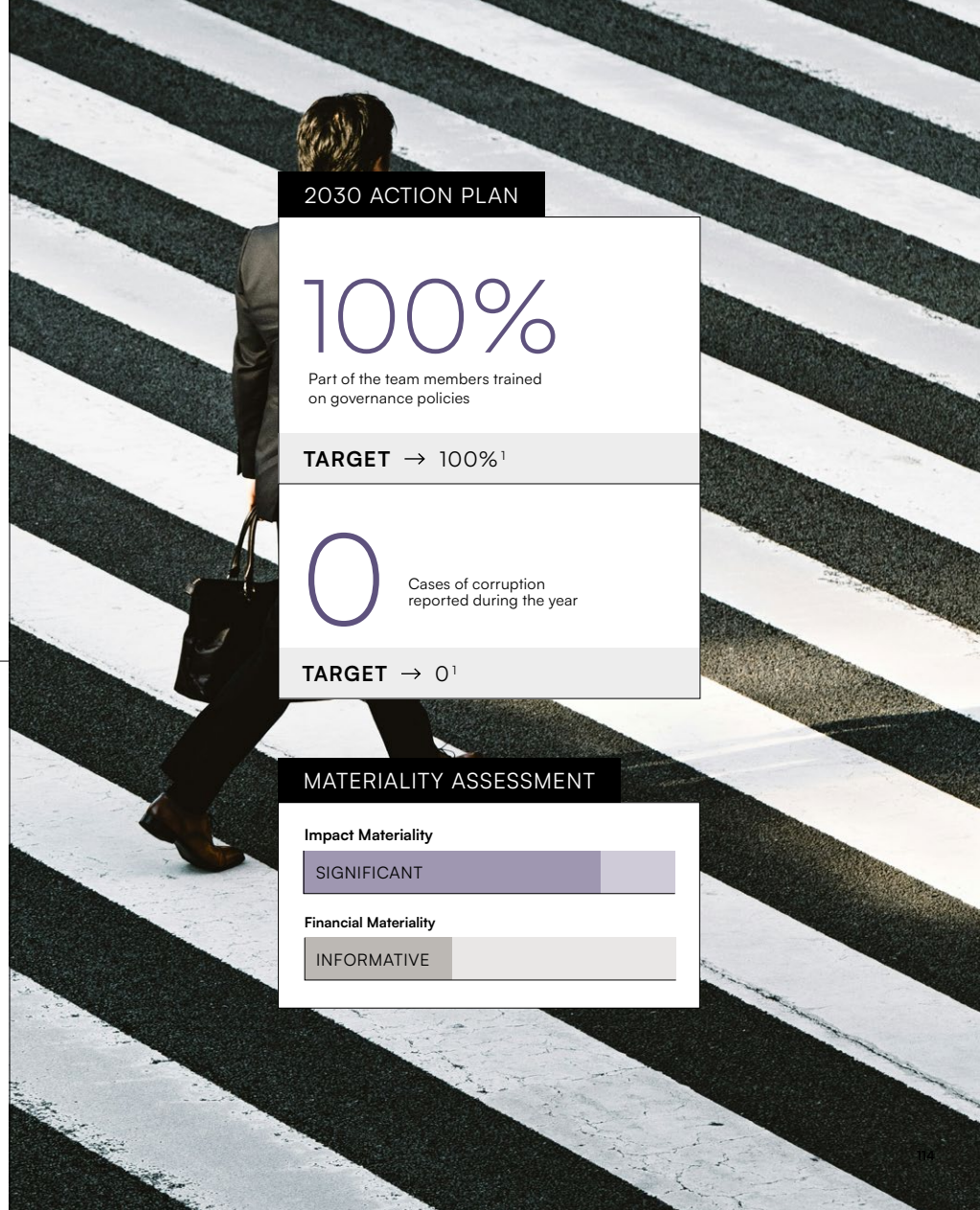
# Business ethics and compliance.



### Why is this relevant

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

1. Permanent target.



#### 2030 ACTION PLAN

# 100%

Part of the team members trained on governance policies

TARGET → 100%<sup>1</sup>

# 0

Cases of corruption reported during the year

TARGET → 0<sup>1</sup>

#### MATERIALITY ASSESSMENT

##### Impact Materiality



##### Financial Materiality



## Description and approach

### Corporate culture and business conduct policies

One of the main goals of the Group structure is to uphold exemplary internal ethical standards, by putting in place the necessary means to prevent, detect and treat unethical behaviour. In terms of ethics, the highest standards are applicable which derive from the environment in which it operates. Ethical conduct is an integral part of the corporate culture, which emphasises honesty, integrity, professionalism and the respect of high ethical standards in the performance of its activities.

All administrative and management bodies are involved in forming, monitoring, promoting and assessing the corporate culture.

- ▣ OUR VALUES, P.11
- ▣ TEAM DEVELOPMENT AND WELL-BEING, P.72
- ▣ ESG DECISION-MAKING PROCESS, P.111

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

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

### Ethics and human rights

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

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

In 2023, specific training was provided to the team with regard to the Code of Ethics and the policies to which the Code of Ethics refers.

### Whistleblowing

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





**Diversity, inclusion and zero tolerance**

Befimmo is convinced that diversity of thought, a source of exchange and creativity, is fundamental to optimal decision-making, leading to better results and a sustainable business. Consequently, diversity is encouraged and all team members or candidates are given equal opportunities. Befimmo promotes differences in age, sexual orientation, civil status, birth, wealth, religious or philosophical conviction, political belief, trade union belief, language, current or future condition of health, disability, physical or genetic characteristic, social origin and any other characteristic of an individual. Furthermore, Befimmo is committed to developing and promoting the team members regardless of any characteristic that would not be relevant from a professional point of view.

In addition, Befimmo also aims to create an inclusive working environment where everyone can find the support and resources they need to develop and reach their full potential, and where integrity, fairness, mutual respect and a spirit of collaboration are at the order of the day.

**Philanthropy and associative partnership**

As a humane, responsible and civic organisation, this Policy was established following the founding values of Befimmo. Given the numerous donation requests that Befimmo receives, it has drawn up this Policy with a view to providing a description of its commitment and to specifying the terms thereof.

**Diversity is encouraged.**  
Team members or candidates are given equal opportunities.

**Suppliers**

By joining the United Nations Global Compact, Befimmo has committed to supporting and applying its fundamental principles in the areas of human rights, working conditions, the environment and the fight against corruption. Befimmo wishes to involve its suppliers in its approach by sharing its values with them. As a Befimmo supplier, we ask suppliers to conduct their activities in accordance with the values and principles set out in the Code of Conduct for suppliers, in strict compliance with all Regulations, and to select their own suppliers and partners accordingly. Compliance with this Code is a prerequisite for any partnership with Befimmo, but also for its successful continuation.

**ESG**

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

**Prevention and detection of corruption or bribery**

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

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



More generally, Befimmo has set up an effective risk management system, in accordance with its legal and regulatory obligations. All payments and expenses made with the resources of Befimmo are subject to financial control and approval procedures. In addition, transactions are recorded completely, accurately and with sufficient detail so that the purpose and amount of any such payment is clear. Moreover, Befimmo has established accurate and complete recordkeeping processes in order to prevent as much as possible potential concealing of bribes and to discourage fraudulent accounting practices.

Infringements of this Policy by team members are not tolerated and may give rise to disciplinary measures that may go as far as dismissal, termination of the collaboration or removal from office (without prejudice to any legal or regulatory sanctions that may apply).

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

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

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

**TRAINING DURING THE YEAR**

	AT-RISK FUNCTIONS	MANAGERS	OTHER OWN WORKERS
<b>TRAINING COVERAGE</b>			
<b>Total</b>	76	10	66
<b>Total receiving training</b>	76	10	66
<b>DELIVERY METHOD AND DURATION</b>			
<b>Presentation (live and Teams)</b>	2 hours	2 hours	2 hours
<b>FREQUENCY</b>	Annually	Annually	Annually
<b>TOPICS COVERED</b>			
<b>Definition</b>	Yes	Yes	Yes
<b>Policy</b>	Yes	Yes	Yes
<b>Prevention</b>	Yes	Yes	Yes
<b>Infringement</b>	Yes	Yes	Yes

**Disclosure and training**

The policies mentioned before are available on the corporate website (for external stakeholders) and on the Intranet (for team members).

The Legal Corporate department gives information sessions whenever policies and codes of conduct are modified. All new team members also receive the main policies after their hiring process. The Legal Corporate and HR departments consistently ensures that stakeholders comply with these policies. In case of non-compliance, appropriate action is taken (sanctions).

**Looking ahead**

Since the Code of Ethics and its appendices were revised in 2023, Befimmo wants to ensure that all team members continue to follow them. As a result, everyone will receive refresher training on these policies and will be required to sign a compliance document confirming the training and the fact that all policies will be followed, and this on an annual basis.

➤ [READ OUR CORPORATE POLICIES](#)





GOVERNANCE

# Transparent reporting and disclosure.



### *Why is this relevant*

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

1. Permanent target.

2030 ACTION PLAN

4

Number of annual voluntary participations in ESG assessments

TARGET

2023

TARGET → AT LEAST 2<sup>1</sup>



