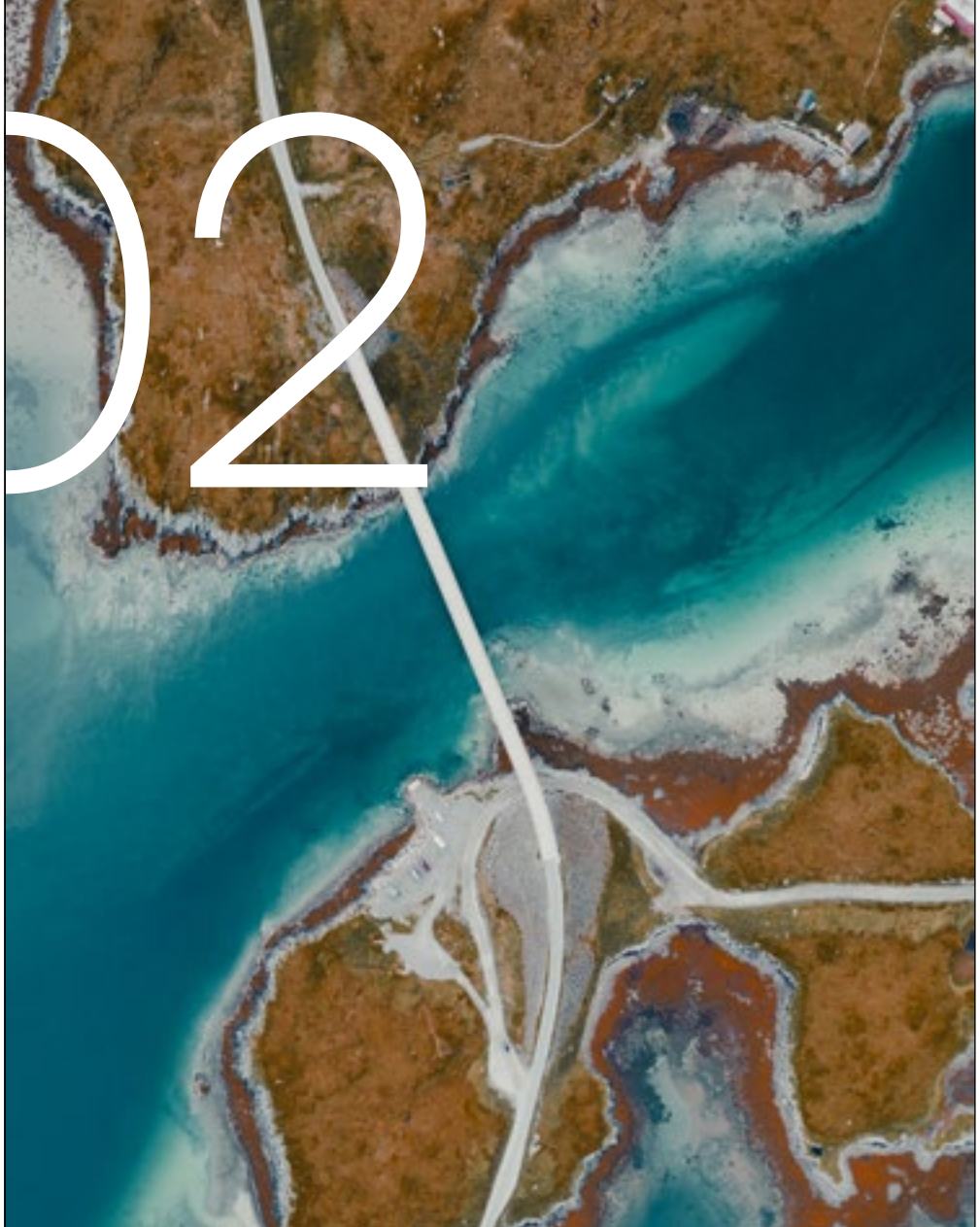


02 ENVIRONMENT

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

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

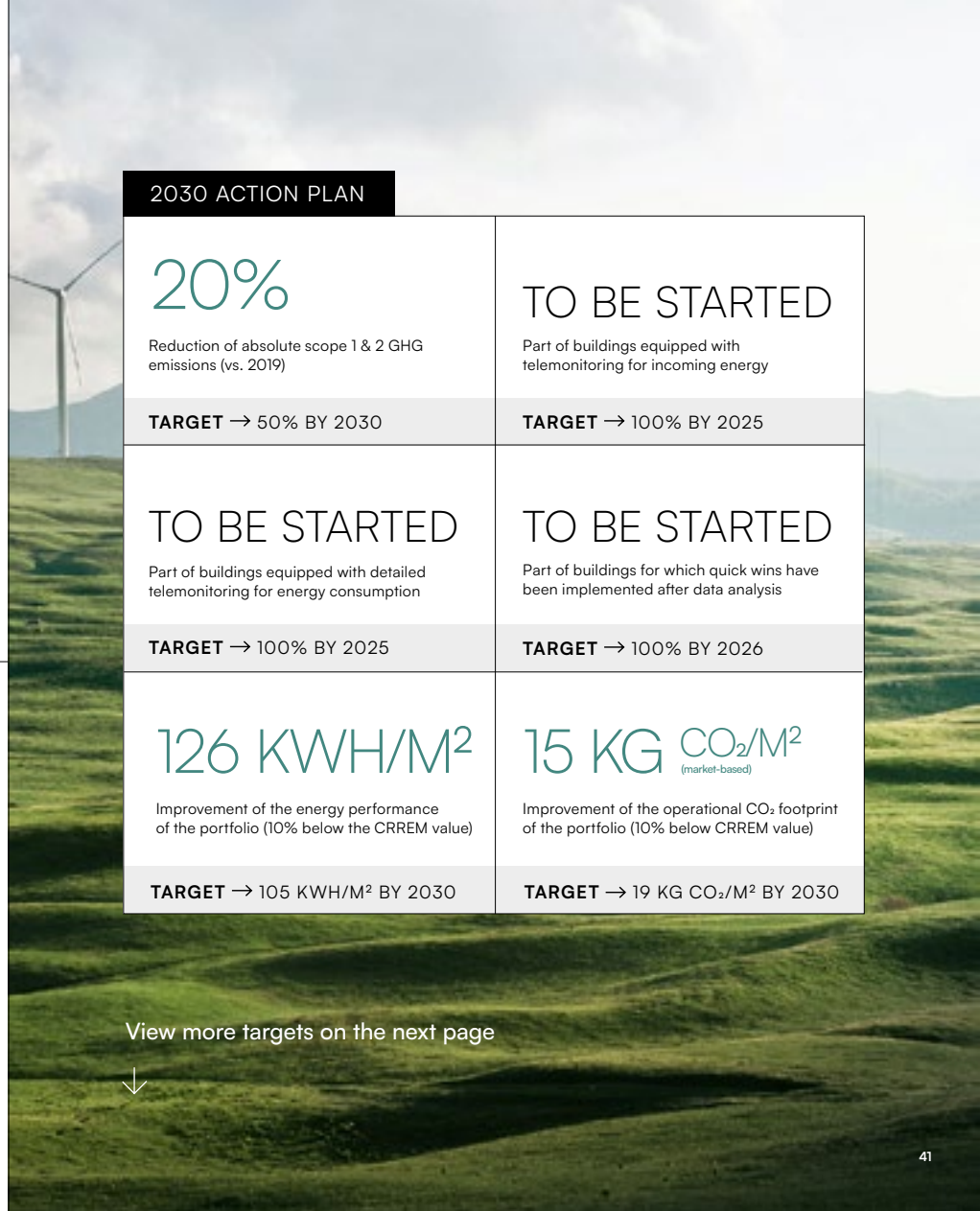
2030 ACTION PLAN, P.168

ENVIRONMENT

Climate change mitigation.

Why is this relevant

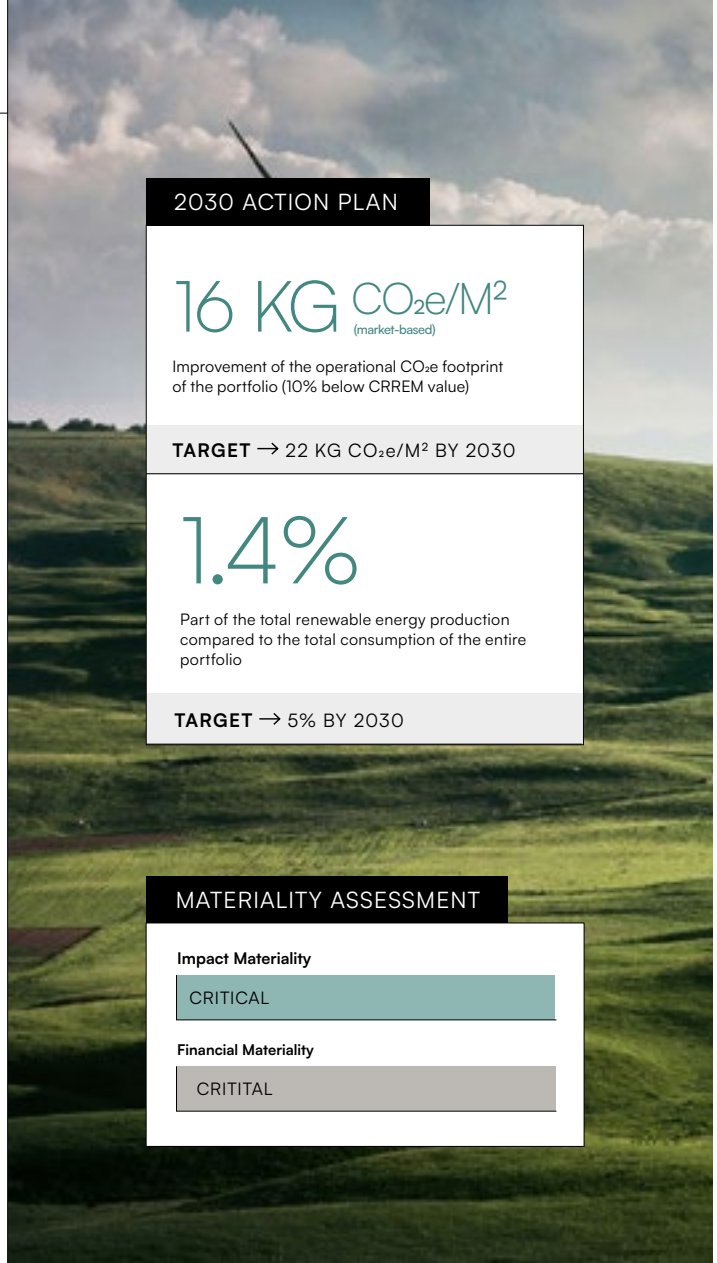
The Paris Agreement and the recent IPCC 6th Assessment Report have highlighted the need to keep global warming within a 1.5°C temperature rise. Building operations and construction now account for nearly 40% (28% and 11%) of global energy-related CO_2 emissions.



2030 ACTION PLAN

20% Reduction of absolute scope 1 & 2 GHG emissions (vs. 2019) **TARGET** → 50% BY 2030	**TO BE STARTED** Part of buildings equipped with telemonitoring for incoming energy **TARGET** → 100% BY 2025
TO BE STARTED Part of buildings equipped with detailed telemonitoring for energy consumption **TARGET** → 100% BY 2025	**TO BE STARTED** Part of buildings for which quick wins have been implemented after data analysis **TARGET** → 100% BY 2026
126 KWH/M² Improvement of the energy performance of the portfolio (10% below the CRREM value) **TARGET** → 105 KWH/M² BY 2030	**15 KG CO_2/M²** (market-based) Improvement of the operational CO_2 footprint of the portfolio (10% below CRREM value) **TARGET** → 19 KG CO_2/M² BY 2030

View more targets on the next page



Description and approach

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

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

In concrete terms:

For (re)development projects

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

Befimmo's teams pay particular attention to the study and design phases of future projects, in terms of architectural choices, materials choices, and the optimisation of techniques to minimise energy consumption and reduce CO_2 emissions during the operational phase.

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

For operational buildings

- Reduction of operational carbon emissions by optimising energy demand and improving building efficiency;
- Avoidance of energy wastage while maintaining optimum comfort conditions for occupants;
- Development and maximisation of the share of self-generation of renewable energy;
- Planning and implementation of the elimination of fossil fuels in the portfolio.

The feasibility, profitability, and monitoring of environmental projects linked to the operation of the portfolio are assessed in-house by specialists who also assist the Project and Property Management teams in strategic choices and decisions relating to all environmental aspects of the portfolio. In collaboration with the Company's real-estate divisions, they ensure that Befimmo's standards (consolidated in a quality matrix) guarantee energy performance and minimise environmental impacts.

Carbon footprint

In 2023 Befimmo has revised its carbon footprint methodology to bring it into line with that of its major shareholder. Detailed information can be found in the Methodology.

ENVIRONMENTAL DATA: METHODOLOGY, P.151

The most significant adaptations are:

- Changing the base year from 2018 to 2019;
- Changing the definition of the scopes.

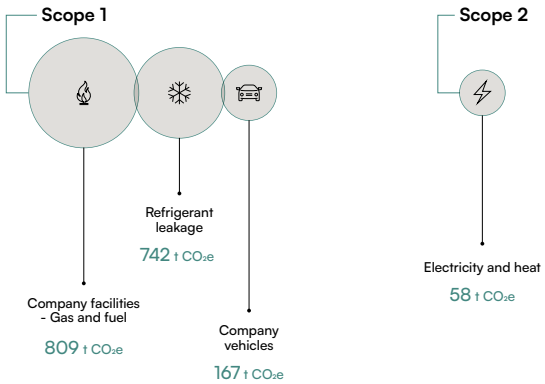
	2022	2023
Scopes 1 & 2	Landlord-controlled buildings	Landlord-controlled buildings: Common areas and vacant tenant spaces
Scope 3	Tenant-controlled buildings	Tenant-controlled buildings: Whole buildings Landlord-controlled buildings: Occupied tenant spaces

These significant changes will require a restatement to SBTi in 2024.

Carbon footprint

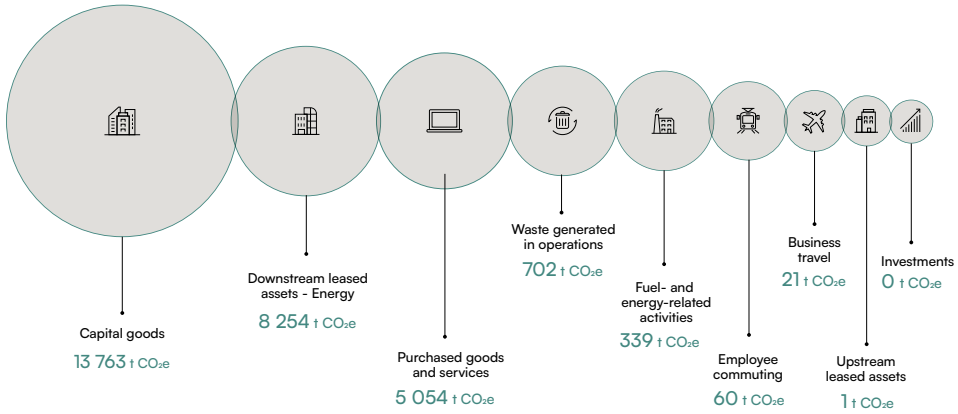
Scopes 1 & 2 *(market-based)*

1 776 t CO_2e → **-20%** since 2019



Scope 3 *(market-based)*

28 194 t CO_2e → **+6%** since 2019



Operational carbon

Befimmo confirms its commitment to reduce absolute CO_2 emissions related to scopes 1 and 2 by 50% by 2030, compared to the base year 2019.

In 2023, the total absolute reduction achieved compared to 2019 is 20% while absolute energy-related emissions over the same period have decreased by 21%.

More specifically, this means achieving an average level of specific emissions linked to the energy consumption of buildings equal to 15 kg CO_2/m^2.

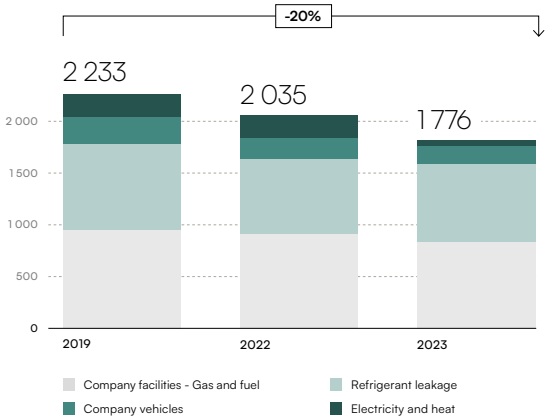
Embodied carbon

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

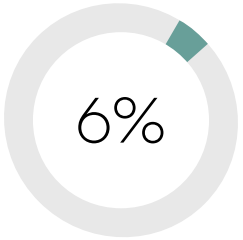
Decarbonisation and energy reduction scenario analysis for the portfolio and by building (CRREM)

The CRREM tool developed by a European consortium allows Befimmo, in addition to providing an overall view of the performance of its portfolio, to have a framework for evaluating the transition risks for each building. The detailed analysis makes it possible to determine the "tipping point" indicating the moment when CO_2 emissions become greater than the maximum sustainable in the decarbonisation trajectory reflected in the Paris Agreement.

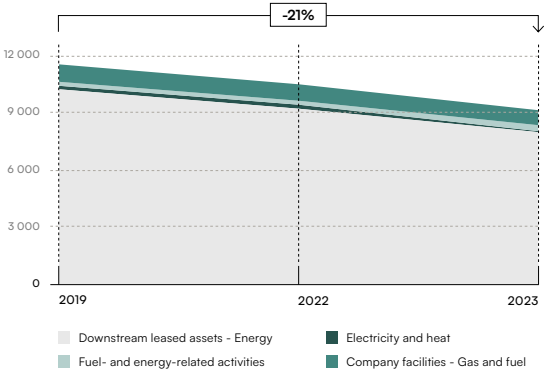
SCOPES 1 & 2 EMISSIONS (MARKET-BASED) (t CO_2e)



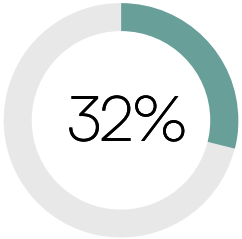
SCOPES 1 & 2 EMISSIONS (% TOTAL CARBON FOOTPRINT IN 2023)



ENERGY-RELATED EMISSIONS (MARKET-BASED) (KT CO_2e)



ENERGY-RELATED EMISSIONS (% TOTAL CARBON FOOTPRINT IN 2023)



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

The graph on the right illustrates the reduction trajectory followed by Befimmo to reduce the emissions of buildings respectively in market-based and location-based.

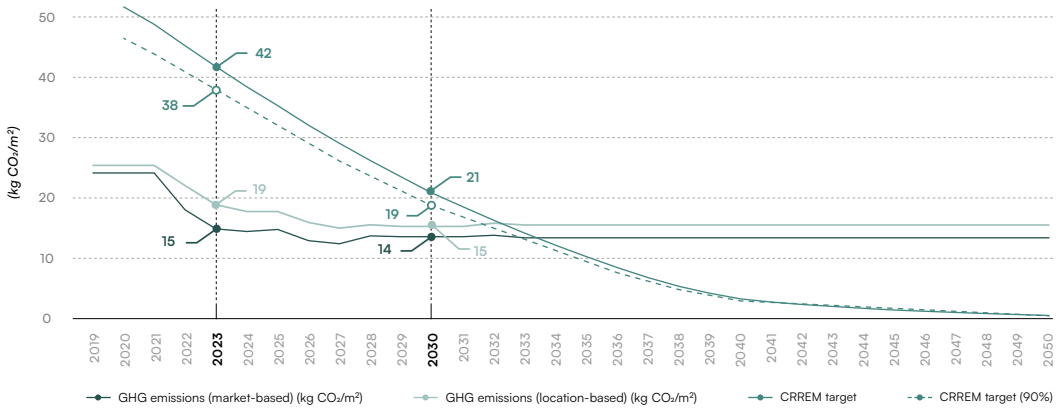
The latter is based on known (re)development projects up to 2030 and is aligned with the new CRREM trajectory up to that date. Beyond that, it is imperative that Befimmo develops and establishes a detailed action plan to verify its alignment with the net zero carbon objective by 2050.

The target in terms of reduction of specific emissions linked to the energy consumption (scopes 1, 2 and 3) is 19 kg CO_2/m^2 by 2030, i.e. 10% below the CRREM recommendations.

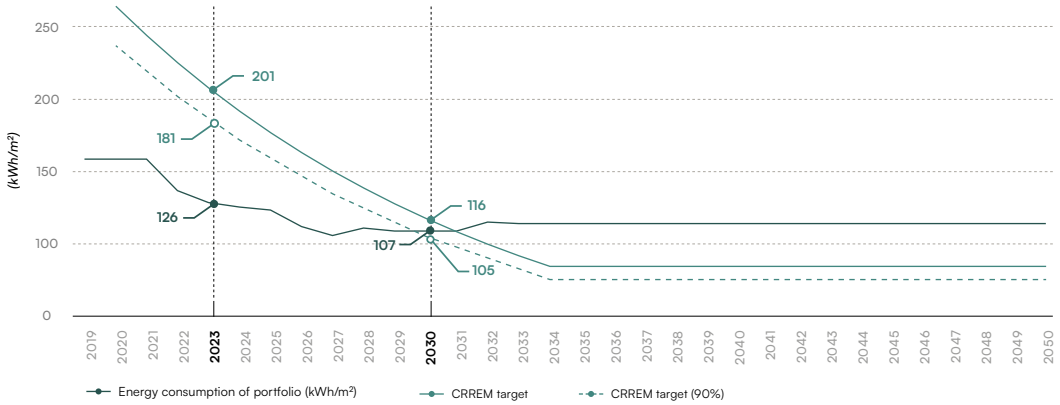
In 2023:
- The specific marked-based emissions (15 kg CO_2/m^2) of buildings are lower than in the 2019 base year (24 kg CO_2/m^2);
- The specific location-based emissions (19 kg CO_2/m^2) of buildings are lower than in the 2019 base year (26 kg CO_2/m^2).

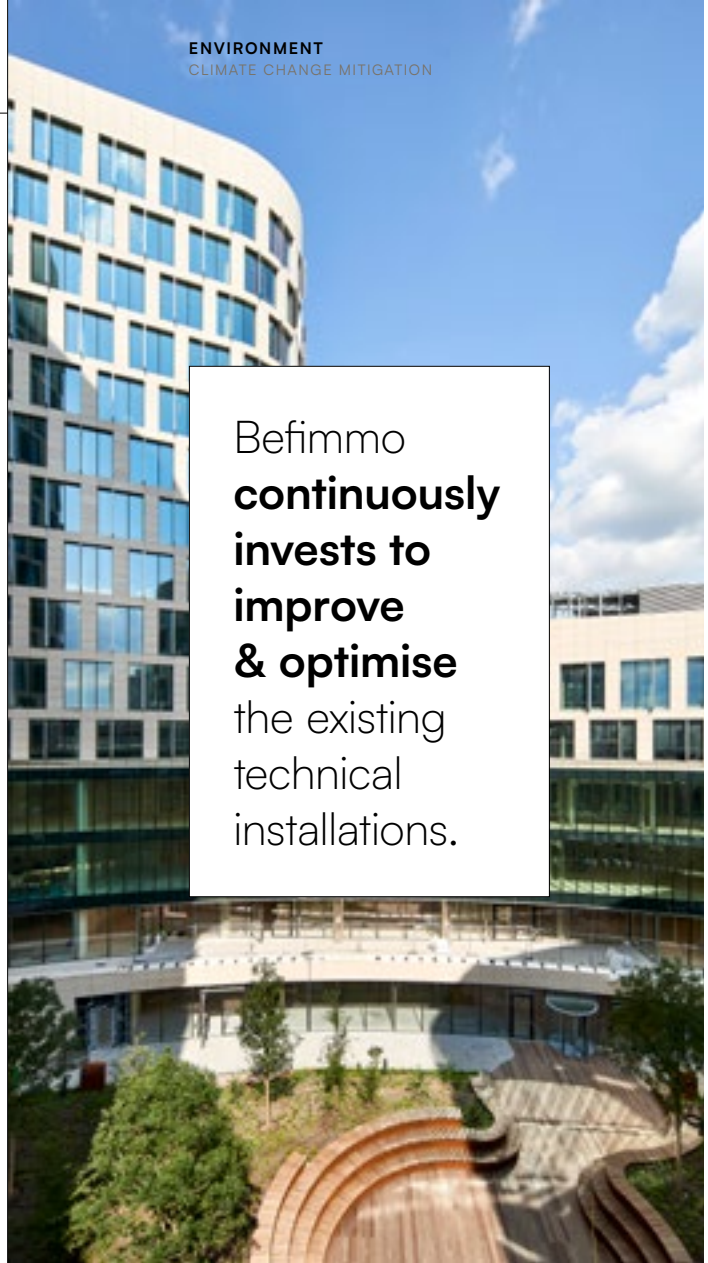
Befimmo complements its CO_2 reduction targets with a target to reduce the specific energy consumption of buildings. In 2019, the value obtained was 156 kWh/m². In 2023, Befimmo reached 126 kWh/m² while its target is to reach 105 kWh/m² by 2030, i.e. 10% below the CRREM recommendations.

BEFIMMO'S GHG PERFORMANCE AGAINST THE CRREM BENCHMARK (KG CO_2/M^2)



BEFIMMO'S ENERGY PERFORMANCE AGAINST THE CRREM BENCHMARK (KWH/M²)





Befimmo **continuously invests to improve & optimise** the existing technical installations.

Role and importance of energy performance

The energy performance of buildings plays a key role in achieving Befimmo's ambitious targets for reducing CO_2 emissions by 2030-50.

A key priority for Befimmo is to continue to reduce energy consumption by ensuring that operational buildings are well-managed and that the comfort of the occupants is assured. The (re)development and marketing of new, high-performance buildings is essential for the Company to achieve the targets it has set itself. The teams are working together to address the challenges of rational energy use and CO_2 emission reduction across the business and the value chain.

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

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

The total specific energy consumption of buildings in 2023 is 6% lower than in 2022.

Reduction of fossil fuels and increase of self-generation capacity in renewable energy

By 2030, Befimmo aims to achieve a total renewable energy production of 5% compared to the total consumption of the entire portfolio.

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

In 2023, Befimmo initiated a number of concrete studies using the same approach for some of the portfolio's strategic operational buildings. In these cases, the implementation of all these measures, if taken, could lead to a reduction in CO_2 emissions of at least 70%.

Befimmo has also continued its efforts to increase the renewable energy self-generation capacity of its existing portfolio. In 2023, the installation of photovoltaic power stations on the Ikaros Park in the Brussels Periphery was initiated and studies to install solar panels on the two buildings in Luxembourg have been completed.

CASE STUDY — Installation of solar panels

In 2023, Befimmo continued to develop its renewable energy strategy by installing solar panels on some of its buildings.

- At Courbevoie, the installation of solar panels (with a total output of 90 kWp) was approved in September;
- At Ikaros, the installation of solar panels (with a total output of 750 kWp and covering 30% of the park's electricity consumption), was initiated and will be completed in 2024;
- Studies to install solar panels on our two buildings in Luxembourg, Axento and Cubus, have been completed.

AT IKAROS

30% of the park's electricity consumption covered by solar panels

AT COURBEVOIE

90 kWp total output of the futur installation of solar panels

Electricity supply contract for the portfolio

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

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

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

> Befimmo has signed a **green electricity supply contract for all** landlord-controlled buildings.

Looking ahead

Measuring is key in order to understand and improve the energy efficiency of the portfolio. Therefore, Befimmo will equip all its buildings with telemonitoring for incoming energy and detailed telemonitoring for energy consumption. Once the entire portfolio is equipped, the data will be monitored in order to implement quick wins after data analysis. This entire process will be spread over three years, starting in 2024.

Moreover, the Company will continue its long-term CO_2e reduction plan by developing and completing its strategy with the help of CRREM and its carbon footprint.

All its (re)development projects include consideration for the integration of solar panels; Befimmo's objective is to cover 5% of its portfolio's total electricity consumption by 2030. To possibly exceed this target, studies are also underway on the possibility of equipping certain existing buildings, either through self-financing or via a third-party investor. To start with, studies to install solar panels on our two buildings in Luxembourg have been completed and the effective installation will begin in 2024.

In parallel, even if the energy market does not currently allow it, Befimmo will continuously evaluate all possible ways of stimulating and supporting the production of renewable energy, in particular by setting up contracts for the supply of green electricity with a guarantee of origin from local producers.

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

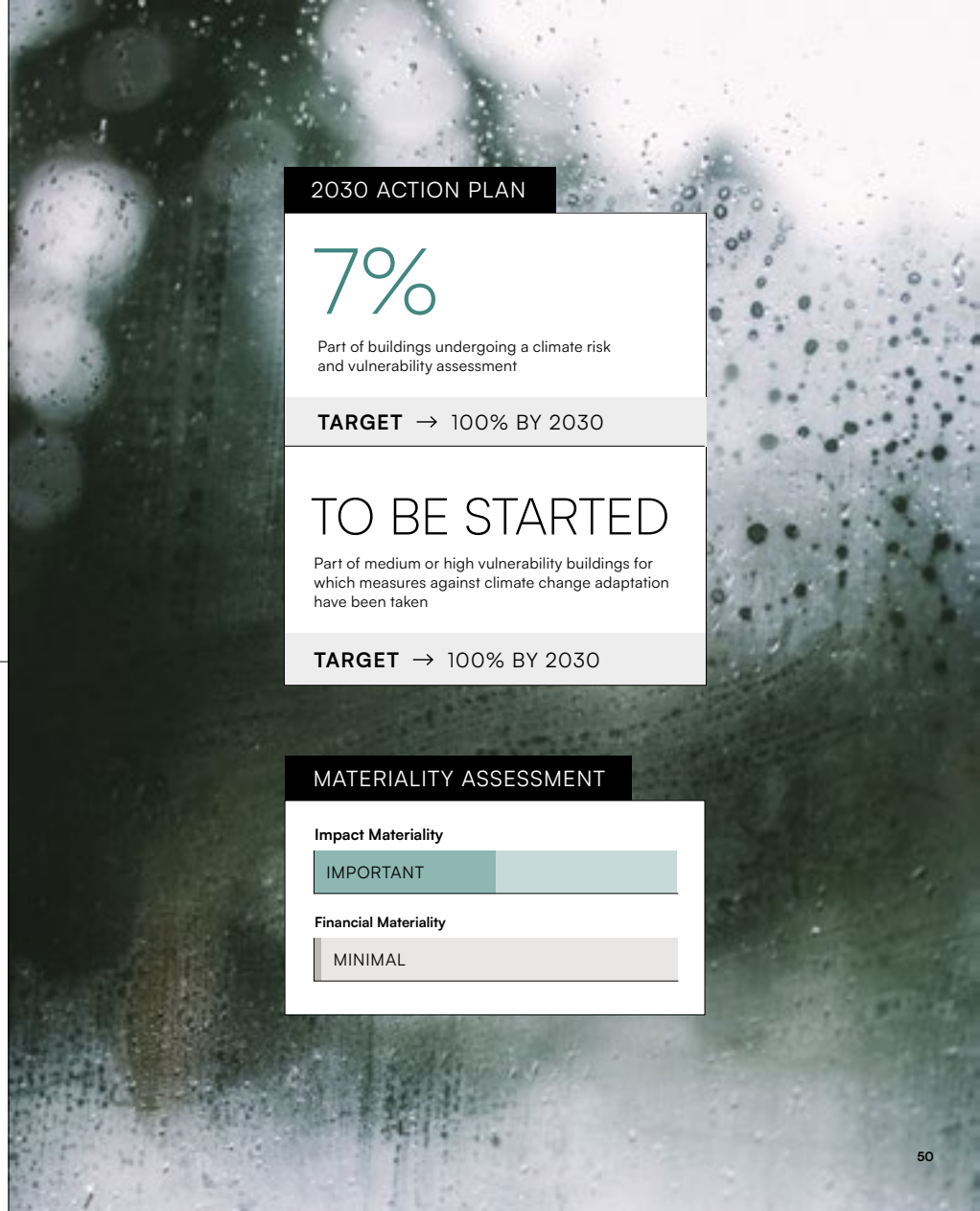
Befimmo and Silversquare are working together on an integrated ESG strategy, taking into account specific aspects linked to coworking.

ENVIRONMENT

Climate change adaptation.

Why is this relevant

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



2030 ACTION PLAN

7%

Part of buildings undergoing a climate risk and vulnerability assessment

TARGET → 100% BY 2030

TO BE STARTED

Part of medium or high vulnerability buildings for which measures against climate change adaptation have been taken

TARGET → 100% BY 2030

MATERIALITY ASSESSMENT

Impact Materiality

IMPORTANT

Financial Materiality

MINIMAL

Specific studies and analyses have been carried out **for around ten of Befimmo's assets** covered by the BREEAM In-Use certification improvement scheme.

Description and approach

In order to prepare for climate change adaptation, Befimmo set up various studies and actions.

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

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

More details on the TCFD framework and implementations of the recommendations can be found in the Performance data chapter of the present Report.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES, P.154

In order to be aligned with the TCFD disclosure requirements, Befimmo started a thorough assessment of its portfolio in 2023 and was able to identify a number of assets presenting a potential climate and/or flood risk.

At the same time, specific studies and analyses have been carried out for around ten of Befimmo's assets covered by the BREEAM In-Use certification improvement scheme, the conclusions of which are still awaited.

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

Looking ahead

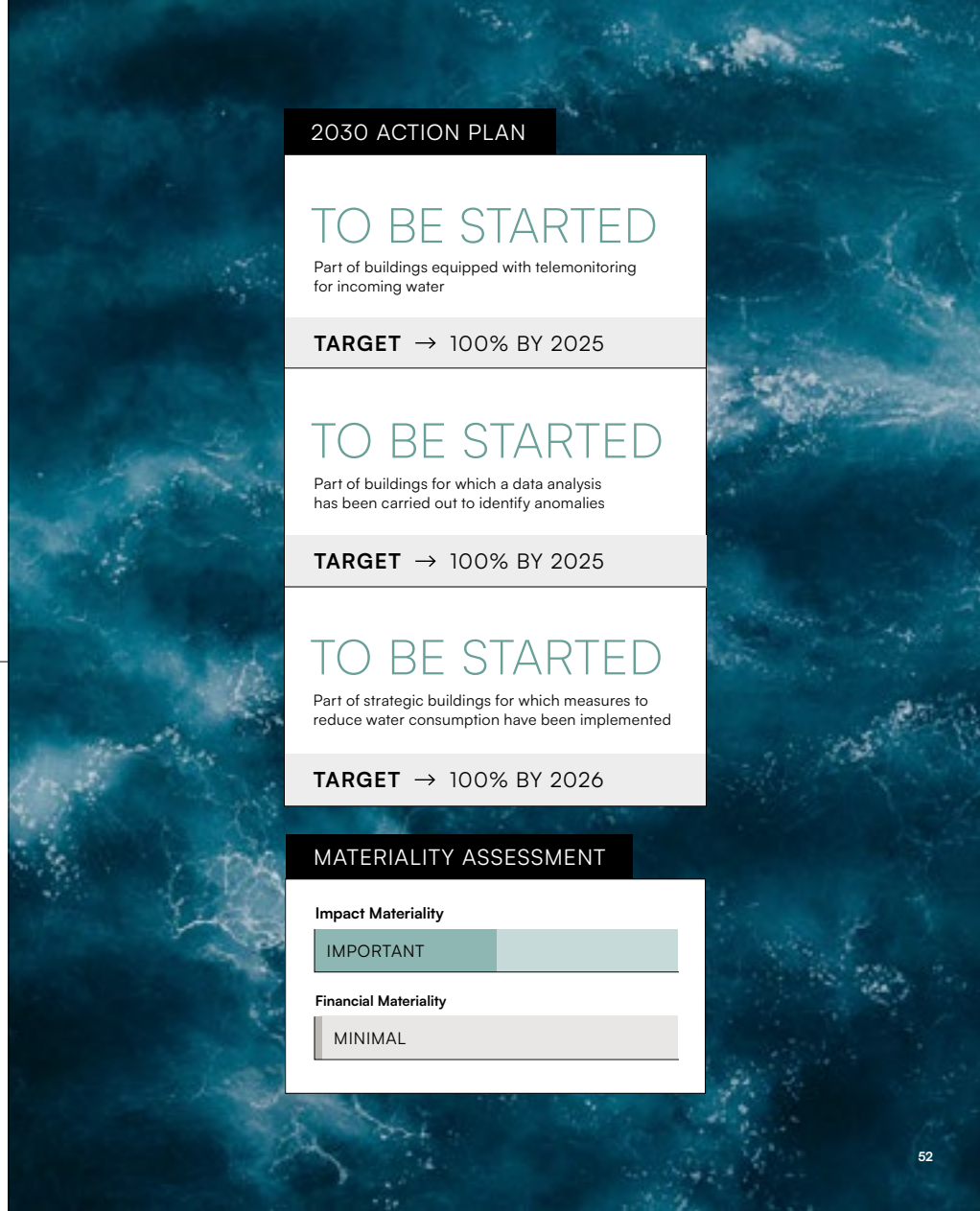
In 2024 and by 2030 at the latest, Befimmo will carry out climate risk studies on its entire portfolio. The Company will assess all the adaptation measures to be implemented as a priority for buildings presenting a medium or high risk.

ENVIRONMENT

Sustainable use and protection of water.

Why is this relevant

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



Description and approach

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

Where permeable surfaces are limited, the most obvious way to limit city water consumption and relieve the sewerage system is to install rainwater harvesting and management systems. Setting up water recovery systems for existing buildings is often complex and expensive.

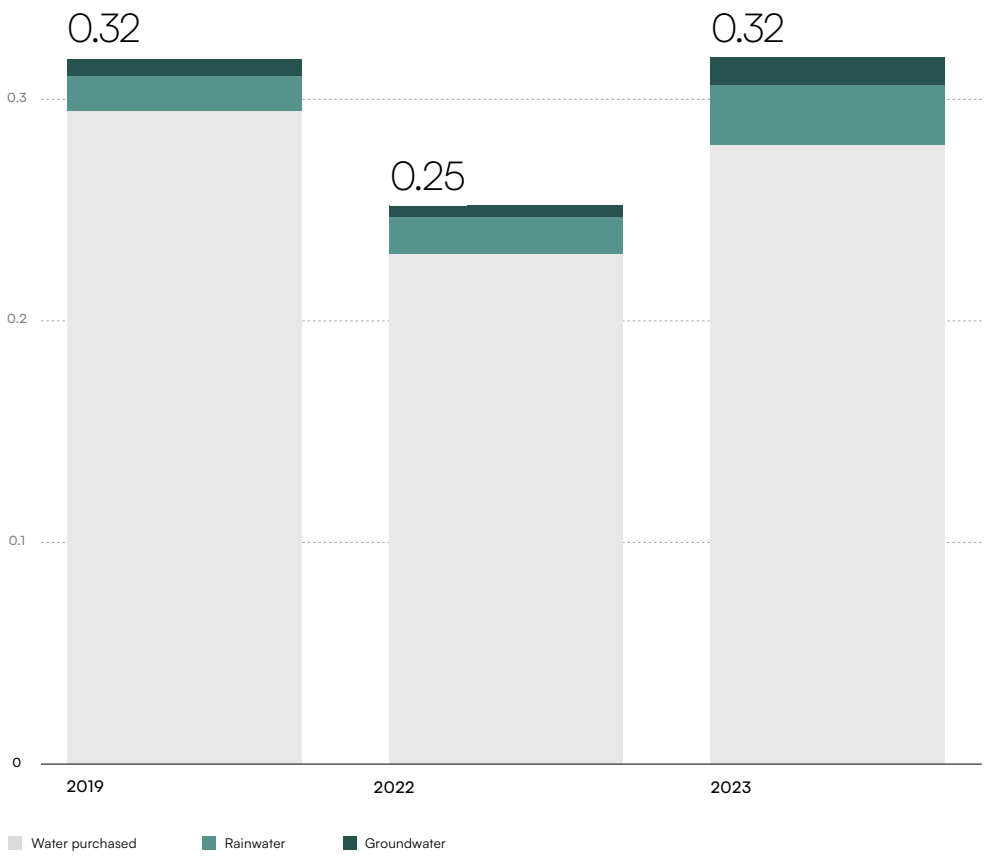
Lack of space and the layout of the sanitary and drainage network can make such projects unprofitable and the overall environmental balance negative.

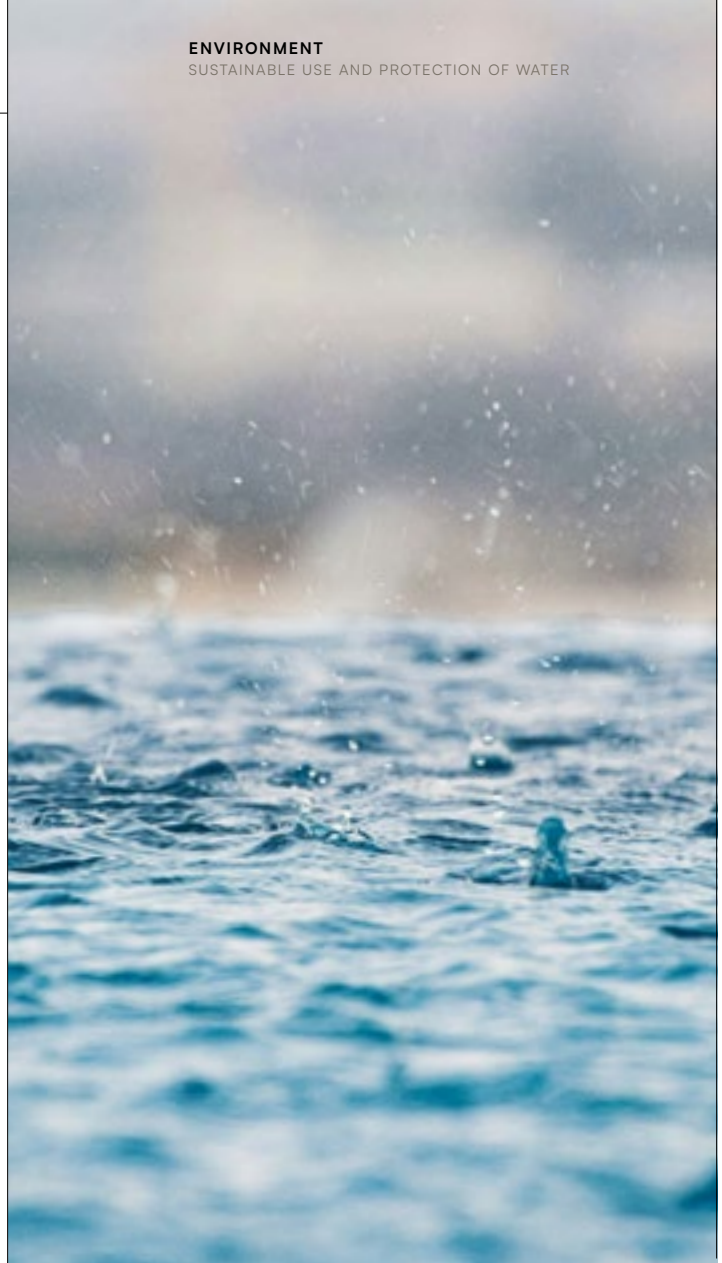
Befimmo therefore pays particular attention in each of its (re)development projects to incorporating rainwater recovery systems, stormwater retention systems, as well as greywater recycling systems, leak detection, and low-consumption appliances, following guidelines provided by the BREEAM framework,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

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

The specific water consumption of portfolio is significantly higher (+27%) in 2023 than in 2022.

WATER CONSUMPTION INTENSITY (M³/M²)





Looking ahead

Befimmo will improve its monitoring system by installing telemonitoring for incoming water in all buildings by 2025. This will enable the Company to have a clear view on the water consumption of each building and detect any anomalies.

By 2026, the objective is to implement the necessary measures to reduce overall water consumption in all strategic buildings. The actions that will have to be taken will depend on the site possibilities and the water consumption itself. Meanwhile, Befimmo keeps replacing obsolete equipment with high-performance equipment, and raises awareness among users as well as maintenance companies.

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

The overall objective for the coming years is to have a better understanding of the water consumption and act quickly in order to reduce it as much as possible.

5,924 M^3 of rainwater recovered

8.21% OF TOTAL ANNUAL CONSUMPTION

23 buildings equipped with rain or ground drainage system

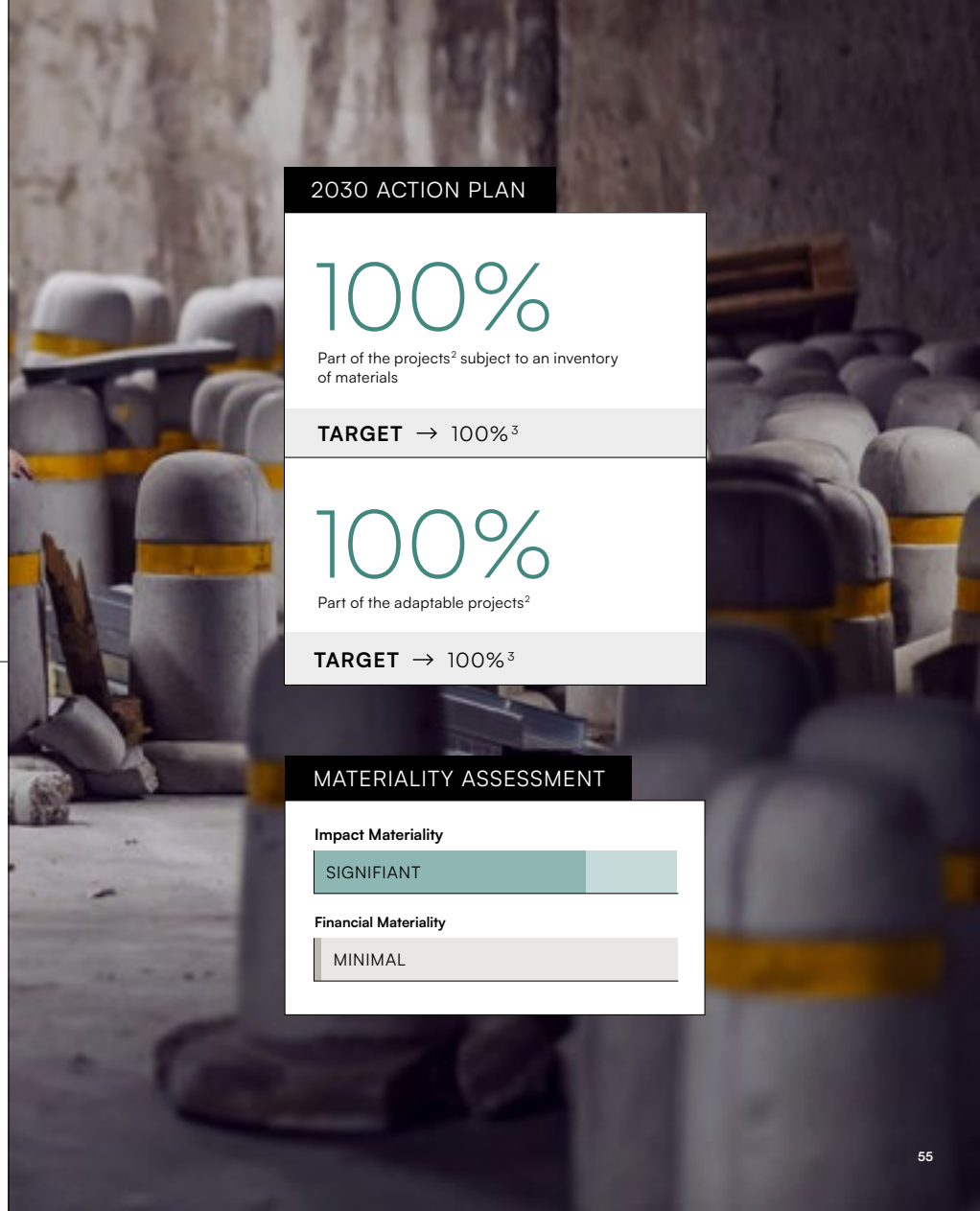
30% OF PORTFOLIO (M^2/M^2)

ENVIRONMENT

Transition to a circular economy.

Why is this relevant

Buildings are one of the largest energy consumers responsible for 36% of energy related CO_2e emissions, not including embodied emissions from production, construction, renovation and end-of-life. The building sector is also consuming 50% by weight of the materials we use in the EU and is responsible for 30% of the waste we generate.[1]



2030 ACTION PLAN

100%

Part of the projects[2] subject to an inventory of materials

TARGET → 100%[3]

100%

Part of the adaptable projects[2]

TARGET → 100%[3]

MATERIALITY ASSESSMENT

Impact Materiality

SIGNIFIANT

Financial Materiality

MINIMAL

1. www.bpie.eu.
2. Projects: committed ongoing (re)development projects (ZIN, Pacheco).
3. Permanent target.

Description and approach

Renovation and (re)development projects

One of Befimmo's pre-requisites for every (re)development project is to carry out an inventory of the existing material with reuse potential. This inventory makes it possible to establish a plan with the Design team aimed at maximising reuse on or off site, as far as it is technically and economically feasible. This plan is considered in the establishment of the dismantling file.

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

In case of renovation projects, it is required to search for off-site reuse solutions for equipment and materials that are no longer be used after the renovation and whenever possible it is encouraged to consider reuse in the project.

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

In addition, Befimmo is committed to improving the sorting and the monitoring of waste to maximise the recycling rate. In 2023, for construction waste, the less than 1% was sent to landfill.

CASE STUDY — Circularity in projects and operational buildings

PACHECO

Pacheco has been designed to meet the latest requirements for energy consumption and comfort. Innovation and sustainability are at the centre of the architectural and technical design, while respecting the constraints of the existing building.

- 70% of retained materials (or 18,400 tonnes); and
- 27% of recycled materials (or 7,000 tonnes), resulting in 97% of recuperation.

70%
RETAINED MATERIALS

27%
RECYCLED MATERIALS

TERVUREN

Two recent condensing boilers were dismantled and moved away from the La Plaine building and were reassembled in the Tervuren building, where the installation was end-of-life.

So not only were no boilers disposed of to landfill, but no new boilers had to be produced.

Waste in operational buildings

Operational waste from buildings is managed by a partner with the aim of monitoring this waste and maximising sorting. In 2023, recycling rate was 57% and, 100% of operational waste was diverted from landfill.

Looking ahead

For (re)development projects, Befimmo will continue to apply its requirements to improve circularity and enable adaptability.

For operational waste in landlord-controlled buildings and at the headquarters, Befimmo will develop a strategy to reduce the waste quantity and improve the recycling rate in collaboration with his external partner in charge of the operational waste management.

57%

RECYCLING RATE
IN 2023

100%

OF OPERATIONAL WASTE
WAS DIVERTED FROM LANDFILL

Befimmo will develop a strategy to reduce the waste quantity and improve the recycling rate in collaboration with his external partner in charge of the operational waste management.

ENVIRONMENT

Pollution prevention and control.

Why is this relevant

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

Description and approach

Pollution is a well-known phenomena of the last decades. It threatens our biodiversity and significantly contributes to the ongoing mass extinction of species. Together with changes in land and sea use, overexploitation of natural resources, climate change and invasive alien species, pollution is one of the five main drivers of biodiversity loss.

The fight against pollution is also a fight for fairness and equality. Pollution's most harmful impacts on human health are typically borne by the most vulnerable groups. These include children, who can suffer serious long-term harm on their development, people with medical conditions, older persons, persons with disabilities and those living in poorer socio-economic conditions.

> In 2023, **the soil situation of the entire portfolio was updated** and all the studies required for the successful completion of this project were carried out.

Pollution comes in different forms:

- Air pollution is defined as emissions to air other than climate change. An extensive number of pollutants contributes to ozone layer depletion, ecotoxicity and human toxicity;
- Soil pollution is defined as eco- and human toxicity caused by emissions to soil or crops. It occurs due to the runoff and discharge of contaminants, for example heavy metals and pesticides;
- Water pollution is defined as emissions to water contributing to ecotoxicity and human toxicity, as well as eutrophication of marine- and freshwater.

In order to prevent any pollution risk, Befimmo developed, in 2023, a set of general principles for all (re)development projects have been added to the current regulatory obligations. These general principles state, among other things, that projects must meet the criteria of the EU Taxonomy, including pollution prevention and control, i.e.:

- Use finishing materials that emit little or no harmful substances;
- Reduce noise, dust and pollutant emissions during construction works.

Furthermore, since 2021, in addition to the environmental assessment required for all its (re)development projects with potentially contaminated sites (brownfields), Befimmo has drawn up a general mapping showing the soil condition of its portfolio. This mapping takes into account the presence of any potentially soil-hazardous activities as well as the historical information relating to each site. This valuable tool allows for effective risk management, the implementation of pollution prevention measures and, if necessary, the conduct of any specific required studies.

In 2023, as part of the Company's major restructuring, the soil situation of the entire portfolio was updated and all the studies required for the successful completion of this project were carried out.

Looking ahead

Befimmo constantly aims to improve and complete its minimal requirements related to the choice of materials in order to align them with the latest best practices set out, i.e. BREEAM and WELL certifications.

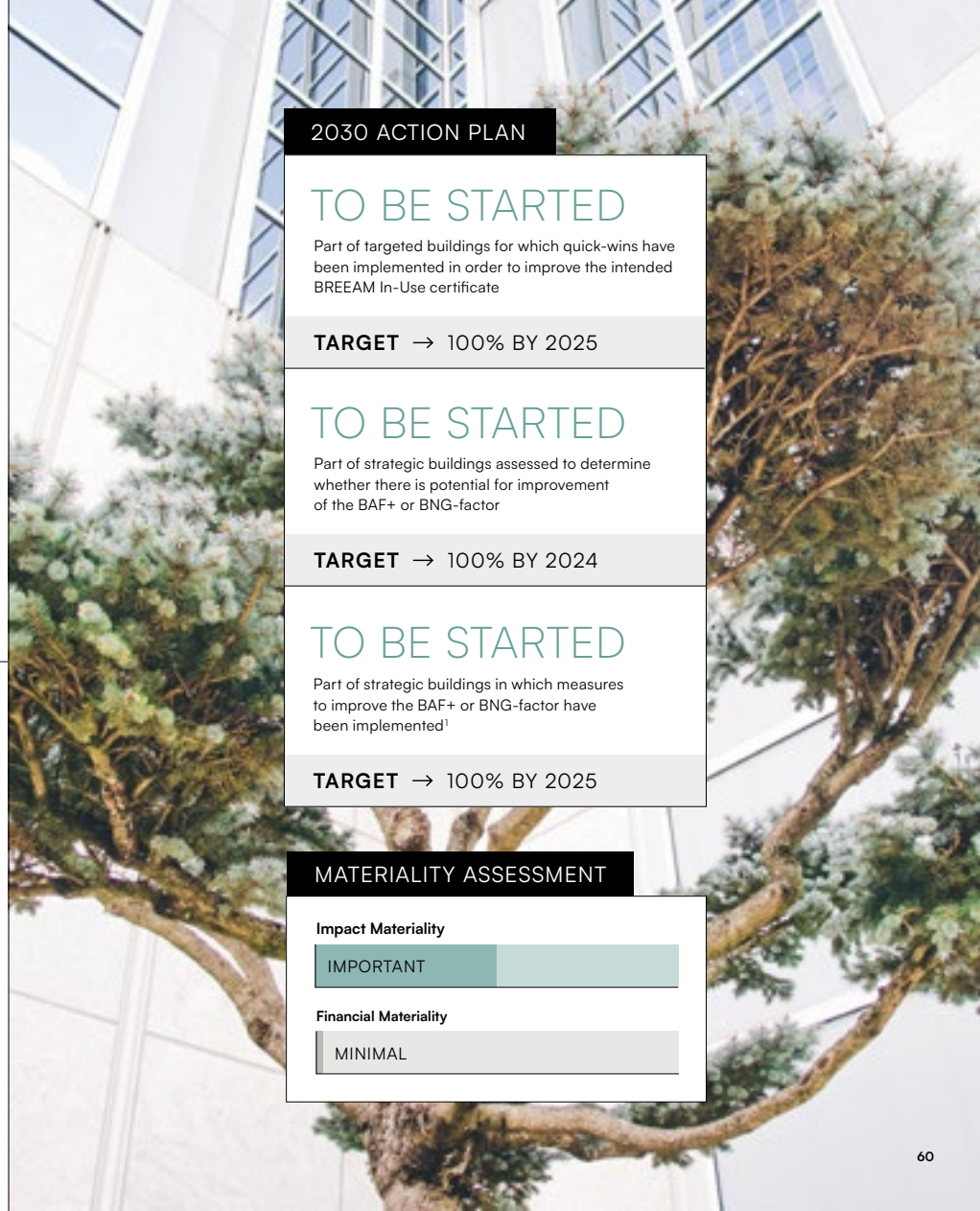
ENVIRONMENT

Protection and restoration of biodiversity.

Why is this relevant

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

1. This target applies to the strategic assets with the necessary potential to implement improvement measures.



2030 ACTION PLAN

TO BE STARTED

Part of targeted buildings for which quick-wins have been implemented in order to improve the intended BREEAM In-Use certificate

TARGET → 100% BY 2025

TO BE STARTED

Part of strategic buildings assessed to determine whether there is potential for improvement of the BAF+ or BNG-factor

TARGET → 100% BY 2024

TO BE STARTED

Part of strategic buildings in which measures to improve the BAF+ or BNG-factor have been implemented[1]

TARGET → 100% BY 2025

MATERIALITY ASSESSMENT

Impact Materiality

IMPORTANT

Financial Materiality

MINIMAL

Description and approach

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

When it comes to considering biodiversity in (re)development projects, the Company relies in particular on the BREEAM framework, and calls on specialised ecologists and landscape architects. For all (re)development projects carried out in 2023 and subject to these certifications, a maximum of the credits allocated to “land use and ecology” are targeted. An ecologist analyses each project in detail and makes recommendations to maximise biodiversity potential. In its operational buildings, Befimmo pays particular attention to the development and proper management of green spaces (however small) through clauses in maintenance contracts, and by applying criteria for the preservation of biodiversity when carrying out small works.

As part of the process of improving the BREEAM In-Use environmental certification performance of around ten key assets, which began in 2023 and is still ongoing, Befimmo has paid particular attention to implementing as many of the achievable recommendations identified in the ecological studies carried out in this context as possible.

In 2023, Befimmo also focused on defining biodiversity-related targets and key performance indicators fully aligned with international standards and developments such as the Science Based Targets for Nature and the Taskforce for Nature-Related Disclosures.

The selected Biodiversity Net Gain Calculator (BNG) and Biotope Area Factor (BAF+) indicators enable biodiversity performance to be monitored and reported as required by the Corporate Sustainability Reporting Directive (CSRD).

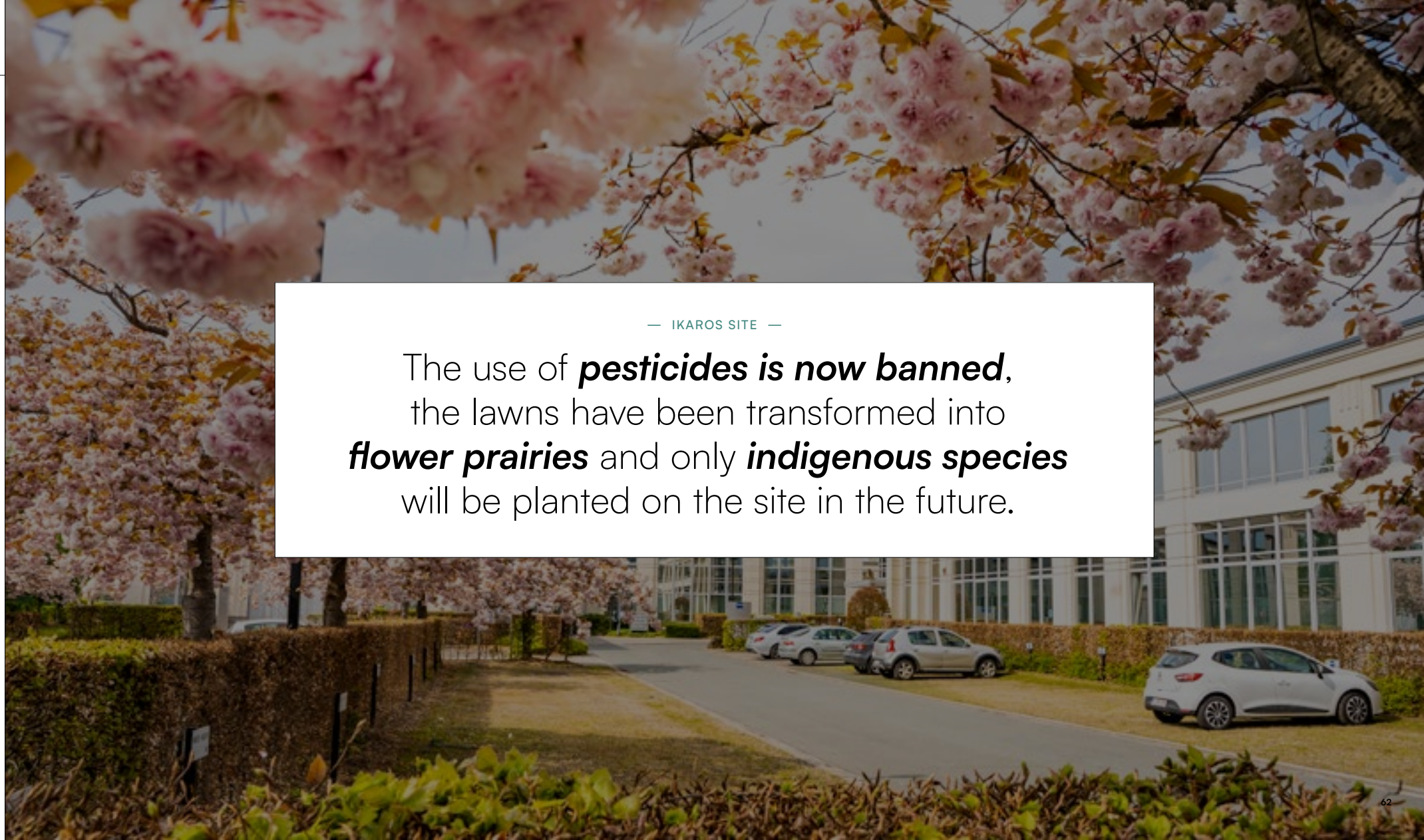
The measures undertaken during 2022 and 2023 to adapt the maintenance contract for the green spaces on the Ikaros site, which has the largest green area in the portfolio, have been completed. The use of pesticides is now banned, the lawns have been transformed into flower prairies and only indigenous species will be planted on the site in the future.

Looking ahead

Over the next few years, existing maintenance contracts for green spaces at other Befimmo sites will be gradually adapted to eliminate the use of herbicides. These will also include the use of indigenous species and the maximisation of flower prairies.

The studies on improving biodiversity potential (carried out in 2020 on some thirty buildings) will gradually be reviewed and completed. New ecological studies on sites that have not yet been assessed will also be carried out, in order to obtain a complete view of the state of biodiversity throughout the Befimmo portfolio. If there is potential for improving the BAF+ and/or BNG factors, these will be assessed and implemented as a priority on Befimmo's strategic buildings.

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



— IKAROS SITE —

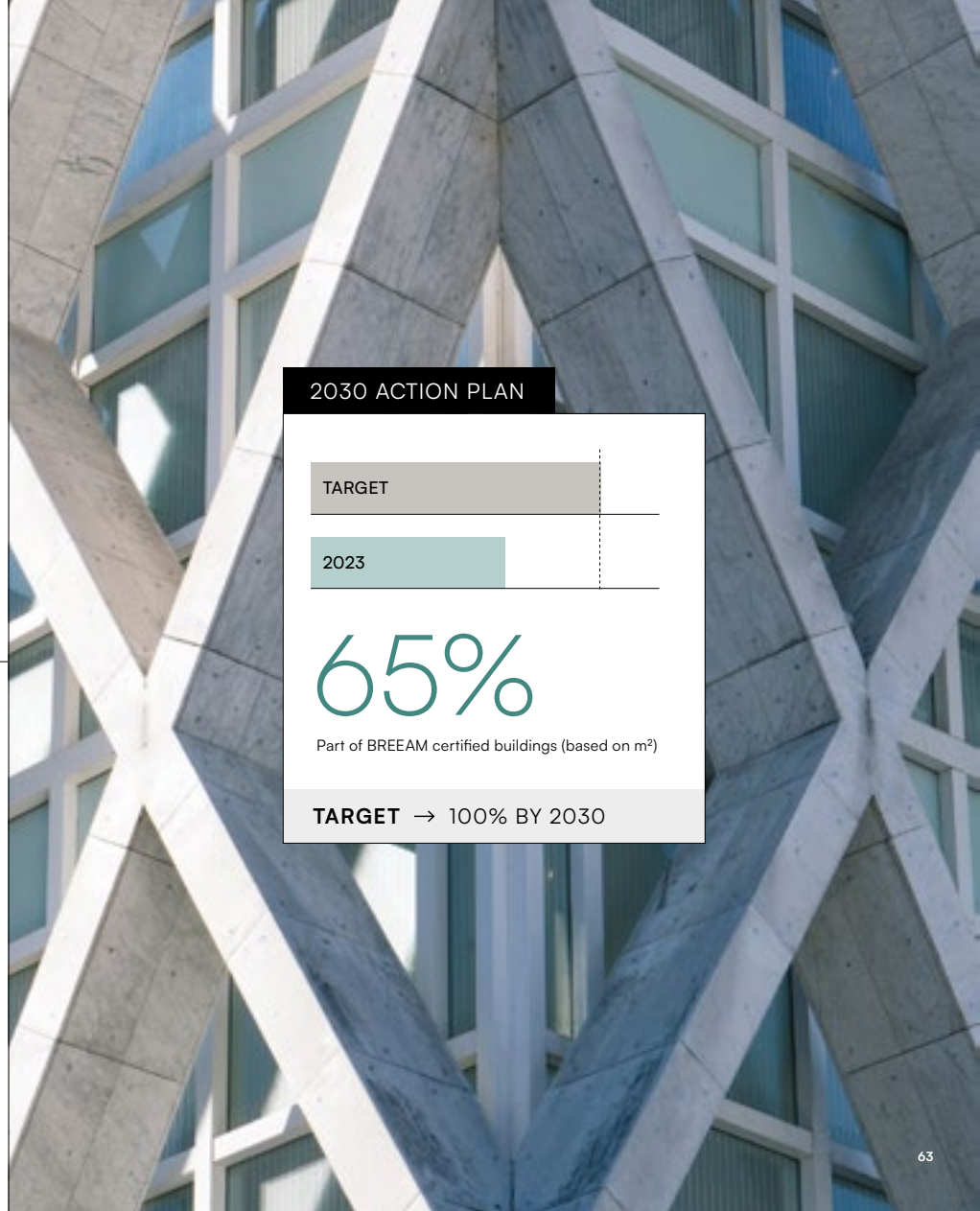
The use of ***pesticides is now banned***,
the lawns have been transformed into
flower prairies and only ***indigenous species***
will be planted on the site in the future.

ENVIRONMENT

Building certification.

Why is this relevant

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



Description and approach

BREEAM and WELL are leading sustainability assessments for the building environment. They both provide frameworks to encourage sustainable design, looking at the various aspects of new buildings and refurbishment or fit-out projects which allow a scheme to benchmark its performance against other certified buildings.

The key purpose of these frameworks is to reduce the environmental impact of building designs in a quantifiable manner and to increase comfort for the occupants. The requirements are designed to drive improvement beyond building regulations and standards, focusing on the needs and well-being of the building users.

BREEAM New Construction and Refurbishment

For its (re)development projects, Befimmo wants its buildings to achieve a quality performance that surpasses the regulatory requirements. All projects are therefore certified by these acknowledged frameworks (BREEAM and/or WELL).

All ongoing office projects should at least obtain a BREEAM Excellent certification level. And for its future office projects, Befimmo raises he bar and even aims to obtain a BREEAM Outstanding.

In May 2023, the Pacheco obtained, for its Design phase, a BREEAM Refurbishment and Fit-Out Outstanding.

BREEAM In-Use

Befimmo also applies this certification system to its operational buildings. All the buildings under Befimmo's control were BREEAM certified in 2010-2011 and a five-year improvement programme has led to the achievement of a minimum Good level for the Asset part.

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

During 2023, Befimmo implemented a programme of actions and measures aimed at improving the BREEAM In-Use score of eight strategic buildings. A minimum score of Excellent is even aimed for these buildings during 2024.

EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.136
ENVIRONMENTAL INDICATORS: CERTIFICATION, P.150

Energy Performance Certifications

The energy performance of buildings is also reflected in their EPC level. Befimmo holds energy performance certificates for all its buildings in the Brussels Region and in Luxembourg. Furthermore, according to the new Flanders' regulation, Befimmo obtained Energy Performance Certificates for all its buildings located this region in 2023[1].

In 2023, Befimmo initiated a number of major projects to improve the environmental performance of certain strategic buildings. The work targeted by the studies currently underway consists on the one hand of reducing energy consumption and the associated CO_2e emissions, and on the other hand of improving the level of the energy performance certificate.

EPRA SUSTAINABLE INDICATORS, P.136
ENVIRONMENTAL INDICATORS: CERTIFICATION, P.150

1. Excluding a building recently renovated, for which the certificate is being established.

The key purpose of BREEAM and WELL certifications is to **reduce the environmental impact of building designs** in a quantifiable manner and to **increase comfort** for the occupants.

Ecological label

Befimmo manages the green space of its Goemaere building in line with the principles of sustainable development and in compliance with the guidelines of Eve® (Ecological plant space - Espace Végétal Écologique) developed by ECOCERT. Goemaere is the only Belgian site to have this label (since 2011), and it was renewed in 2023. The relevant lessons from this certification are used for the implementation of improvement measures for sites with biodiversity improvement potential.

Looking ahead

As of 2024, the target is to certify all the buildings of the portfolio. All budgets and analyses will be started in order to have a fully BREEAM certified portfolio by 2030. Befimmo will also continue and complete the improvement of the BREEAM In-Use score of the eight strategic buildings identified in 2023.

The process of improving the BREEAM certification of other assets already identified will continue until 2030 through redevelopment projects in progress and/or to come, as well as through the operational portfolio, depending on commercialisation priorities.

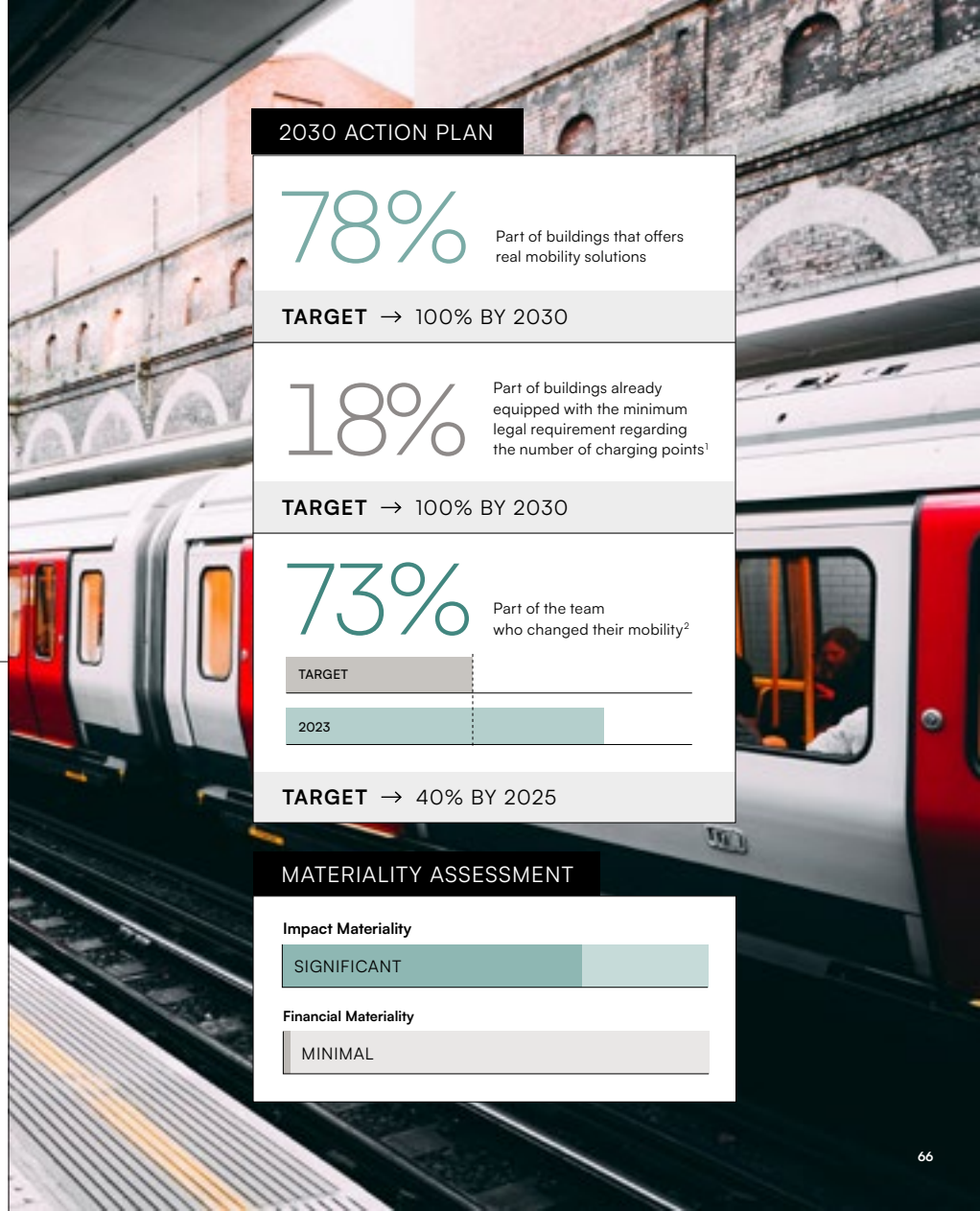
In the same way, the energy performance certificates of certain priority buildings will also be raised as and when improvement measures are implemented.

ENVIRONMENT

Mobility and accessible buildings.

Why is this relevant

Cities are the powerhouse of the modern economy and home to millions of people. 70% of the EU population live in cities today, this is projected to reach almost 84% in 2050; 23% of the EU's transport greenhouse gas emissions come from urban areas. Proposing accessible buildings is key for users and team members in order to shift towards a more active mobility and therefore decarbonise our ecosystem.



2030 ACTION PLAN

78%

Part of buildings that offers real mobility solutions

TARGET → 100% BY 2030

18%

Part of buildings already equipped with the minimum legal requirement regarding the number of charging points[1]

TARGET → 100% BY 2030

73%

Part of the team who changed their mobility[2]

TARGET → 40% BY 2025

MATERIALITY ASSESSMENT

Impact Materiality

SIGNIFICANT

Financial Materiality

MINIMAL

1. 30% of the parking spaces for new assets and 10% for existing assets.
2. Target largely achieved.

Description and approach

Asset infrastructure and accessibility

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

Befimmo has no influence on existing public transport infrastructure, so it focuses on active mobility and reception facilities, on alternatives to the car, and on applications that make it easier for workers to reach buildings. The first priorities are therefore the accessibility of the buildings by public transport, facilities for active non-motorised mobility, and the optimisation of car parks, including electric charging stations. In 2023, 78% of the portfolio offered real mobility solutions.

A mobility roadmap for the entire Befimmo portfolio is being implemented, with a vision based on the 2030 Agenda. Based on the mobility audits done in 2022 for 26 of its buildings, analysing their accessibility both in terms of public transport and active mobility, as well as their mobility infrastructures and their quality, Befimmo developed its mobility roadmap into concrete actions for the buildings concerned.

Active mobility

Befimmo is further installing exemplary active mobility facilities, with showers and lockers, and well-designed bicycle parking that takes into account electric bikes, folding bikes, cargo bikes, and scooters. The bicycle park at Central, inaugurated in November 2021, is the perfect example of the future of bicycle parks. This has been confirmed by ActiveScore who awarded this parking with the Platinum certification. Befimmo will continue to create or adapt the active mobility infrastructure based on this example and in order to certify his other strategic assets by ActiveScore.

Building on the success of the five shared bikes made available to the tenants of Central from 2021, Befimmo has increased the fleet of shared bikes to 20 bikes in 2022, which are available to tenants via an application and are spread over four buildings. In 2023, Befimmo can boast of almost 2,000 uses of its bikes by up to 100 different users per month. With more than 13,500 km travelled - the distance between Brussels and the West coast of Australia - the shared bikes will have avoided 2.5 t CO_2e emissions compared to travelling by car.

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

Befimmo has increased the fleet of shared bikes to 20 bikes in 2022, which are available to tenants via an application and are spread over four buildings.

Central shared bikes

100 **DIFFERENT USERS** PER MONTH

2,000 **USES** PER MONTH

13,500 **KM** TRAVELLED

2.5 **t CO_2E** AVOIDED COMPARED TO TRAVELLING BY CAR

CASE STUDY — Central

Central - Befimmo's headquarters - received 80/100 (i.e. Platinum certification) from ActiveScore in 2023, rewarding the work done to promote and encourage active mobility, as well as providing a good experience for visitors and users. But the infrastructure also played a part: the provision of a large, functional, secure bicycle parking area equipped with different types of lockers to meet the needs of each user, and supported by high-quality changing rooms and showers.

ACTIVE SCORE PLATINUM

Central joins the highly select club of Platinum-certified buildings worldwide.

"We are delighted with this result, but we certainly intend to apply some of the ActiveScore suggestions to further improve this score, but especially to further improve the infrastructure for active mobility.
After all, this certification also confirms that if the infrastructure is in place, it leads directly to an increase in its use, and thus to better mobility."

BENOÎT LOOSVELD
MOBILITY MANAGER

In its (re)development projects, Befimmo keeps the **target of 30% of the parking spaces** being equipped with a charging point.

595 charging points in 16 buildings

92 charging points at Ikaros

16 charging points at Fountain Plaza

Optimisation of car parks

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

Befimmo continues to optimise the parking management system solution in four equipped multi-tenant buildings. Thanks to this possibility, each tenant deploys its own parking policy according to its parking spaces and can thus improve the use of these spaces. In addition to this service, Befimmo offers even more options to its users in order to manage their parking spaces more efficiently (data, reporting, etc.) and to improve the user experience of their employees with, for example, automatic license plate recognition.

Charging stations

Electric vehicles are having a breakthrough moment, and Befimmo is playing its part and will anticipate the end of thermic motorisation in the coming decade. The first priority of Befimmo was and always will be the security of the occupants and the conformity with the actual regulations. The Company is part of a working group with the UPSI, the fire department of Brussel, the insurance company and other experts in order to analyse each opportunity to install charging stations.

In order to comply with the safety guidelines, Befimmo focused its actions in 2023 on preparing a strategy for the installation of charging stations, in accordance with the legal and regulatory texts. As a result, installation projects in existing indoor car parks had to be suspended.

On the other hand, in its outdoor car parks, Befimmo has put 16 charging points into operation at Fountain Plaza and is completing the installation of 92 charging points at Ikaros. At the end of 2023, Befimmo counts 595 charging points in 16 buildings. The Company is ready for the future EU standard of 10% of the parking spots equipped for 18% of his assets.

In its (re)development projects, Befimmo keeps the target of 30% of the parking spaces being equipped with a charging point, by considering the technical and practical implications at the design stage.

For the existing assets, Befimmo will follow the minimum percentage of parking spaces equipped with a charging point, based on the appropriated regulations (EU/BE/regional).

Mobility of the team

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

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

Financial means:

- Introduction of the federal mobility budget since January 2021;
- Integration of mobility solutions through its cafeteria plan (mychoice@BEFIMMO);
- Refund of all costs related to travel by public transport.

23% of the team members chose the federal mobility budget

CASE STUDY — Mobility of the team

At the end of 2023, Befimmo carried out a mobility survey among its team, with 90% of the team members responding[1]. Here are some of the results:

- After two years in its new headquarters, 73% of the team members use an active mobility to reach Central.
- For their regular commuting, 62% of team members use public transport (including 44% who walk or cycle to the station/stop), 10% cycle and 1% walks. Of these, 35% of employees have a regular alternative commuting mode, with 34% using bicycles and 26% using public transport, and only 34% using the car as a regular alternative.
- Finally, for occasional journeys, depending on the circumstances, 21% of team members turn to their bicycle, and 54% to their car. Even if the car remains the most popular alternative in this case, it is remarkable to see that active mobility is becoming a real solution too.

73% of the team use an active mobility to reach Central.

Organisational means:

- Introduction of a Mobility Policy;
- Use of parking management system to optimise the use of car parking spaces.

In practice:

- Information session on the federal mobility budget and awareness-raising among all team members;
- Training on traffic rules;
- Increasing number of team members with a leased bicycle in the cafeteria plan;
- Organisation of some activities during the European mobility week;
- Mobility survey for the team.

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

For the team members who are eligible for a company car, already 67% have chosen a mobility budget, or an electrical or hybrid vehicle.

Befimmo also decreased the number of parking spaces available for his team by 39%. During the last quarter of 2023, only an average of 18 parking spaces were used by the team, with 14% of daily users and 23% regular users. It’s important to notice that the usage of the parking is done by 58% of the users only for exceptionals usage or less than one day per week.

In 2023, average emissions per vehicle (CO_2e/km) across the fleet was at only 60 gr, and were 48% lower than in 2016 - the result of applying an updated car policy to new and replacement vehicles.

Vehicle-related CO_2e emissions fell by 35%, from 258 tonnes in 2019 to 167 tonnes in 2023. Based on the new Mobility Policy, the thermic cars are no longer available since July 2023. The new company cars delivered in 2023 are for 56% electric vehicles and 44% plug-in hybrid.

Looking ahead

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

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

On team level, Befimmo will continue to promote green mobility, based on its Mobility Policy and through its cafeteria plan, where all team members can manage their mobility according to their needs and in combination with other mobility alternatives (public transport, active mobility, etc.).

Befimmo will also begin a long-term training in ecodriving for the entire team. This training is based on theoretical tips and tricks according to the motorisation of the vehicle but particularly on some specific data related to the vehicle, using gamification around ecodriving. This programme aims to significantly improve the carbon impact of the driving for our team, but also to reduce stress and car accidents during road trips.

1. Based on the information in our possession, we have established hypotheses for the journeys of the eight remaining team members.