2020
UNIVERSAL REGISTRATION DOCUMENT
including the annual financial report and the ESG report

Cofinimmo
together in real estate

Table of contents

When alternative performance mesures (APM) are used, their definition and calculation are available on the website www.cofinimmo.com

Cofinimmo historic

1983
Foundation (capital: 6 million EUR)

1994
Listing on the Brussels stock exchange, now called Euronext

1996
Adoption of Belgian SICAFI status

2005
- First healthcare real estate investment in Belgium
- Awarding of the first Public-Private Partnership: the Courthouse of Antwerp

2007
Partnership with AB InBev Group for a portfolio of 1,068 pubs and restaurants located in Belgium and the Netherlands (Pubstone)

2008
- Start of activities in France in the healthcare real estate segment
- Adoption of SIIC status (French REIT regime)

2011
- Partnership with MAAF for a portfolio of 283 insurance agencies in France (Cofinimur I)
- First emission of convertible bonds

2012
- Start of activities in the Netherlands in the healthcare real estate segment
- Adoption of FBI status (Dutch REIT regime)

2014
- Start of activities in Germany in the healthcare real estate segment
- Adoption of RREC status in Belgium

2015
- Capital increase with preference rights in the amount of 285 million EUR
- Continued investments in healthcare real estate in the Netherlands and Germany

2016
- Continued investments in healthcare real estate in the Netherlands and Germany
- Opening of the first Flex Corners® and Lounges®
- Issue of 'green and social bonds'

2018
- Capital increase with irrevocable allocation rights in the amount of 155 million EUR
- Acceleration of investments made in healthcare real estate (300 million EUR)
- Start of the rebalancing of the office portfolio

2019
- New acceleration of investments made in healthcare real estate (almost 500 million EUR)
- Start of activities in Spain in the healthcare real estate segment

2020
- Launch of project 30^3, aimed at reducing by 2030 the portfolio's energy intensity by 30 % compared to the 2017 level
- Start of activities in Finland in the healthcare real estate segment
- Capital increases in the amount of nearly 143 million EUR
- Issue of a 500 million EUR benchmark sustainable bond
- 733 million EUR invested, of which 579 million EUR in healthcare real estate in Europe
- 59 % of the consolidated portfolio invested in healthcare real estate

About Cofinimmo

Cofinimmo active in 7 countries

— At the end of 2020 and the beginning of 2021, Cofinimmo announced the start of its activities in Finland with a first construction project of a medical centre, followed by Ireland with the acquisition of 6 nursing and care homes and 1 rehabilitation clinic.

These two countries offer Cofinimmo interesting perspectives to expand its portfolio and deploy its real estate expertise.

Taking advantage of its many years of experience in developing and improving real estate assets, Cofinimmo has the ambition to contribute to catering the high demand of the Finnish and Irish populations in terms of high-quality healthcare facilities specialising in the care of elderly people

4.9 billion

FAIR VALUE OF THE PORTFOLIO ON 31.12.2020

Cofinimmo has been acquiring, developing and managing rental properties for over 35 years.

The company has a portfolio spread across Belgium, France, the Netherlands, Germany, Spain, Finland, and Ireland with a value of approximately 4.9 billion EUR. With attention to social developments, Cofinimmo has the mission of making high-quality care, living and working environments available to its partners-tenants, from which users benefit directly.

'Caring, Living and Working - Together in Real Estate' is the expression of this mission. Thanks to its expertise, Cofinimmo has built up a healthcare real estate portfolio of approximately 2.9 billion EUR in Europe.

As an independent company applying the highest standards of corporate governance and sustainability, Cofinimmo offers its tenants services and manages its portfolio through a team of approximately 140 employees in Brussels, Paris, Breda, and Frankfurt.

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

On 10.03.2021, Cofinimmo's total market capitalisation stood at approximately 3.6 billion EUR. The company applies an investment policy aimed at offering a socially responsible, long-term, low-risk investment that generates a regular, predictable, and growing flow of dividends.

Risk Factors

— Following the entry into force, on 21.07.2019, of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14.06.2017, known as the 'Prospectus' Regulation, and in particular the provisions of the said Regulation concerning the presentation of risk factors, this chapter only lists the specific and most important risk factors faced by the Cofinimmo group, according to the probability of their materialisation and the estimated extent of their negative impact on the group. They are grouped in categories (numbered F.1 through F.5) and sub-categories (numbered F.1.1.1 through F.5.2) and, within each category, by order of importance. The numbering of the risk factors makes it easier to refer from one factor to another and to highlight their possible interdependency. In order to guide the reader in interpreting the quantified impact of the various risk factors, it is recalled that in 2020 the group made a net profit - group share of 119.2 million EUR, that the net assets accounted for 2,574.8 million EUR at 31.12.2020, that the debt-to-assets ratio amounted to 46.1% and that the contractual rents reached 285.7 million EUR at the same date

Structure of risk factors

F.1. RISKS ASSOCIATED WITH COFINIMMO'S ACTIVITIES AND WITH ITS SECTORS OF ACTIVITY

F.1.1.1 Coronavirus COVID-19

Following the outbreak of the COVID-19 coronavirus pandemic in the countries where the group is active, Cofinimmo has implemented several measures to ensure the continuity of its activities, while making the health and well-being of all its stakeholders its priority.

The operational teams remain in close contact with the group's tenants to ensure the continuity of services and help them get through this difficult period. Cofinimmo reviews the situation of its counterparties on a case-by-case basis in order to find a balanced solution where appropriate. In this context, Cofinimmo booked 2.0 million EUR writedowns on trade receivables in 2020.

In addition to the information included in this document, it is stated that:

- in the office segment, the surface areas leased directly to merchants (retailers, restaurants, ...) stand for less than 0.2% of the group's contractual rents;
- in the healthcare real estate segment, the sport & wellness centres account for less than 3% of the group's contractual rents. These centres, located in Belgium and Germany, have been closed to the public since March 2020 and have only partially reopened since the end of May/beginning of June 2020. The operators' loss of income was significant during this period, the situation went gradually back to normal and only for a short period of time, in accordance with the evolution of the measures taken to address the healthcare crisis. The current wave of contamination resurgence calls for caution: the Belgian centres are mainly closed again since 26.10.2020, while the German centres have been almost completely closed since 02.11.2020. During the 2020 financial year, the fair value of sport and wellness centres has been reduced by almost 5 million EUR (i.e. more than 4%). A further 5% decrease in the fair value would represent a (non-cash) expense of 5 million EUR which will have an adverse effect of around 0.04% on the debt-to-assets ratio, and of around 0.19 EUR per share on net assets.

- In the property of distribution networks segment, the Pubstone portfolios of pubs and restaurants in Belgium and the Netherlands account for 10% of the group's contractual rents. During the 2020 financial year, the fair value of this portfolio remained stable (the effect of increased registration fees in the Netherlands, which are taken into account on 31.12.2020, excluded), thanks in particular to the high residual lease length. Although Cofinimmo's counterparty is the AB InBev group, the world's leading brewer with a BBB+ rating, it is not excluded that a decrease in the fair value will be recognised in the 2021 financial year, based on the evolution of market parameters due to the evolution of the COVID-19 pandemic and the measures taken by the authorities to fight it (such as an extension of the mandatory shut-down of the hospitality sector). A 5% decrease in the fair value would represent a (non-cash) expense of 22 million EUR which will have an adverse effect of around 0.19% on the debt-to-assets ratio, and of around 0.80 EUR per share on net assets.
- In the property of distribution networks segment, the Cofinimur I portfolio of MAAF agencies in France accounts for almost 3% of the group's contractual rents. The fair value of this portfolio has been reduced by almost 12 million EUR (i.e. approximately 10%). Although Cofinimmo's counterparty is the Covea group, a French insurer with an AA- rating, it is not excluded that a decrease in the fair value will be recognised in the 2021 financial year, based on the evolution of market parameters due to the evolution of the COVID-19 pandemic and the measures taken by the authorities to fight it (such as an extension of the measures aimed at restricting the flow of people in shopping streets). A 5% decrease in the fair value would represent a (non-cash) expense of 6 million EUR which will have an adverse effect of around 0.05% on the debt-to-assets ratio, and of around 0.21 EUR per share on net assets.

F.1.1.2 Leasing market in the segments in which the group operates

The leasing market in the two main segments in which the group operates (healthcare real estate in Europe, office property in Belgium and primarily in Brussels) could experience a fall in demand, over-supply, or the weakening of the financial position of its tenants.

Potential effects:

1. Decrease in net income because of an increase in the vacancy rate and associated costs. At 31.12.2020, a 1% increase in the vacancy rate would have had an impact of around -2.7 million EUR (i.e. -2.2%) on the net result - group share. For offices, the impact would have been -0.8 million EUR (i.e. -0.7%).
2. Weakening of tenants solvency and an increase in doubtful accounts reducing the collection of rent. At 31.12.2020, trade receivables amount to 26 million EUR (see note 28 of the consolidated accounts). During the 2020 financial year, impairment on trade receivables accounted for a net burden of 2.0 million EUR, which is significantly higher than the previous financial years, due to the COVID-19 pandemic. An impairment increase of 1 million EUR would have represented a decrease in the net result – group share of 0.5%.
3. Decrease in the fair value of investment properties (see F.1.2.1. below).

F.1.1.3 Investment market in the segments in which the group operates

The investment market in the two main segments in which the group operates (healthcare real estate in Europe, office property in Belgium and primarily in Brussels) could see a fall in demand from real estate investors. This would have the effect of reducing the market price observed by independent real estate valuers for properties comparable to those held by the group, which would be reflected in the fair value of the investment properties held by the group.

Potential effects:

1. Decrease in the fair value of investment properties (see F.1.1.2 below).

F.1.1.4 Interest rate volatility

Short-term and/or long-term benchmark interest rates may be subject to significant fluctuations in international financial markets. As at 31.12.2020, half of the 2.3 billion EUR financial debt was concluded at a fixed rate and half at a floating rate. The floating-rate debt is subject to hedging. Considering these hedges and the fixed-rate debt, the interest rate risk is 94% hedged. The residual interest rate risk relates to 6% of the financial debt.

Potential effects:

1. Increase in financial expenses in the event of an increase in interest rates, on the portion of the debt that was contracted at a floating rate and is not hedged, and therefore a decrease in net assets per share. In 2021, assuming that the debt structure and level remain identical to those at 31.12.2020, and disregarding the hedging instruments put in place, an increase in interest rates of 50 basis points would result in an 18 basis points increase in the financing cost, a decrease in the net result - group share of 4.5 million EUR and a decrease in net assets per share of 0.17 EUR. Taking into account the hedging instruments put in place, an increase in interest rates of 50 basis points would result in a 5 basis points increase in the financing costs, a decrease in the net result - group share of 1.2 million EUR (i.e. 0.6%) and a decrease in net assets per share of 0.04 EUR.
2. Decrease in the fair value of financial instruments in the event of a fall in interest rates, and hence a decrease in the net result - group share and in net assets per share. In 2021, a negative change in the fair value of financial instruments of 1 million EUR would represent a decrease in the net result - group share of 1 million EUR (or 0.5%) and a decrease in net assets per share of 0.04 EUR.

F.1.2 Property portfolio

F.1.2.1 Negative change in the fair value of property

The market value of the group's investment property, as reflected by the fair value recognised in the balance sheet, is subject to changes and depends on various factors, some of which are outside the group's scope of action (such as a decrease in demand and in the occupancy rate in the real estate segments in which the group operates, a change in interest rates in the financial markets, or an increase in transfer duty in the geographical areas in which the group operates). Other factors also play a role in the valuation of investment properties, such as their technical condition, their commercial positioning, the investment budgets necessary for their proper functioning and their proper marketing. A significant negative change in the fair value of investment properties from one period to another would represent a significant loss in the group's income statement, with an adverse effect on its net assets and debt-to-assets ratio.

Potential effects:

1. At 31.12.2020, a 1% change in value would have had an impact of around: 48.7 million EUR on the net result (compared to 42.5 million EUR at 31.12.2019), 1.80 EUR on the net asset value per share (compared to 1.65 EUR at 31.12.2019) and 0.43% on the debt-to-assets ratio (compared to 0.39% at 31.12.2019).
2. If the cumulative changes in the fair value of the properties (representing a cumulative unrealised gain of 109 million EUR as at 31.12.2020) were to be reduced to a cumulative unrealised loss in value of 643 million EUR (which would mean a write-down of 752 million EUR), the group would then be partially or totally unable to pay dividends. The amount of 643 million EUR results from the application of article 7:212 of the Belgian Code of Companies and Associations (see page 291 of this document) and is understood to be after the effect of the distribution in 2021 of the proposed dividends for the financial year 2020.

F.1.2.2 Investments subject to conditions

Some investments announced by the Cofinimmo group are subject to conditions, particularly in the case of (re)construction, renovation, extension and acquisition projects that have not yet been formally completed. The committed investment programme represents 447 million EUR in healthcare real estate (detailed on page 35).

Potential effects:

1. Insofar as the return generated by these investments is already reflected in the stock market price of Cofinimmo shares, this price is exposed to a risk in the event of a significant delay or non-completion of these investments.

F.1.3 Customers

F.1.3.1 Concentration risk

Concentration risk is assessed at the level of buildings, locations and (groups of) tenants or operators. As at 31.12.2020, the Cofinimmo group had a diversified customer base (more than 430 tenants or operators), including about 50 in healthcare real estate. In 2020, the group's five main (groups of) tenants or operators generated 49.7% of gross rental revenues. The two main (groups of) tenants or operators accounted respectively for 14.2% (Korian Group) and 10.4% (AB InBev) of these revenues. Furthermore, the public sector generated 9.2% of gross rental revenues.

Potential effects:

1. Significant reduction in rental income and hence in the net result - group share and net assets per share, in the event of the departure of major tenants or operators.
2. Collateral effect on the fair value of investment properties (see F.1.2.1 above).
3. Non-compliance with the diversification obligations provided for by the RREC legislation, which provides that "no transaction carried out by a public RREC can have the effect that more than 20% of its consolidated assets are placed in real estate assets (...) that form a single set of assets, or increase this proportion further, if it is already higher than 20%, irrespective of the cause of the initial exceedance of this percentage". The set of assets is defined as "one or more buildings or assets (...) the investment risk of which is considered to be a single risk for the public RREC" (article 30 of the RREC law). The fair value of investment properties operated by entities of the Korian and AB InBev groups represents respectively 12.5% and 8.3% of the consolidated assets.

F.1.3.2 Vacancy rate

Vacancy may arise in the event of non-renewal of expiring rental contracts, early termination, or unforeseen events such as tenant/operator bankruptcies (see chapter 'Composition of consolidated portfolio'). Given the high occupancy rate observed as at 31.12.2020 in the group's sectors of activity (healthcare real estate: 99.9%; offices: 92.8%; property of distribution networks: 98.5%; group: 97.4%), the risk of future rental vacancies is naturally greater than the opportunity to increase the occupancy rate in each of these segments.

Potential effects:

1. As at 31.12.2020, a 1% increase in the vacancy rate at group level would have had an impact of about 2.7 million EUR on the net result – group share, excluding amounts normally borne by tenants/operators and marketing costs borne by the group.

F.2 RISKS RELATED TO COFINIMMO'S FINANCIAL SITUATION

F.2.1 Liquidity risk

Cofinimmo's investment strategy is largely based on its ability to raise funds, whether borrowed capital or shareholder's equity. This ability depends particularly on circumstances that Cofinimmo does not control (such as the state of international capital markets, banks' ability to grant credit, market participants' perception of the group's solvency, the perception of market participants on real estate in general and on the real estate segments in which the group is active in particular). The group could therefore encounter difficulties in obtaining the financing necessary for its growth or for the exercise of its activity. The chapter 'Management of financial resources' of this document details the group's financing strategy and the manner in which it is implemented, and presents in particular the structure of the financial debt and a timetable of financial commitments.

Potential effects:

1. Inability to finance acquisitions or development projects.
2. Financing at a higher cost than expected, with an impact on the net result - group share, and hence on net assets per share.
3. Inability to meet the group's financial commitments (operating activity, interest or dividends, repayment of maturing debts, etc.).

F.2.2 Contractual obligations and legal parameters

Cofinimmo group is contractually or statutorily obliged to comply with certain obligations and certain parameters or ratios, particularly within the framework of the credit agreements it has contracted. Non-compliance with these commitments, or with these parameters or ratios, entails risks for the group. The main legal obligations and the main parameters or ratios are specified in the regulations on regulated real estate companies (Belgian Law of 12.05.2014 and royal decree of 12.07.2014). The most relevant elements for risk factors are the debt-to-assets ratio (limited to 65% by regulations and 60% by credit agreements) and the assessment of concentration (see F.1.3.1 above).

Potential effects:

1. Penalties imposed by the regulator in the event of non-compliance with legal obligations or the resulting parameters or ratios.
2. Loss of confidence from the group's credit providers, or even the arising of early repayment obligations for some or all loans. Almost all of the debt instruments (representing 2.3 billion EUR as at 31.12.2020 are indeed subject to acceleration or cross-default clauses.

F.2.3 Change in the group's public financial rating

Cofinimmo group has a public financial rating determined by an independent rating agency. This rating may be adjusted at any time. Standard & Poor's gave Cofinimmo a BBB rating between May 2012 and May 2013. The rating was then reduced to BBB- between May 2013 and May 2015. Since 2015, Cofinimmo benefits from a BBB rating for the long term (stable perspective) and A-2 for the short term (confirmed in April 2020).

Potential effects:

1. A rating downgrade would have a direct effect on the group's financing cost, and therefore on the net result - group share and hence on net assets per share.
2. A rating downgrade could also have an indirect effect on the appetite of credit providers to deal with Cofinimmo or an indirect effect on its financing cost or on its ability to finance its growth and activities.

F.2.4 Risks arising in the event of a change of control

Most of the loan agreements (syndicated loan, bilateral loans, bonds, etc.) concluded by Cofinimmo group include a so-called 'change of control' clause. This ensures that in the event of a change of control of Cofinimmo SA/NV (or more precisely in the event of the acquisition of control of Cofinimmo SA/NV, of which only one shareholder currently exceeds the 5% transparency notification threshold), lenders have the option to cancel the loans granted and require early repayment.

Potential effects:

1. Early repayment of loans, to be financed by significant asset disposals, shareholder's equity contributions in cash, or new financing.

F.3 LEGAL AND REGULATORY RISKS

F.3.1 RREC, FIIS and SIIC regimes

Cofinimmo and/or some of its subsidiaries have a particular status in Belgium and in France. This concerns the status of regulated real estate company ('RREC', qualified as public in the case of Cofinimmo SA/NV, and institutional in the case of certain subsidiaries), of specialised real estate investment funds ('FIIS'), and of listed real estate investment company (SIIC) which is reflected in particular in tax transparency for their activities in Belgium and in France. These statuses are granted subject to the fulfilment of a series of conditions determined by the Belgian Law of 12.05.2014 ('RREC Law') and the royal decree of 12.07.2014 ('RREC royal decree'), together comprising the 'RREC legislation', the royal decree of 09.11.2016 on specialised real estate investment funds and the French legislation. There is therefore a risk of non-compliance of the group's activities with regulatory requirements. In addition, the RREC legislation may be subject to change by the legislator (see chapter 'Standing Document' on page 342).

In addition, when a Belgian company under common law is absorbed by a SIR, or obtains the status of SIRI or FIIS, it is liable for an exit tax on its unrealised capital gains and tax-exempt reserves, at a rate lower than the common law tax rate. The exit tax is calculated in accordance with the provisions of Belgian circular Ci.RH.423/567.729 of 23.12.2004, the interpretation or practical application of which may be modified at any time. The real value of a property, as referred to in this circular, is calculated after deduction of registration fees or VAT. This real value differs from (and may therefore be lower than) the fair value of the property as mentioned in the IFRS balance sheet of Cofinimmo.

Potential effects:

1. In the event of non-compliance, the sanctions may go as far as the loss of the status in question, entailing the loss of the benefit of tax transparency, causing a significant reduction in the net result - group share, and therefore in net assets per share, as well as an obligation to repay a large number of loans early.
2. Decrease in net income - group share, and therefore in net assets per share, in the event of an unfavourable change in the legislations.
3. Increase in the revenue base on which the exit tax is calculated, decrease in net result – group share, and hence in net assets per share.

F.3.2 Changes to social security schemes

In healthcare real estate (accounting for 57% of contractual rents and 59% of investments properties), the income of tenants/operators is often derived, at least partially, directly or indirectly, from subsidies provided by the local social security scheme. These schemes, which depend on national, regional or local authorities, are subject to reform from time to time.

Potential effects:

1. Reduction in the healthcare real estate tenants'/operators' solvency in the geographical area concerned by a reform that would be unfavourable to them, with an adverse impact on their ability to honour their commitments to Cofinimmo (see F.1.1.2 above).
2. Decrease in the fair value of part of the investment properties and hence in net assets per share (see F.1.2.1 above).

F.3.3 FBI regime

In the Netherlands, Cofinimmo benefits, through its subsidiary Superstone, from the 'fiscale beleggingsinstelling' ('FBI') status, which is reflected in particular by tax transparency for its activities in the Netherlands. This status is granted subject to meeting a series of conditions determined by Dutch legislation. Early 2020, the Dutch tax authorities informed Cofinimmo SA/NV that as a shareholder of Superstone, which benefits from FBI status, the company would have to undergo a shareholder test (the conditions for being considered an FBI depend in particular on the activities and the shareholder structure).

The precise content of the shareholder test is not yet clear, as it will depend in particular on the outcome of and the consequences to be drawn from numerous cases pending appeal between the Dutch tax administration and foreign investment funds regarding the restitution of the dividend tax, in the context of which a ruling by the European Court of Justice and subsequently the Dutch 'Hoge Raad' were rendered.

In addition, the Dutch State is currently examining whether a targeted adjustment of the FBI regime is possible and achievable in the long term by means of an evaluation with, possibly, a change in policy and/or legislation from 2021.

Potential effects:

1. In the event of non-compliance, loss of the FBI status, entailing the loss of the benefit of tax transparency, causing a reduction in the net result - group share, and therefore in net assets per share. In the event of loss of FBI status and transition to a standard tax regime, the impact on the net result - group share for the 2021 financial year could be estimated at 2 million EUR (i.e. 1.1%).
2. Decrease in net income - group share, and therefore in net assets per share, in the event of an unfavourable change in the FBI legislation.

F.4 RISKS RELATING TO INTERNAL CONTROL

An inadequate internal control system may prevent the parties concerned (internal auditor, compliance officer, risk officer, executive committee, audit committee, board of directors) from performing their duties, which could jeopardise the effectiveness of internal control (see chapter 'Corporate governance statement', section 'Internal control and risk management').

Potential effects:

1. The company would not be managed in an orderly and conservative manner, endangering the optimal allocation of resources.
2. Shortcomings in terms of risk management, cybersecurity included, could lead to poor protection of the company's assets.
3. Lack of integrity and reliability of financial and management data.
4. Shortcomings in terms of compliance with legislation (in particular regarding Article 17 of the RREC Law), as well as internal management procedures and directives.

F.5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

F.5.1 Sustainability of buildings

The attractiveness of the Cofinimmo group's assets portfolio depends in particular on their sustainability (location, energy intensity, proximity to transport modes, etc.) and their resilience to climate change (see section 'ESG Strategy' on page 29 of this document). Shortcomings in this area are likely to discourage potential tenants/operators or potential buyers.

Potential effects:

1. Vacancy rate (see further F.1.3.2 above).
2. Negative change in the fair value of properties (see further F.1.2.1 above).

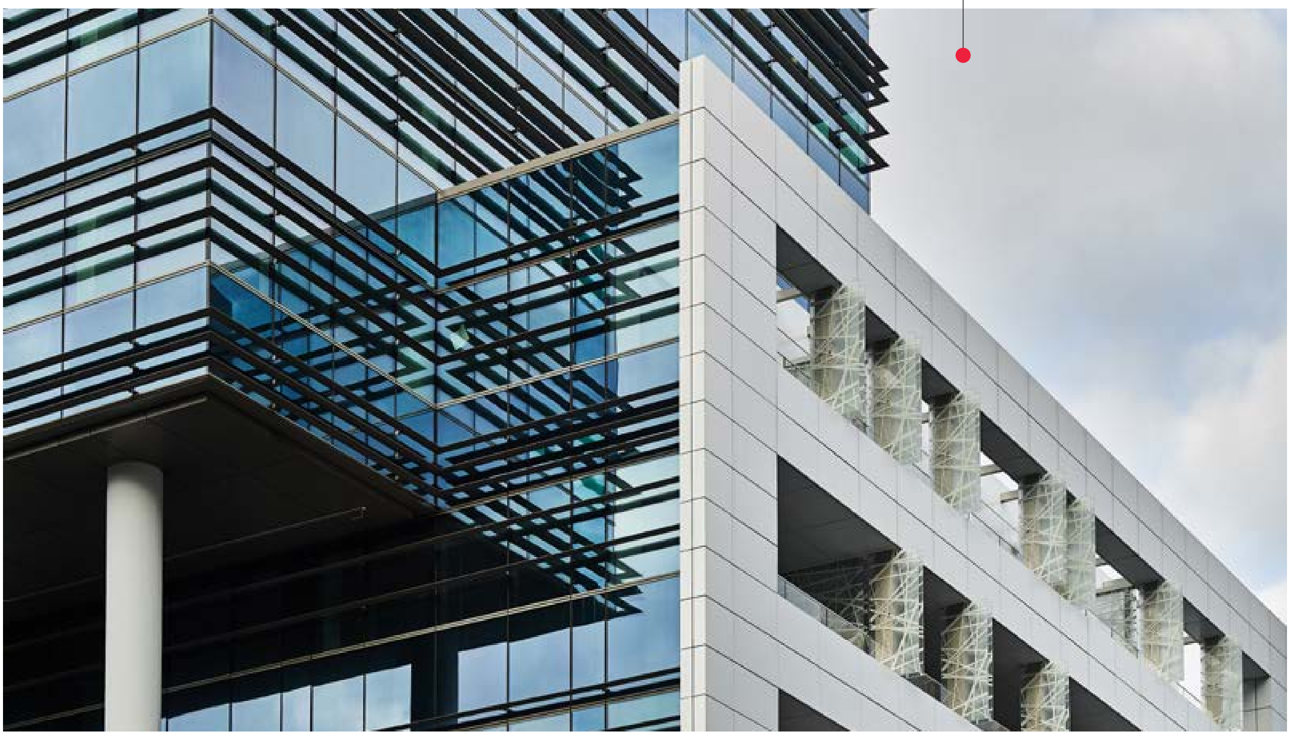
F.5.2 ESG transparency

ESG is an increasingly important theme, both in terms of the general public opinion and for private or institutional investors. This covers many aspects, for example in terms of the impact of the company's activities on the environment, the community and governance ('ESG' aspects, acronym for 'Environment, Social, Governance'), which are assessed according to reference frameworks that are not yet fully defined or standardised, or that are not yet recognised by all stakeholders. There may therefore be a risk of perceived lack of transparency in some of these aspects.

Potential effects:

1. Deterioration of the group's reputation with the various stakeholders.
2. Less easy access to the capital market (debt and equity).

Belliard 40 office building – Brussels CBD (BE)



Preliminary remarks

— This universal registration document including the annual financial report and the ESG report contains regulated information as defined by the royal decree of 14.11.2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market

This universal registration document was filed on 09.04.2021 with the Financial Services and Markets Authority (FSMA), as competent authority under Regulation (EU) 2017/1129[1], without prior approval in accordance with Article 9 of that Regulation. In accordance with the same article, this universal registration document also serves as annual financial report. The universal registration document may be used for the purposes of a public offer of securities or the admission of securities to trading on a regulated market if it, as well as its amendments, if any, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129 are approved by the FSMA.

Languages

This universal registration document including the annual financial report and the ESG report has been filed in French with the FSMA. The Dutch and English versions are translations made under Cofinimmo's responsibility. Only the French version constitutes legal evidence.

Availability of the universal registration document including the annual financial report and the ESG report

A free copy of this universal registration document including the annual financial report and the ESG report can be obtained upon request by contacting:

Cofinimmo SA/NV
58 Boulevard de la Woluwedal, 1200 Brussels, Belgium
Tel.: 02 373 00 00
Fax: 02 373 00 10
Email: info@cofinimmo.be

This document is also available on the website www.cofinimmo.com.

1. Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14.06.2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

Statements

ROYAL DECREE OF 14.11.2007

Responsible persons

The persons responsible for the information contained in the registration document are the following persons: Mr Jacques van Rijckevorsel, independent director, chairman of the board of directors, Mr Jean-Pierre Hanin, managing director, Mr Jean Kotarakos, executive director, Mrs Françoise Roels, executive director, Mrs Inès Archer-Toper, independent director, Mr Olivier Chapelle, independent director, Mr Xavier de Walque, independent director, Mr Maurice Gauchot, independent director, Mr Benoit Graulich, independent director, Mrs Diana Monissen, independent director, Mrs Cécile Scalais, independent director, Mrs Kathleen Van den Eynde, independent director.

Mr Jacques van Rijckevorsel, chairman of the board of directors, and Mr Jean-Pierre Hanin, CEO, declare for and on behalf of the board of directors that, to the best of their knowledge:

- the financial statements, prepared in compliance with the applicable accounting standards, give a true picture of the portfolio, the financial situation and the results of Cofinimmo SA/NV and the subsidiaries included in the consolidation;
- the management report contains a truthful account of the development of the business, the results and the situation of Cofinimmo SA/NV and the companies included in the consolidation, as well as a description of the main risks and uncertainties they are facing.

ANNEX I TO THE DELEGATED REGULATION (EU) 2019/980 OF 14.03.2019 SUPPLEMENTING REGULATION (EU) 2017/1129 OF 14.06.2017

Responsible persons, information from third parties, expert reports and approval by the competent authority

Mr Jacques van Rijckevorsel, chairman of the board of directors, and Mr Jean-Pierre Hanin, CEO, certify for and on behalf of the board of directors, that the information contained in this universal registration document including the annual financial report and the report is, to the best of their knowledge, in accordance with the facts and contains no omission likely to alter its scope.

Cofinimmo SA/NV declares that the information published in this universal registration document including the annual financial report and the ESG report and originating from third parties, such as the report of the independent real estate valuers and the statutory auditor's reports, has been included with the consent of the person having endorsed its content, form and context. This information has been faithfully reproduced and, to the best of Cofinimmo SA/NV's knowledge and as far as Cofinimmo SA/NV is able to ascertain from the data published by the same third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This universal registration document including the annual financial report and the ESG report is a document filed with the Financial Services and Markets Authority (FSMA), as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with article 9 of the said Regulation. The universal registration document may be used for the purposes of a public offer of securities or the admission of securities to trading on a regulated market if, it as well as its amendments, if any, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129 are approved by the FSMA.

Administration, management and general management bodies

Cofinimmo SA/NV declares that, regarding the directors and/or members of the executive committee:

- no family ties exist between them;
- no information relating to (i) any convictions for fraud within the last five years, (ii) any bankruptcies, receiverships, liquidations or placing of companies under judicial administration, and (iii) any official public accusations and/or sanctions by statutory or regulatory authorities (including designated professional bodies), must be disclosed;
- none of them has already been deprived by a court of the right to hold office as a member of the administrative, management or supervisory bodies of an issuer or to participate in the management or conduct of the issuer's business for at least the previous five years;
- no conflict of interest exists between their duties towards Cofinimmo SA/NV and their private interests.

Nursing and care home Serrenhof – Saint-Trond/Sint-Truiden (BE)

Forecasts

Cofinimmo SA/NV certifies that the profit forecast or estimate was determined and prepared on a basis comparable to the historical financial information and in accordance with the issuer's accounting policies.

Operation of administrative and management bodies

Cofinimmo SA/NV declares that no service contract has been concluded with the directors and the members of the executive committee providing for the granting of benefits at the end of such a contract, subject to the comment stated in section 'Contractual terms of the members of the executive committee' of the chapter 'Corporate governance statement'.

Main shareholders

Cofinimmo SA/NV declares that:

- no director or member of the executive committee directly or indirectly holds a percentage of the share capital or voting rights of Cofinimmo SA/NV which must be notified under the legislation on the disclosure of major shareholdings;
- the main shareholders of Cofinimmo SA/NV do not hold different voting rights.

Judicial and arbitration proceedings

Cofinimmo SA/NV declares that, over the past 12 months, no administrative, legal or arbitration proceedings have been initiated which could have or have had significant effects on the financial situation or profitability of Cofinimmo SA/NV.

Significant change in the financial situation

Cofinimmo SA/NV declares that there has been no significant change in the group's financial situation since the end of the last financial year.

Available documents

Cofinimmo SA/NV declares that during the period of validity of the universal registration document including the annual financial report and the ESG report, the latest version of the articles of association of Cofinimmo SA/NV as well as all reports, letters and other documents, valuations and declarations established by an expert at the request of Cofinimmo SA/NV, part of which are included or referred to in the universal registration document including the annual financial report and the ESG report, may be consulted on the website www.cofinimmo.com.

Information incorporated by reference

The annual financial reports of the past five years (notably those of financial years 2018 and 2019 which are included as reference material in this universal registration document) which include the annual statutory accounts, the consolidated annual accounts and the statutory auditor's reports, as well as the half-yearly financial reports, can be consulted on the website (www.cofinimmo.com). For the period covered by the historical information from 2018, 2019 and 2020, the statutory auditor is SC s.f.d. SCRL/BV o.v.v.e. CVBA Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Rik Neckebroeck.

Information	Document	Section
Historical financial information for the last three financial years	Annual financial report 2020	Fully (including the key figures on page 20, the summary of the consolidated accounts on p. 75 to 79 and the annual accounts on p. 211 to 297)
	Annual financial report 2019	Fully (including the key figures on page 20, the summary of the consolidated accounts on p. 70 to 74 and the annual accounts on p. 145 to 233)
	Annual financial report 2018	Fully (including the key figures on page 22, the summary of the consolidated accounts on p. 74 to 81 and the annual accounts on p. 153 to 253)
Statutory auditor's statement	Annual financial report 2020	Statutory auditor's report on:
		• The projections on p. 92 and 93;
		• The consolidated accounts on p. 282 to 285; and
		• The financial statutory statements on p. 294 to 297
	Annual financial report 2019	Statutory auditor's report on:
		• The projections on p. 84 and 85;
		• The consolidated accounts on p. 214 to 219; and
		• The financial statutory statements on p. 228 to 233
	Annual financial report 2018	Statutory auditor's report on:
		• The projections on p. 88 and 89;
		• The consolidated accounts on p. 234 to 239; and
		• The financial statutory statements on p. 248 to 253
Information on the main investments	Annual financial report 2020	• Healthcare real estate: p. 30 to 45
		• Property of distribution networks: p. 46 to 49
		• Public-Private Partnerships: p. 50 to 51
		• Offices: p. 52 to 59
	Annual financial report 2019	• Healthcare real estate: p. 30 to 43
		• Property of distribution networks: p. 44 to 47
		• Public-Private Partnerships: p. 48 to 49
		• Offices: p. 50 to 57
	Annual financial report 2018	• Healthcare real estate: p. 32 to 45
		• Property of distribution networks: p. 46 to 49
		• Public-Private Partnerships: p. 50 to 51
		• Offices: p. 52 to 61
Breakdown of total revenue by type of activity and by market for the last three financial years	Annual financial report 2020	• Annual accounts in Note 5 (segment information) p. 228 to 229
	Annual financial report 2019	• Annual accounts in Note 5 (segment information) p. 162 to 163
	Annual financial report 2018	• Annual accounts in Note 5 (sector information) p. 172 to 173
Description of the financial position and of the results of the operations	Annual financial report 2020	• Section 'Management of financial resources' p. 69 to 74; and
		• Notes to the consolidated accounts p. 218 to 281
	Annual financial report 2019	• Section 'Management of financial resources' p. 66 to 69; and
		• Notes to the consolidated accounts p. 152 to 213
	Annual financial report 2018	• Section 'Management of financial resources' p. 70 to 73; and
		• Notes to the consolidated accounts p. 160 to 233
Information on the personnel	Annual financial report 2020	• Section 'Corporate governance statement' p. 178;
		• Annual accounts in Note 43 p. 279
	Annual financial report 2019	• Section 'Corporate governance statement' p. 122;
		• Annual accounts in Note 43 p. 212
	Annual financial report 2018	• Section 'Corporate governance statement' p. 128;
		• Annual accounts in Note 43 p. 231
Important agreements concerning a change of control in the event of a takeover bid	Annual financial report 2020	• Section 'Corporate governance statement' p. 192
	Annual financial report 2019	• Section 'Corporate governance statement' p. 136
	Annual financial report 2018	• Section 'Corporate governance statement' p. 143

Message to the shareholders

— For more than 35 years, Cofinimmo has been developing, managing and investing in rental real estate. Attentive to societal changes, Cofinimmo's permanent objective is to offer high-quality care, living and working spaces ('Caring, Living and Working - Together in Real Estate'). Capitalising on its expertise, Cofinimmo consolidates its leadership in European healthcare real estate

— **JACQUES VAN RIJCKEVORSEL**, CHAIRMAN OF THE BOARD OF DIRECTORS
JEAN-PIERRE HANIN, CHIEF EXECUTIVE OFFICER

DEAR SHAREHOLDERS,

The pandemic the world has been experiencing for a year now has highlighted the importance of the healthcare sector for each and every one of us. Through its investments, Cofinimmo is actively participating in the operation, maintenance, extension and renewal of the property portfolio dedicated to healthcare in seven countries.

In 2020, Cofinimmo made several investments in various healthcare real estate sub-segments in Belgium, France, Germany, the Netherlands, Spain and Finland. In addition, three construction, extension or renovation projects were delivered in the Netherlands and Germany. Thanks to these operations, healthcare real estate assets (2.9 billion EUR, up 21% compared to 31.12.2019) account for 59% of the group's portfolio, which reaches 4.9 billion EUR (up 15%). At the same time, the group concluded agreements for new development projects relating to innovative pre-let sites, particularly in Germany for an amount of approximately 250 million EUR. Finally, Cofinimmo partnered with Aldea Group in Belgium and the French Red Cross via equity investments for an aggregated amount of 66 million EUR. This resulted in a further acceleration (after those recorded in 2018 and 2019) of the group's growth in healthcare real estate, while it invested 579 million EUR in one year in that segment. This volume represents almost six times the average amount invested in the financial years prior to 2018. Investments in 2021 are already significant, notably thanks to the group's entry into Ireland.

In the office segment, Cofinimmo is also executing its strategy which consists in rebalancing its office portfolio between the various sub-segments to the benefit of high-quality buildings located in the Central Business District of Brussels (CBD). The occupancy of the Quartz office building, the addition to the group's scope of the totally renovated Trône/Troon 100 and of a landmark building on the 'Tour & Taxis' site have significantly reinforced Cofinimmo's position in the CBD, which now represents more than half of the office portfolio. On 03.02.2021, the group also announced the launch of a subsidiary to which it contributes its office portfolio, giving the option to open the capital of the subsidiary specialising in offices (of which the control would be maintained) to future investors, who would therefore benefit from Cofinimmo's expertise.

With 733 million EUR invested during the financial year, Cofinimmo significantly exceeded the budget of 375 million EUR of investments planned for 2020 and its assets now represent more than 5 billion EUR. Ongoing development projects represent an envelope of almost 450 million EUR to be achieved by 2023.

As part of the ESG policy adopted by the group for more than 10 years now, and which remains a priority, Cofinimmo made several donations to support a series of initiatives aiming at fighting against the coronavirus pandemic and its effects in the healthcare sector, and more particularly in nursing and care homes as well as hospitals. The group's extensive ESG efforts have recently been rewarded with a new 'EPRA Gold Award Sustainability Best Practices Recommendations' for the seventh consecutive year and the renewal of the ISO 14001 environmental certification. The delivery of several projects contributed to reducing the energy intensity of the portfolio, which is in line with the objective of a 30% reduction by 2030. In terms of financing, Cofinimmo has distinguished itself by issuing a first benchmark sustainable bond (500 million EUR with a 10-year maturity, six times oversubscribed), showing that sustainable investment and sustainable financing are a priority both for the group and for investors.

Several operations enabled a further improvement of the balance sheet structure and an increase of the average residual maturity of borrowed capitals. In addition to the issuance of the above-mentioned bond, Cofinimmo carried out capital increases totalling almost 143 million EUR (through contributions in kind and optional dividend) in the capital market. As at 10.03.2021, Cofinimmo had 716 million EUR of headroom of its credit lines after deduction of the backup of the commercial paper programme.

The group's momentum in terms of investments and financing (average cost of debt decreased at 1.3%), coupled with effective management of the existing portfolio (occupancy rate of 97.4%, gross rental revenues up 1.4% on a like-for-like basis, operating margin at 82.5%), enabled the company to realise a net result from core activities - group share of 181 million EUR as at 31.12.2020, in line with the outlook, as fine-tuned last November (compared to the 166 million EUR that were realised as at 31.12.2019), mainly due to scope variations arising from the acquisitions made and the decrease in operating costs related to the office buildings sold. This result includes the support (announced as early as April 2020) of initiatives aiming at fighting against the coronavirus pandemic and its effects in the healthcare sector, and more particularly in nursing and care homes as well as hospitals. The net result from core activities per share - group share amounts to 6.85 EUR (in line with the outlook, compared to 6.81 EUR as at 31.12.2019), taking into account the issue of shares in 2019 and June 2020.

The net result - group share amounted to 119 million EUR (i.e. 4.50 EUR per share) as at 31.12.2020, compared to 205 million EUR (i.e. 8.37 EUR per share) as at 31.12.2019. This variation is mainly due to the increase in the net result from core activities - group share and to value adjustments (investment properties, hedging instruments, goodwill, i.e. non-cash changes) between 31.12.2019 and 31.12.2020.

With a debt-to-assets ratio of 46.1% as at 31.12.2020, Cofinimmo's consolidated balance sheet (whose BBB/A-2 rating was confirmed in April 2020) shows a strong solvency (information on risks and uncertainties related to the coronavirus COVID-19 are stated in the chapter 'Risk factors').

These results allow to confirm that the board of directors will propose, during the ordinary general meeting of 12.05.2021, the allocation of a gross dividend of 5.80 EUR per share for the 2020 financial year, payable in May 2021.

Given the effects of the capital increase of 08.03.2021 and barring the occurrence of any unexpected events, the budgeted net result from core activities - group share is 6.90 EUR per share for the 2021 financial year, and the gross dividend payable in 2022 is 6.00 EUR per share, based on a gross investment pipeline currently estimated at 333 million EUR for 2021.

"The pandemic that the world has been experiencing for a year now has highlighted the societal importance of the healthcare sector. Through its numerous development projects, Cofinimmo is actively participating in the extension and renewal of the property portfolio dedicated to healthcare in Europe. In terms of financing, Cofinimmo has distinguished itself by issuing a first benchmark sustainable bond, showing that sustainable investment and sustainable financing are a priority for the group. In this context, Cofinimmo's results proved to be solid and the investment activity very sustained, including in two new geographical areas (Finland and Ireland), despite the health situation."

Cofinimmo owes its excellent performance to the enthusiasm, competence and commitment of all its employees, who spare no effort in ensuring the group's development. The board of directors wishes to express its warmest congratulations to the Cofinimmo teams, and to encourage them in this time of health crisis that affects us all.

Caring, Living and Working

— TOGETHER IN REAL ESTATE

Caring

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

Living

Opportunistic approach with long-term income

Working

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

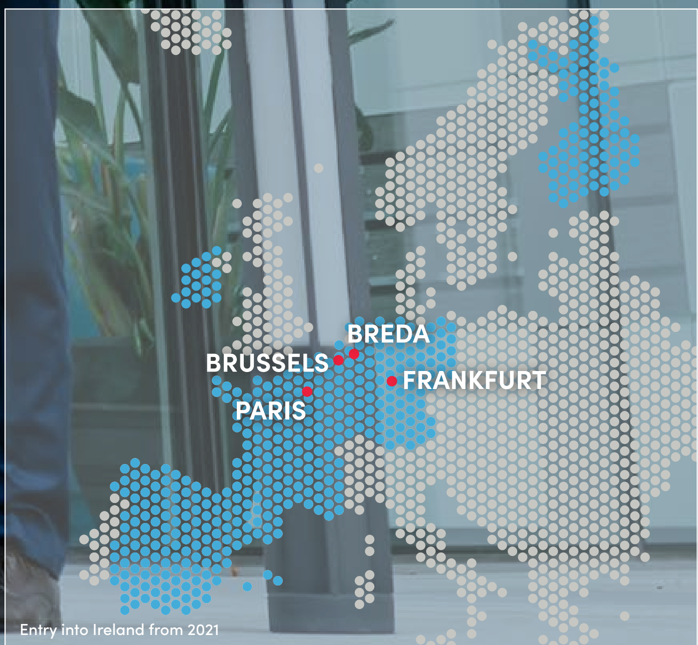
CARING 59 %
OF THE CONSOLIDATED PORTFOLIO

LIVING 11 %
OF THE CONSOLIDATED PORTFOLIO

WORKING 30 %
OF THE CONSOLIDATED PORTFOLIO

140
PEOPLE

COFINIMMO MANAGES ITS ASSETS THROUGH A TEAM OF ABOUT 140 PEOPLE IN BRUSSELS, PARIS, BREDA, AND FRANKFURT.



Entry into Ireland from 2021

caring

BE A LEADING EUROPEAN HEALTHCARE REIT WITH A TOP QUALITY PORTFOLIO, ALSO PARTICIPATING IN INNOVATIVE REAL ESTATE CONCEPTS ADDRESSING HEALTHCARE CHALLENGES

59 %
OF THE CONSOLIDATED PORTFOLIO

2.9 billion EUR
FAIR VALUE OF THE PORTFOLIO

1,250,000 m²
SURFACE AREA

> 20,500
NUMBER OF BEDS

99.9 %
OCCUPANCY RATE

5.5 %
GROSS RENTAL YIELD

16 years
WEIGHTED AVERAGE RESIDUAL LEASE LENGTH

220
NUMBER OF ASSETS

159 kWh/m²
ENERGY INTENSITY OF THE SEGMENT

2005
FIRST INVESTMENT IN HEALTHCARE REAL ESTATE

living


BREAKDOWN OF PROPERTY
OF DISTRIBUTION NETWORKS
25 %
PUBSTONE (NL)
21 %
COFINIMUR I (FR)
54 %
PUBSTONE (BE)
Entry into Ireland from 2021
OPPORTUNISTIC
APPROACH WITH
LONG-TERM INCOME
ROLLEBEEK

11%
OF THE CONSOLIDATED PORTFOLIO

0.5 billion EUR
FAIR VALUE OF THE PORTFOLIO

375,000 m²
SURFACE AREA

98.5%
OCCUPANCY RATE

6.3%
GROSS RENTAL YIELD

13 years
WEIGHTED AVERAGE RESIDUAL LEASE LENGTH

1,176
NUMBER OF ASSETS, OF WHICH:

910
PUBS AND RESTAURANTS AND

266
INSURANCE AGENCIES

7
ASSETS IN OPERATION
IN THE PPP PORTFOLIO

151 kWh/m²
ENERGY INTENSITY OF THE SEGMENT

2005
AWARDING OF THE FIRST
PUBLIC-PRIVATE PARTNERSHIP (PPP):
THE COURTHOUSE OF ANTWERP

2007
PARTNERSHIP WITH AB INBEV GROUP FOR
A PORTFOLIO OF PUBS AND RESTAURANTS

2011
PARTNERSHIP WITH MAAF FOR A PORTFOLIO
OF INSURANCE AGENCIES


CREATING VALUE THROUGH CAPITAL RECYCLING AND REBALANCING PORTFOLIO TOWARDS BRUSSELS CENTRAL DISTRICT (CBD)

30%
OF THE CONSOLIDATED PORTFOLIO

1.4 billion EUR
FAIR VALUE OF THE PORTFOLIO

550,000 m²
SURFACE AREA

92.8%
OCCUPANCY RATE

6.6%
GROSS RENTAL YIELD

77
NUMBER OF ASSETS

6
NUMBER OF ASSETS
WITH BREEAM CERTIFICATION

184 kWh/m²
ENERGY INTENSITY OF THE SEGMENT

2016
OPENING OF THE FIRST FLEX CORNERS®
AND LOUNGES

Management report

KEY FIGURES AS AT 31.12.2020

OPERATIONAL

4.9 billion EUR
FAIR VALUE OF THE PORTFOLIO

+15%
IN 2020

256 million EUR
PROPERTY RESULT

+9.1%
IN 2020

>2,150,000 m²
TOTAL SURFACE AREA

1,473
ASSETS

5.9%
GROSS RENTAL YIELD AT 100% OCCUPANCY

97.4%
OCCUPANCY RATE

12 years
WEIGHTED AVERAGE RESIDUAL LEASE LENGTH

FINANCIAL

3.3 billion EUR
MAKET CAPITALISATION

BEL20 by EURONEXT

127.04 EUR
AVERAGE SHARE PRICE IN 2020

-2.8%
GROSS RETURN[1] OF THE SHARE IN 2020

6.85 EUR/share
EPRA RESULT

102.22 EUR/share
EPRA NET ASSET VALUE

46.1%
DEBT-TO-ASSETS RATIO

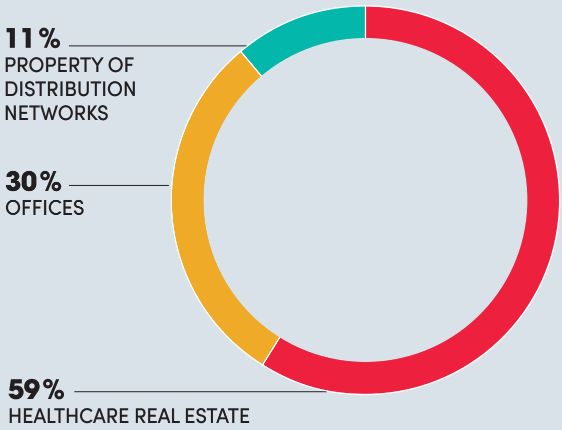
1.3%
AVERAGE COST OF DEBT

BBB/long term & A-2/short term
STANDARD & POOR'S RATING[2]

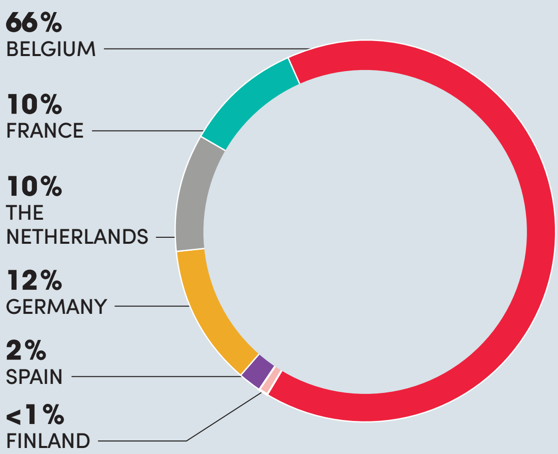
1. Increase in the share price + dividend yield.

2. On 19.11.2020, Standard & Poor's published an update of their debt-to-assets ratio outlook as the acquisitions made in 2020 proved to be higher than expected.

PORTFOLIO BREAKDOWN BY SEGMENT (as at 31.12.2020 - at fair value)



GEOGRAPHICAL BREAKDOWN OF PORTFOLIO (as at 31.12.2020 – at fair value)



ENVIRONMENT, SOCIAL & GOVERNANCE (ESG)

140 employees
42 % men
58 % women

163 kWh/m²
AVERAGE PORTFOLIO ENERGY INTENSITY

67 %
GRESB *GREEN* STAR
COMPARED TO 45 % IN 2014

44
CORPORATE SUSTAINABILITY ASSESSMENT (CSA) RATING

EE+
STANDARD ETHICS NOTATION
EE+ VERY STRONG SE BELGIAN INDEX
SE BEST IN CLASS INDEX SINCE 2015

Member of:
EURONEXT VIGEO EUROPE 120
EURONEXT VIGEO EUROZONE 120
EURONEXT VIGEO BENELUX 20

A
MSCI ESG RATINGS
SCORE A SINCE 2016[1]

Excellence Europe
ETHIBEL SUSTAINABILITY INDEX (ESI) RATING
BASED ON VIGEO EIRIS

12.6 (low risk)[2]
SUSTAINALYTICS RATING
GLOBAL ESG RISK RATING

C (Prime)
ISS RATING

1. **Disclaimer statement**: the use by cofinimmo of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of cofinimmo by MSCI. msci services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trade-marks or service marks of MSCI.
2. The rating changed from 14.9 to 12.6 on 02.03.2021.

CONSOLIDATED KEY FIGURES

(x 1,000,000 EUR)	31.12.2020	31.12.2019	31.12.2018
Portfolio of investment properties (in fair value)	4,869	4,247	3,728
(x 1,000 EUR)	**31.12.2020**	**31.12.2019**	**31.12.2018**
Property result	255,956	234,615	211,729
Operating result before result on the portfolio	211,112	193,829	173,923
Net result from core activities - group share	181,457	166,498	145,004
Result on financial instruments - group share	-21,906	-24,184	-3,353
Result on the portfolio - group share	-40,330	62,301	3,962
Net result - group share	119,222	204,615	145,613
Operating margin	82.5 %	82.6 %	82.1 %
	31.12.2020	**31.12.2019**	**31.12.2018**
Operating costs/average value of the portfolio under management[1]	0.98 %	0.97 %	1.01 %
Weighted residual lease length[2] (in years)	12	12	11
Occupancy rate[3]	97.4 %	97.0 %	95.8 %
Gross rental yield at 100 % occupancy[4]	5.9 %	6.2 %	6.5 %
Net rental yield at 100 % occupancy[5]	5.6 %	5.8 %	5.9 %
Debt-to-assets ratio[6]	46.1 %	41.0 %	43.0 %
Average cost of debt[7]	1.3 %	1.4 %	1.9 %
Average debt maturity (in years)	5	4	4

1. Average value of the portfolio to which are added the receivables transferred for the buildings whose maintenance costs payable by the owner are still met by the Group through total cover insurance premiums.
2. Until the first break option for the lessee.
3. Calculated based on real rents (excluding assets held for sale) and, for vacant space, the rental value estimated by the independent valuer.
4. Passing rents increased by the estimated value of vacant space, divided by the investment value of the portfolio including notarial & registration charges and excluding development projects.
5. Passing rents increased by the estimated value of vacant space, less direct costs, divided by the investment value of the portfolio including notarial & registration charges and excluding development projects and assets held for sale.
6. Legal ratio calculated in accordance with the legislation on RRECs such as financial and other debt divided by total assets.
7. Including bank margins.

TRANSACTIONS AND ACHIEVEMENTS IN 2020

Nursing and care home Rivierenbuurt (undergoing renovation) – La Haye/Den Haag (NL)

Q1

January

- **Spain:** Acquisition of a plot of land for the construction of a new nursing and care home in Catalonia (15 million EUR).
- **Financing:** Conclusion of a new bilateral credit line of 50 million EUR for 5 years. Maturity of a bilateral credit line of 50 million EUR concluded in 2015.

February

- **Financing:** Repayment of 140 million EUR of bonds issued in 2012. New bilateral credit line of 20 million EUR for 4 years provided by a Spanish bank. Issuance of commercial paper for a total amount of 24 million EUR for 8 years. Repayment of commercial papers for 6 million EUR issued in 2015.
- **The Netherlands:** Delivery of the extension of an orthopaedic clinic in Rijswijk.

March

- **Belgium:** Acquisition of 100% of the shares of the company owning the building Trône/Troon 100 containing offices and a medical centre for approximately 40 million EUR.
- **Financing:** New bilateral credit line of 50 million EUR for 5 years.

Trône/Troon 100 office building – Brussels CBD (BE)

Q2

April

- **Belgium:** Signing of a private agreement relating to the sale of the office building Chaussée de Louvain / Leuvensesteenweg 325 (Brussels periphery) for approximately 4 million EUR. The conditions were lifted in October 2020.
- **Germany:** Delivery of the construction works of a psychiatric clinic in Kaarst.
- **Financing:** Early refinancing of a credit line of 55 million EUR maturing in October 2020 to postpone its maturity to 2028 and 2029 (2 x 27.5 million EUR). Increase of the maximum amount of the commercial paper programme from 800 million EUR to 950 million EUR, reserved solely for long-term issues. Early refinancing of a credit line of 40 million EUR maturing in August 2020.

May

- **The Netherlands:** Acquisition of a nursing and care home in The Hague for approximately 14 million EUR.
- **Financing:** Extension of the syndicated loan of 400 million EUR for one additional year to postpone its maturity to 01.07.2025. Increase of the syndicated loan amount by 28 million EUR to bring it to 428 million EUR. Signing of a second green & social loan.

June

- **Belgium:** Acquisition of 6 healthcare sites through contributions in kind for approximately 105 million EUR. Issue of 825,408 new shares. Provisional acceptance of the office building Quartz. Assignment of property rights for the office buildings Serenitas and Moulin à Papier/Papiermolen.
- **France:** Repurchase of Orpea's stake in the joint venture Cofinea I SAS for almost 8 million EUR.
- **The Netherlands:** Delivery of a medical office building in Bergeijk.
- **Germany:** Signature of an agreement to acquire, under certain conditions, a nursing and care home in Bickenbach for approximately 16 million EUR. All conditions were lifted in August 2020.
- **Financing:** New bilateral credit line of 38 million EUR for 7 years replacing a credit line of 25 million EUR maturing in 2025. Issue of commercial papers totalling 5 million EUR for 8 years.

Nursing and care home – Bickenbach (DE)

Q3

July

- **Belgium:** Occupancy of the Quartz building (Brussels CBD)
- **The Netherlands:** Acquisition of a healthcare complex in Bergen op Zoom for 46 million EUR.
- **Spain:** Acquisition of a plot of land for the construction of a new nursing and care home in Catalonia (14 million EUR). Acquisition of a plot of land for the construction of a new nursing and care home in Valencia (8 million EUR). Acquisition of a new nursing and care home in Andalusia for 7 million EUR.

August

- **Belgium:** Signature of a private agreement relating to the divestment of the Colonel Bourg/Kolonel Bourg 122 office building (Brussels Decentralised) for more than 4 million EUR.
- **Spain:** Acquisition of a nursing and care home in Andalusia for 8 million EUR.

September

- **Spain:** Acquisition of a nursing and care home to be redesigned in Andalusia for approximately 10 million EUR.

Q4

October

- **Belgium:** Signature of an agreement relating to the future acquisition of the companies owning the property rights or the rights in rem regarding 4 nursing and care homes in Brussels and Flanders for 95 million EUR. The conditions have been met in November 2020. Signature of an agreement relating to the future acquisition of the company owning the rights in rem in the office building 'Bruxelles Environnement/Leefmilieu Brussel' in the Brussels CBD for approximately 100 million EUR. The conditions have been met in November 2020.
- **Financing:** Early refinancing of the last credit line of 2021 (30 million EUR) maturing in March 2021 in order to extend its maturity to 2029.

November

- **Belgium:** Acquisition of 100% of the shares of the company owning a nursing and care home in Liège/Luik for 29 million EUR.
- **Germany:** Acquisition of 3 healthcare sites in the Lands of Baden-Württemberg and Lower Saxony for 60 million EUR. Agreement to acquire, under certain conditions, the companies which will develop 8 eco-friendly healthcare campuses in the Land of North Rhine-Westphalia for 250 million EUR.
- **Finland:** Acquisition of a medical centre under construction in Vaasa.
- **Financing:** Extension of a loan of 50 million EUR for an additional year to bring its maturity to 2026. Extension of a loan of 25 million EUR for an additional year to bring its maturity to 2031. Issue of a 500 million EUR benchmark sustainable bond.

December

- **Belgium:** 26.6% stake in the capital of Aldea Group.
- **France:** 39% stake in the capital of SCI Foncière CRF, created by the French Red Cross for 46 million EUR.
- **Spain:** Acquisition of a nursing and care home in Valencia for approximately 9 million EUR.
- **Financing:** New bilateral credit line of 80 million EUR for 7 years and 5 months.

Medical centre – Vaasa (FI)

MISSION

— With attention to social developments, Cofinimmo has the mission of making high-quality care, living and working environments available to its partners-tenants, from which users benefit directly

'Caring, Living and Working - Together in Real Estate' is the expression of this mission.

More specifically, Cofinimmo's **mission** is to:
- Promote exchanges creating well-being and inspiration in high-quality care, living and working spaces, by providing services that anticipate the needs and aspirations of their **occupants**;
- Animate an **inspiring work and living environment**, serving an exciting business project;
- Enable its **shareholders** to make long-term, low-risk and socially responsible investments that generate a recurring, predictable and growing stream of income, fueling dividends and encouraging a return to the community.

Beyond the stakeholders identified above, the **community** itself greatly benefits from Cofinimmo's services on a multitude of levels, whether in healthcare, the working world or simply in places where people exchange and share. Furthermore, Cofinimmo participates in the enhancement and renovation of public and parapublic property thanks to large-scale projects undertaken in the framework of public-private partnerships.

'Caring, Living and Working - Together in real estate'

Sonia Palma – Senior governance & legal officer – Cofinimmo &
Luc Cools – Senior project manager – Cofinimmo

STRATEGY

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

The share of healthcare real estate in the overall portfolio, which already amounts to more than 59 %, is expected to grow significantly.

Real estate strategy

HEALTHCARE REAL ESTATE

Cofinimmo's strategy consists in consolidating its leadership in the European healthcare real estate segment.

The growth of the group goes hand-in-hand with the restructuring, already initiated, in the healthcare real estate segment itself. Once restricted to nursing and care homes, it now offers other types of assets accessible to an investor possessing expertise and substantial experience in healthcare real estate such as Cofinimmo. As an example, Cofinimmo entered the healthcare real estate segment in 2005 through the acquisition of nursing and care homes and then expanded its scope with the acquisition of several medical office buildings, specialised clinics, rehabilitation clinics, psychiatric clinics, etc.

On the other hand, the restructuring also takes place on a geographical level through the expansion of the group's activities beyond the countries currently covered, namely Belgium, France, the Netherlands, Germany, Spain and Finland (and, since 2021, Ireland).

Given the above, it is clear that the share of healthcare real estate in Cofinimmo's overall portfolio, which already reaches more than 59 %, is bound to grow significantly.

As part of its healthcare real estate strategy, Cofinimmo participates in several innovative projects aiming at making residents' stay more attractive but also at encouraging interaction with people living in the surrounding area as well as visits from relatives. As an example, Cofinimmo signed an agreement to acquire, under certain conditions, the companies that will develop 8 eco-friendly healthcare campuses in the Land of North Rhine-Westphalia (Germany). These projects are based on a concept that offers a diversified range of services (assisted living, intensive care, day-care, nursing and care homes, etc.). A first project, in the city of Erfstadt, will have about 160 assisted-living units, 24 outpatient care units for sheltered living groups and 21 day-care units. It will be equipped with numerous care and service facilities (café, restaurant, wellness, fitness, etc.).

PROPERTY OF DISTRIBUTION NETWORKS AND PPPs

Property of distribution networks, as well as public-private partnerships (PPPs), share with healthcare real estate the characteristic of generating high, predictable and indexed cash flows through generally long-term contracts.

OFFICES

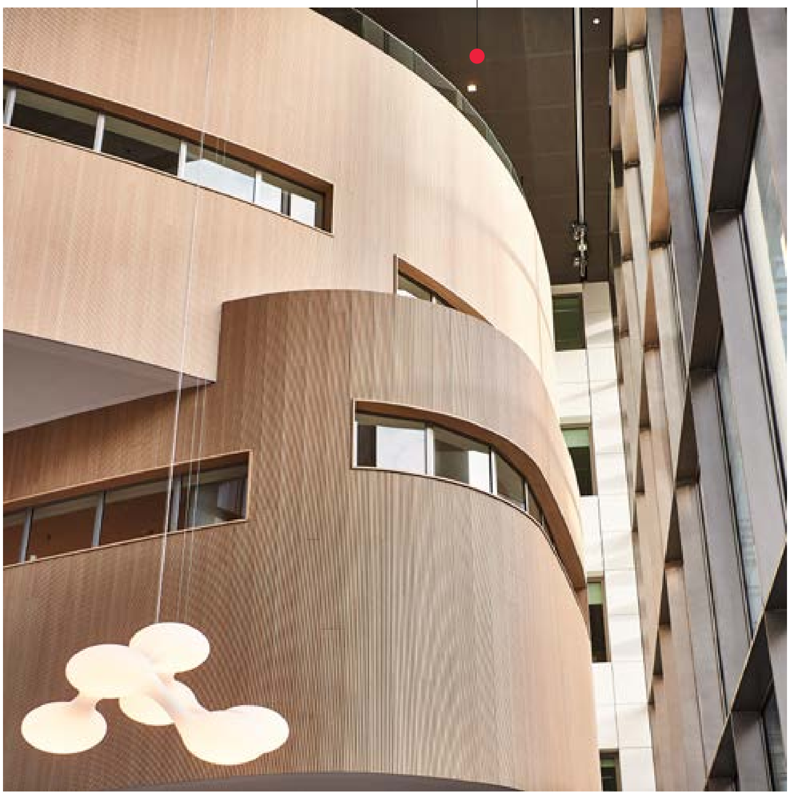
Since its establishment in 1983, Cofinimmo has been a major player in the Brussels office market, which consists of different sub-segments.

It is in this market that the company has built its expertise in real estate over the past 35 years. Specifically, Cofinimmo's staff is well-versed in the A to Z management of major projects. Whether it is the design, construction, renovation, reconversion or development of sites, the goal always is the renting or sales of these assets. Besides the office segment, this know-how now also applies to healthcare real estate, property of distribution networks and PPPs, which benefit from the synergies thus created.

After having divested large single-tenant office spaces, Cofinimmo continues the rebalancing of its offices portfolio by reducing its presence in the decentralised area of Brussels to the benefit of high-quality buildings located in the Central Business District (CBD). The vacancy rate in this segment, which is lower than the average in the Brussels market, makes it possible to obtain higher net yields.

'COFINIMMO'S STRATEGY IN THE OFFICE SEGMENT CONSISTS IN REBALANCING THE OFFICE PORTFOLIO BY REDUCING THE PART OF THE PORTFOLIO INVESTED IN THE DECENTRALISED AREA AND THE PERIPHERY OF BRUSSELS TO THE BENEFIT OF HIGH-QUALITY BUILDINGS LOCATED IN THE CENTRAL BUSINESS DISTRICT.'

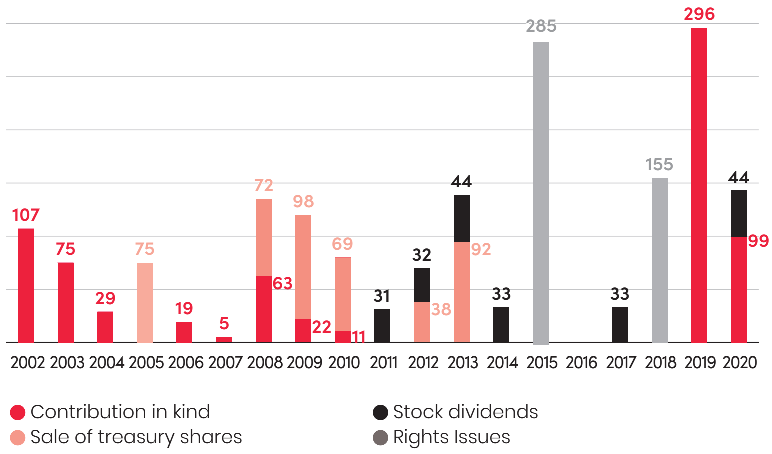
Belliard 40 office building – Brussels CBD (BE)



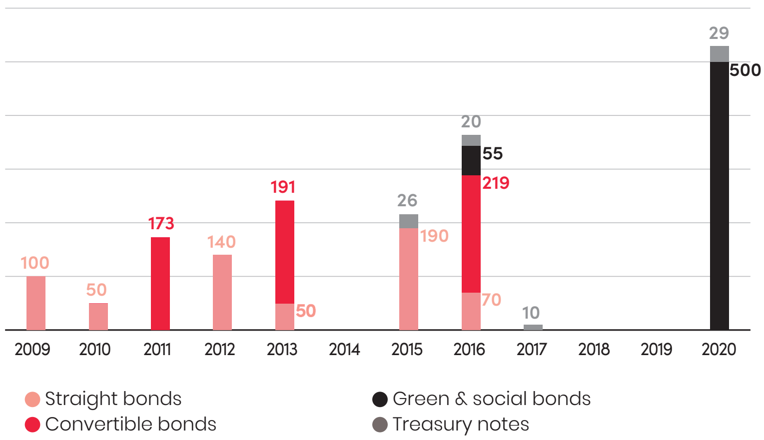
Benefits of the strategy for stakeholders

Cofinimmo's strategy results from the mission described above as well as from the expectations of the main stakeholders (shareholders, tenants, staff and community).

CAPITAL MARKETS: EQUITY (x 1,000,000 EUR)



CAPITAL MARKETS: DEBT (x 1,000,000 EUR)



866 million EUR
NEW CREDIT LINES CONCLUDED IN 2020

46.1 %
DEBT-TO-ASSETS RATIO AS AT 31.12.2020

1.3 %
AVERAGE COST OF DEBT IN 2020

Financial strategy

In order to implement the real estate strategy set out above, Cofinimmo has developed a financing strategy based on the following principles.

DIVERSIFICATION OF FINANCING RESOURCES

The group diversifies not only the type of assets and the countries in which it invests, but also its sources of financing. Cofinimmo also pays particular attention to the coherence between its financial strategy and its ESG objectives. This is why Cofinimmo uses bank loans, Green and Social Loans, straight (non-convertible) bonds, convertible bonds, Green and Social Bonds and both short-term and long-term commercial paper programmes as sources of financing. In addition, the company works closely with about fifteen financial institutions.

REGULAR ACCESS TO CAPITAL MARKETS

Capital increases, optional dividends in shares, sales of treasury shares, contributions in kind, the issuing of preference shares as well as the issuing of straight (non-convertible) or sustainable bonds, convertible bonds and green & social or sustainable bonds are all means Cofinimmo uses to raise capital. The two graphs on this page show the financing sources used by Cofinimmo over the past years.

DEBT-TO-ASSETS RATIO CLOSE TO 45 %

Even though the legal status of RREC allows a debt-to-assets ratio (defined as financial and other debts divided by total consolidated balance sheet assets) of at most 65 % and the banking agreements allow a ratio of 60 %, the group's policy is to maintain a debt-to-assets ratio of approximately 45 %.

This level has been determined at European level through market standards for listed real estate companies and takes into account the long weighted average residual length of leases.

OPTIMISATION OF THE DURATION AND COST OF FINANCING

Cofinimmo actively manages its financing resources by usually refinancing maturing debts in advance. In this respect, the group strives to optimise the cost of its debt while ensuring diversification of its financing resources and monitoring the average maturity of its debt.

With a part of the debt incurred at floating rate, Cofinimmo is exposed to a risk of interest rates increase, which could lead to a deterioration in its financial result. This is why, Cofinimmo partially hedges its floating rate debt through the use of hedging instruments (IRS and caps). The objective is to secure the interest rates for 50 % to 100 % of the estimated financial debt.

Sustainability strategy

Cofinimmo, being a major real estate player in Europe, has been committed for more than ten years to a global ESG strategy.

In response to the risks generated by climate change, Cofinimmo decided to raise its environmental ambitions. Last year's strategic thinking led to the ambitious project of reducing the portfolio's energy intensity by 30 % (compared to the 2017 level) by 2030, to reach 130 kWh/m² (project 30[3]).

This objective has been established following the science based targets methodology, which has made it possible to objectivise the effort to be made in order to contribute to the global objective of limiting global warming to a maximum of 1.5°C. It follows on from the many ESG initiatives conducted by Cofinimmo, and is in line with the Paris Agreement concluded at COP21.

This business project, initiated at the beginning of the year 2020, involves not only the office and healthcare real estate segments, but also all the activities directly managed within the company such as sales and acquisitions, development, works management and day-to-day property management. Only a 360-degree approach, considering the entire life cycle of buildings, will enable the group to achieve the objective set.

Cofinimmo's approach of the risks and opportunities linked to climate change is explicitly in line with the recommendations of the Task force on climate-related financial disclosures (TCFD). Its engagement is demonstrated by the inclusion of the oversight of risks and opportunities at all levels of the governance structure described in the chapter 'Corporate government statement' (see page 177). The main risks are included in the chapter 'Risk factors', section 'Environmental, social and governance risks' (see page 6). A detailed description of the impact of the risks and opportunities linked to climate change on the strategy is available below and in the public response to the Carbon Disclosure Project (www.cdp.net).

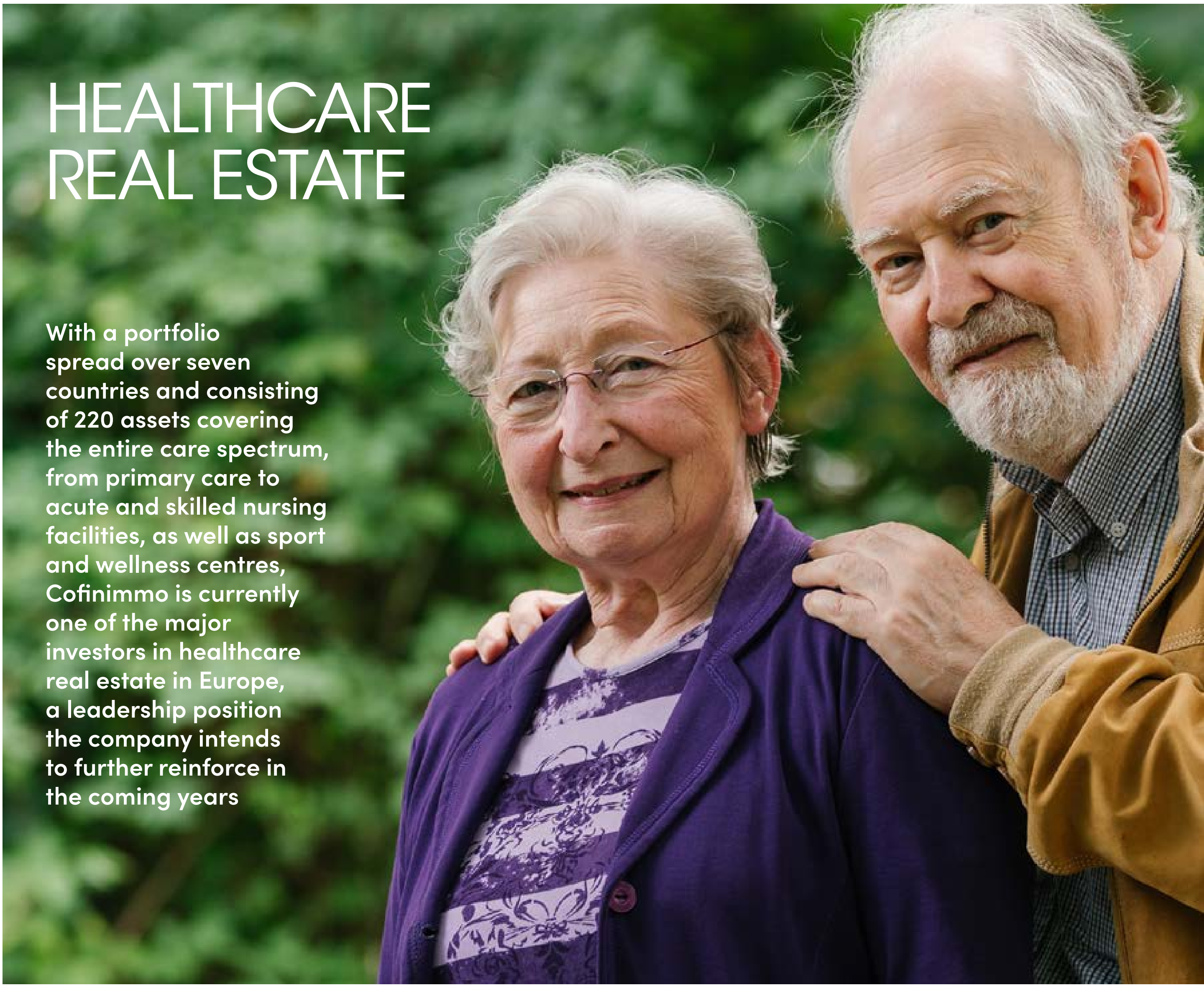
The ESG report included in this document describes how the group manages the risks linked to climate change. It more particularly states the procedures aimed at reducing the greenhouse gas (GHG) emission due to the energy intensity of the portfolio and to the mobility of those who occupy these buildings. Cofinimmo has adopted the performance indicators advocated by EPRA in order to be able to monitor the evolution of the performance.

Fully in line with the ESG strategy, Cofinimmo intends to pursue a sustainable financing policy, as described in the chapter ' 'Profitability for the investors and access to capital' (see pages 126-135).

Potential impact	Mitigating factors and measures
1. Physical impact on buildings due to extreme weather conditions.	Issue of green & social bonds and loans to refinance the acquisition and development of high-performance buildings. (1, 2, 3)
2. Changes to environmental regulations.	Favour buildings with a good location in terms of mobility and sustainable modes of transport. (1, 2, 3)
3. Negative impact on the value of a building.	Incorporation of flood risks and environmental aspects into the due diligence process at each acquisition. (1, 2, 3)
4. Increase in costs to be incurred to maintain a building in operating condition.	Active policy to optimise the energy performance of buildings, getting ahead of legislation whenever possible. (2, 3, 4, 5) Active policy to optimise the water consumption of buildings, prioritising on the use of non-drinking water whenever possible. (2, 3, 4, 5)
5. Negative impact on the group's ability to operate a building.	Construction and renovation of properties with an excellent energy performance by incorporating an analysis of the life cycle of buildings. (2, 3, 4, 5) Purchasing 100 % renewable electricity for buildings under management. (6)
6. Potential impact on the group's reputation.	Transparent communication on non-financial indicators in accordance with EPRA and GRI. (6)

Bourget 50 office building – Brussels Decentralised (BE)

HEALTHCARE REAL ESTATE



With a portfolio spread over seven countries and consisting of 220 assets covering the entire care spectrum, from primary care to acute and skilled nursing facilities, as well as sport and wellness centres, Cofinimmo is currently one of the major investors in healthcare real estate in Europe, a leadership position the company intends to further reinforce in the coming years

Healthcare real estate strategy

Cofinimmo's strategy consists in consolidating its leadership in the European healthcare real estate segment by diversifying its offer for tenants. This diversification is not only geographical as it also covers the type of property available for leasing.

The company's primary objective is to expand its healthcare real estate portfolio at a robust pace, in order to generate profitable growth, by investing in functional buildings of excellent quality. These generate an elevated, predictable and indexed cash flow within the framework of usually very long-term contracts.

This growth will go hand in hand with diversification within the healthcare real estate segment. Originally restricted to nursing and care homes, this diversification offers other types of property accessible to an investor possessing the expertise and extensive experience in healthcare real estate such as Cofinimmo. As an example, Cofinimmo entered the healthcare real estate segment in 2005 through the acquisition of nursing and care homes. The group then expanded its scope with the acquisition of medical office buildings, specialised clinics, rehabilitation clinics, psychiatric clinics, etc.

Furthermore, the diversification will also take place on a geographical level through the expansion of the group's activities beyond the countries currently covered, namely Belgium, France, the Netherlands, Germany, Spain, and Finland (in November 2020, Cofinimmo announced the acquisition of a first medical centre under construction in Finland). In January 2021, Cofinimmo was entering the Irish healthcare real estate with the acquisition of six nursing and care homes and one rehabilitation clinic. The seven countries in which the company has invested in healthcare assets are at different stages of development.

On the operator side, over the past years, the Belgian and French markets for instance have seen the growth of large operator groups with an international presence. In the Netherlands and Germany, operators are usually smaller and manage one or more facilities. However, concentration has accelerated in Germany over the past couple of years. In Spain, the market is consolidating rapidly with new international operators entering the market by acquiring and developing local groups or local players entering a phase of significant growth. In Finland, private service providers produce a quarter of all social and health services. Its growth creates a high demand for state-of-the-art innovative medical centres. In Ireland, the proportion of people aged 65 and more is expected to grow at a substantially faster pace than in other European countries and the current supply of nursing homes and care facilities does not meet the increasing demand. Therefore, the increase and upgrade of the existing facilities are essential to meet modern comfort and safety standards.

59%
OF THE CONSOLIDATED PORTFOLIO

2,9 billion EUR
FAIR VALUE OF THE PORTFOLIO

99.9%
OCCUPANCY RATE

220
NUMBER OF ASSETS

>20,500
NUMBER OF BEDS

1,250,000 m²
SURFACE AREA

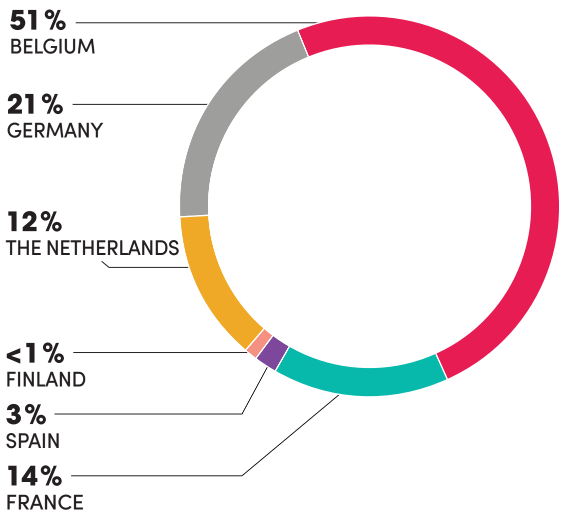
On the investment side, healthcare assets have been increasingly popular in Belgium and France, and, more recently, in Germany, resulting in a compression of initial real estate yields. There is less competition in the Netherlands, especially for smaller assets, and many operators depend on charitable foundations. Although Spain has seen a lower volume of investment compared to other European countries, investors are increasingly interested in this promising country where the first signs of yield compression can be observed.

In the other markets approached by Cofinimmo, such as Germany, the Netherlands, Spain and Finland, the group's strategy consists in acquiring assets and developing others for operators. In more mature markets such as Belgium and France, its strategy consists in developing or redeveloping existing assets on the one hand, and, taking advantage of investor appetite for this type of assets to conduct asset arbitrage, on the other hand. At the same time, the company is actively seeking to diversify its portfolio.

Finally, all investments in healthcare real estate are made within the framework of a sustainable and socially responsible approach.

Given the above, it is clear that the share of healthcare real estate in the overall portfolio of Cofinimmo, which already reaches 59%, is bound to grow significantly.

BREAKDOWN OF THE HEALTHCARE PORTFOLIO BY COUNTRY (in %)



ESG

When acquiring an asset, Cofinimmo has a significant influence which is reflected in particular in the due diligence procedures. Cofinimmo systematically considers factors such as soil pollution, the presence of asbestos, the location, and the risk of flooding. In the countries in which it operates and for this segment, legislation on energy performance targets is increasingly restrictive. Therefore, Cofinimmo systematically considers the energy performance and the life cycle of a building and implements a long-term strategy by examining its projects, usually 30 years into the future, which is a sign of real partnership with operators.

The management of (re)development projects in healthcare real estate, the decisions and actions taken by Cofinimmo have a significant impact on the sustainability of assets. Firstly, because Cofinimmo, by developing tailor-made, innovative and comfortable buildings, endeavours to best meet the changing accommodation and care needs of vulnerable or dependent people.

Secondly, because Cofinimmo ensures the proper integration of buildings in the urban fabric, by paying specific attention to aesthetics and to the diversity of districts. Finally, because Cofinimmo favours the use of modern techniques and sustainable materials to reduce the carbon footprint of the buildings constructed.

On the other hand, Cofinimmo has moderate influence in projects developed by operators. In that case, Cofinimmo acts more as an adviser in the area of sustainable construction, seeking innovative solutions that make it possible to gradually improve the property portfolio at a pace and in line with budgets that are acceptable to operators.

Cofinimmo has relatively little influence in terms of sustainability in the day-to-day management of healthcare assets. Here, the majority of these are managed largely autonomously by operators-tenants, who decide in particular on the type of upkeep and maintenance works to be carried out. Nevertheless, Cofinimmo endeavours to include the data relating to the energy and water consumption of buildings in the energy accounting system in order to raise awareness among operators. As medical office buildings are under Cofinimmo's operational control, it enables more in-depth consumption analysis and monitoring.

In this way, Cofinimmo intends to fully shoulder its corporate and environmental responsibilities.

Nursing and care home Eden Park –
Alost/Aalst (BE)

Market characteristics[1]

The healthcare real estate market is characterised by strong growth potential, a favourable legal environment and long-term leases with operators.

STRONG GROWTH POTENTIAL

Demographic trends and changes in lifestyles: an ageing population and a growing need for specialised care facilities

Population ageing is a growing evolution in most European countries. The proportion of people aged 80 and over in Europe should reach 10% of the total population by 2050. Although the number of independent seniors within this category is increasing, population ageing will nevertheless be accompanied by a considerable increase in the number of dependent elderly. This situation will lead to a greater need for specialised healthcare facilities and, consequently, for more beds. It is estimated that in Belgium 45,000 additional beds will be necessary by 2030-2035. In Germany and France, the same trend can be observed with estimated growth of 300,000 and 50,000 additional beds respectively by 2030-2035. In addition to these, there are also obsolete buildings to be rebuilt, totalling more than 100,000 and 110,000 beds respectively.

In Spain, the number of people aged 65 and over increases annually by almost 2%, compared to 1.5% in Belgium and France. As a result, it can be expected that in the coming years the demand for care and accommodation for dependent elderly people will increase faster in Spain than in Belgium or France. Analyses show that, in order to be able to meet the demand increase, the accommodation capacity for dependent elderly people should increase by at least 70,000 beds by 2030 and by 150,000 or even 200,000 beds by 2050.

In Finland, 22% of the population are 65 or older and approximately 10% are 75 or older. The proportion of people aged 65 or more should reach 26% by 2030. This demographic situation will increase the need for high-quality healthcare services.

Budgetary constraints: a search for less costly solutions for society

At the same time, healthcare spending whether in Belgium, France, the Netherlands, Germany, Spain or Finland, is accounting for an increasing share of GDP. This share ranks between 10% and 12% depending on the country. In a context of budget restrictions, the organisation of care is subject to further rationalisation and private players are increasingly taking over from the public sector in this segment. New and more modern structures, more suitable for the needs of the patient and less expensive, are created to respond to this trend and generate a demand increase for healthcare real estate financing.

Professional healthcare operators

There are three types of operators in the healthcare segment: public operators, non-profit sector operators and private operators. The breakdown in market share between these various players varies from one country to the other. Belgium and Spain have the most balanced situation in the nursing and care homes segment with each type of operator representing one third of the market. Conversely, the non-profit sector has almost a monopoly in the Netherlands. Meanwhile, Germany and France have intermediary situations. In Spain, the 15 largest private operators together account for about 20% of the total number of beds. In Finland, private service providers produce a quarter of all social and health services.

In the private sector, whether in Belgium or France, and more recently in Germany, there is a move towards consolidation between operators to create groups on a European level. The most striking example is the merger in 2014 of French operators Korian and Medica, followed by acquisitions in other countries, which resulted in a group owning over 76,000 beds spread over 780 sites in four countries. Or also, the acquisition of Armonée by the French group Colisée in February 2019, which led to a total of 270 sites in France, Belgium, Germany, Spain, and Italy

Consolidation provides operators with a better distribution of risks, easier access to financing, more regular contact with the public authorities and certain economies of scale. These clusters are regularly financed by the sale of real estate thus creating an appetite for healthcare real estate.

A FAVOURABLE LEGAL ENVIRONMENT

Healthcare financing is highly regulated given that the public sector is involved. This is particularly the case for the nursing and care home market. In Belgium and France for example, opening or expanding a nursing and care home requires prior authorisation to operate a given number of beds. This authorisation is issued by the public authorities. As they finance up to 50% of housing and care costs, the number of authorisations granted per geographical area is limited in function of the needs of each area.

As the main operators of healthcare real estate sites are front-line players in the fight against the pandemic, the majority of them have benefited from government aid. Various compensation schemes have thus been set up for the residential care sector in order to compensate for loss of income linked to residents (generally as a percentage of the actual tariff, a lump sum or the social rate) and social security. In some countries, an additional aid has also been provided to the sector players to compensate for exceptional costs related to the health crisis. Each country has thus developed its own compensation scheme.

Strategy implementation

ASSET ACQUISITIONS

In due diligence reviews, in addition to the usual aspects of technical quality, legality and environmental compliance, each healthcare property studied by the group is also subject to a rating related to its use as a healthcare asset. This rating is based on various factors:

- **catchment area:** integration of the asset into its environment and its role in the healthcare delivery chain;
- **intrinsic qualities:** size of rooms and other areas, terrace or garden, light, functionality for residents/patients and medical staff, etc.;

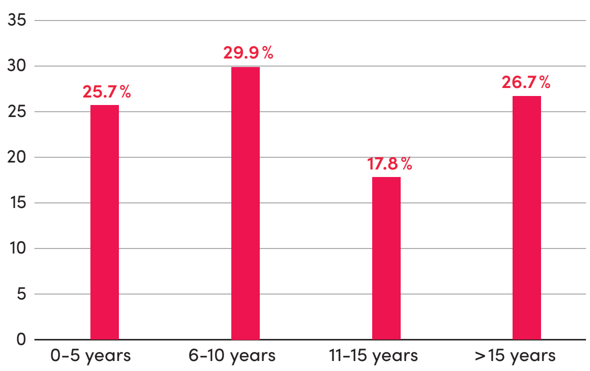
1. Sources: Cushman & Wakefield, Degroof Petercam, Eurostat, Real Capital Analytics, CBRE.

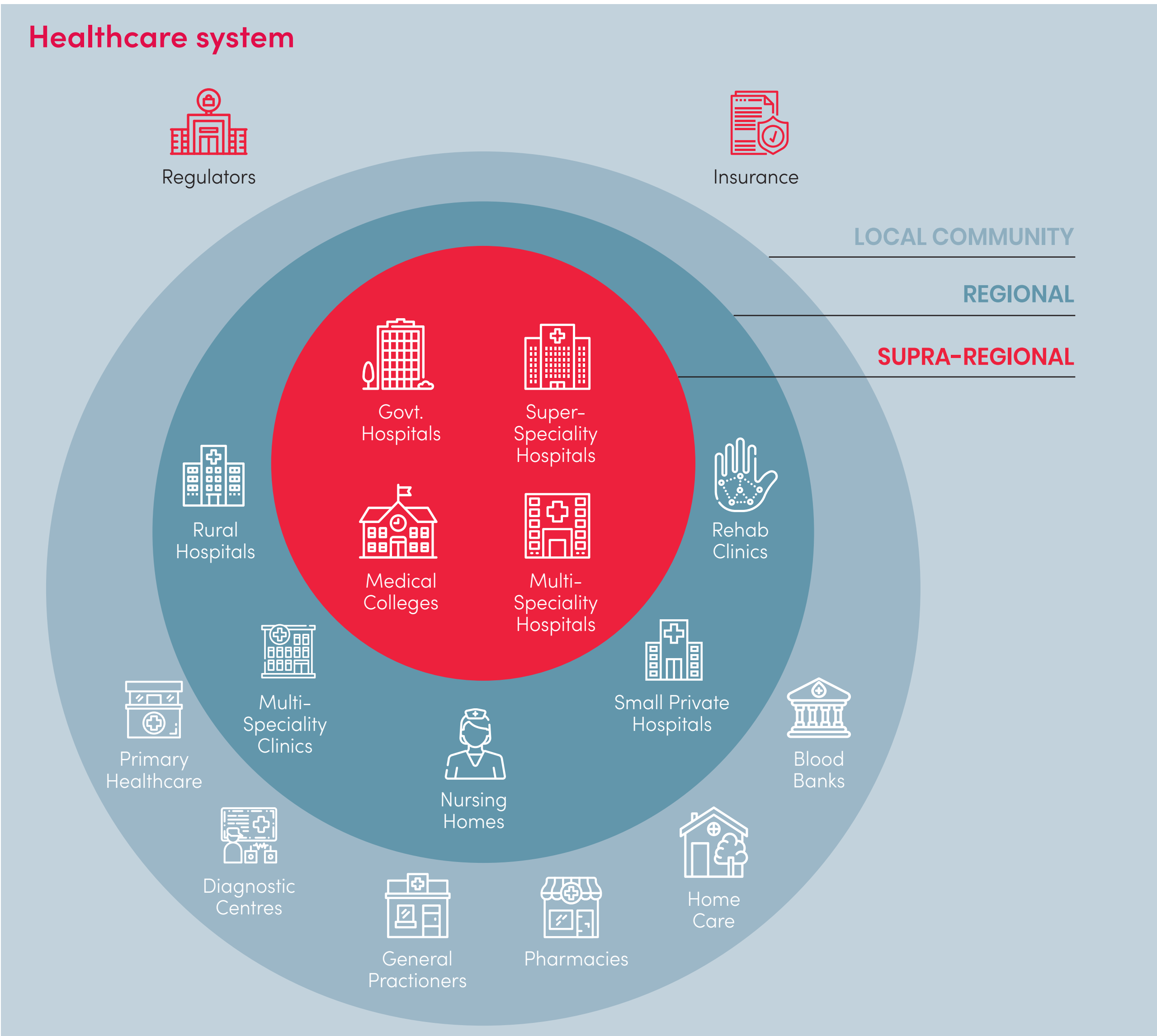
- **energy performance:** technical equipment, insulation, etc.;
- **operator-tenant:** experience level, care quality reputation, financial solidity, growth ambitions, etc.;
- **location:** vehicle access, public transport, level of local taxes, etc.;
- **environment:** presence of shops, pleasant view, living standard of the local inhabitants, similar care offerings nearby, future demographics, etc.

(RE)DEVELOPMENT PROJECTS

Cofinimmo is able to support the growth of healthcare operators thanks to its real estate expertise and its integrated approach. The services offered to them range from simple financing to larger-scale projects which include design, construction and delivery of new buildings. Cofinimmo has an experienced team which includes financial, technical and legal expertise, and is abreast of the latest developments in healthcare real estate.

BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY BUILDING AGE (as at 31.12.2020 - at fair value)

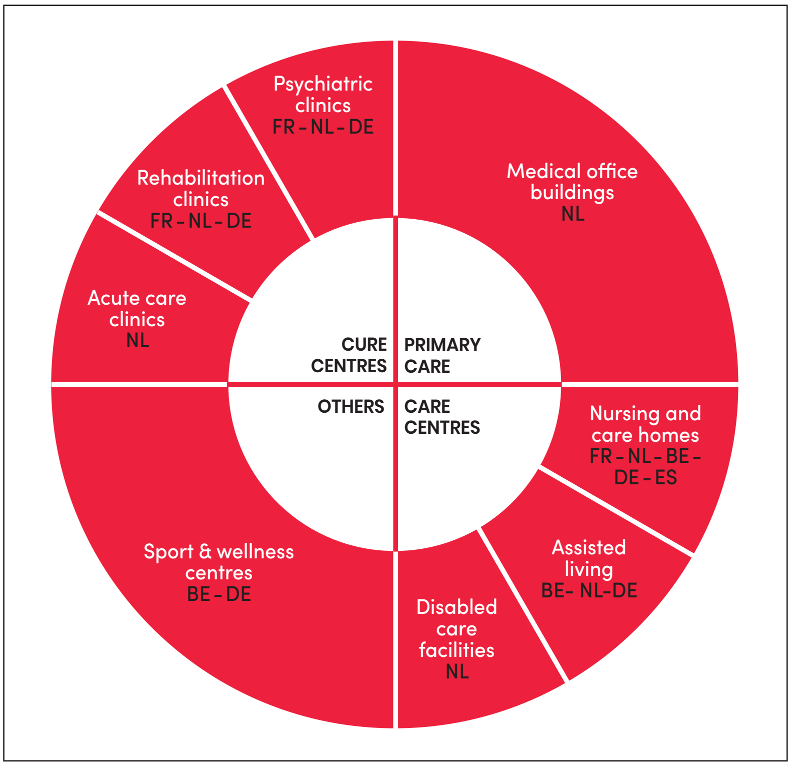




447 million EUR

COMMITTED INVESTMENTS IN EUROPE

In addition to enabling Cofinimmo to carry out otherwise inaccessible projects and to retain operator-tenants, this (re)development activity ensures a certain level of asset quality is maintained and, moreover, creates value.



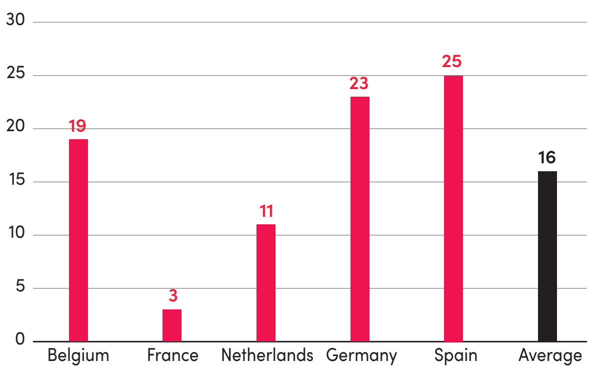
COMMITTED INVESTMENT PROGRAMME IN HEALTHCARE REAL ESTATE

Projects	Type (of works)	Number of beds	Surface area (in m^2)	Estimated completion date	Total investments	Total investments as at 31.12.2020	Total investments in 2021	Total investments after 2021
		(after works)			(x 1,000,000 EUR)			
I. Ongoing development projects								
Healthcare								
Belgium								
Genappe[1]	Construction of a nursing and care home	112	6,000	Q1 2023	19	0	8	11
France								
Villers-sur-Mer[1]	Construction of a nursing and care home	84	4,800	Q4 2022	14	0	6	8
The Netherlands								
Rotterdam – Fundis	Demolition/Reconstruction of a nursing and care home and renovation of a rehabilitation centre	135	11,000	Q1 2022	25	17	8	0
The Hague	Complete renovation of a nursing and care home	87	5,400	Q3 2021	14	8	5	0
Spain								
Vigo (Galicia)	Construction of a nursing and care home	140	6,000	Q2 2021	8	8	0	0
Oleiros (Galicia)	Construction of a nursing and care home	140	5,700	Q4 2021	11	8	3	0
Cartagena (Murcia)	Construction of a nursing and care home	180	7,000	Q1 2022	13	8	5	0
Castellón (Valencia)	Construction of a nursing and care home	100	4,000	Q3 2022	8	5	2	1
Lerida (Catalonia)	Construction of a nursing and care home	150	6,000	Q2 2022	14	9	5	1
Tarragona (Catalonia)	Construction of a nursing and care home	170	6,800	Q4 2022	15	7	6	1
El Puerto de Santa María (Andalusia)	Redesign of a nursing and care home	180	9,800	Q2 2022	10	5	4	1
Finland								
Vaasa	Construction of a medical centre		4,200	Q4 2021	20	12	8	0
Vantaa[1]	Construction of a nursing and care home	68	2,600	Q4 2021	12	0	12	0
II. Total investment properties					182	88	73	23
Louvain/Leuven (BE)[1]	Construction of an extension adjacent to an existing nursing and care home with assisted-living units	90	6,500	Q1 2022	15	0	0	15
North Rhine-Westphalia (DE)	Development of 8 eco-friendly healthcare campuses	1,100	100,000	Q4 2022	250	3	13	234
III. Total investment properties, finance lease receivables and associates					447	90	86	272

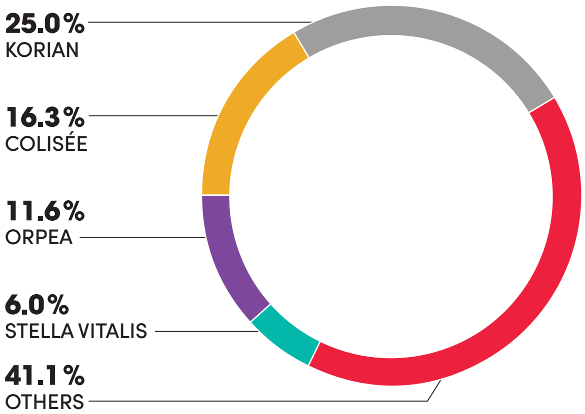
At first glance, investments to be made after 2020 will be mainly financed externally (through recourse to debt) and marginally internally (through cash flow).

1. Events after 31.12.2020 (see pages 84-87).

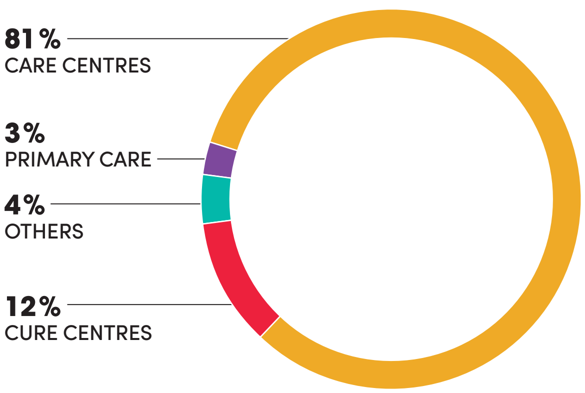
WEIGHTED AVERAGE RESIDUAL LEASE LENGTH BY COUNTRY UNTIL THE FIRST BREAK (as at 31.12.2020 - in number of years)



BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY OPERATOR-TENANT (as at 31.12.2020 - in contractual rents)



BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY TYPE OF ASSET (as at 31.12.2020 - at fair value)



ASSET ARBITRAGE

Since a few years ago, Cofinimmo initiated a selective asset arbitrage policy for its most mature markets such as Belgium and France. The policy consists in selling non-strategic assets and reinvesting the funds in other assets which better match the current criteria of the group. This enables the company to take advantage of the growing appetite of certain investors for this type of asset, while optimising the composition of its portfolio.

The main criteria used to make a sale decision include the size of the asset, its age, its location, its operation, and the residual lease length.

DIVERSIFICATION

Cofinimmo is actively seeking to diversify its portfolio. This diversification is taking place at three levels:

- **by country:** the group currently holds healthcare assets in Belgium, France, the Netherlands, Germany, and Spain;
- **by operator-tenant:** Cofinimmo has about 50 healthcare operators in its client-tenant database;
- **by asset type:** the group's healthcare real estate portfolio includes nursing and care homes, service flats, rehabilitation clinics, psychiatric clinics, medical office buildings, care centres for the elderly and the disabled, acute care clinics, and sport and wellness centres.

This way the group avoids becoming overly dependent on any given financing or social security system.

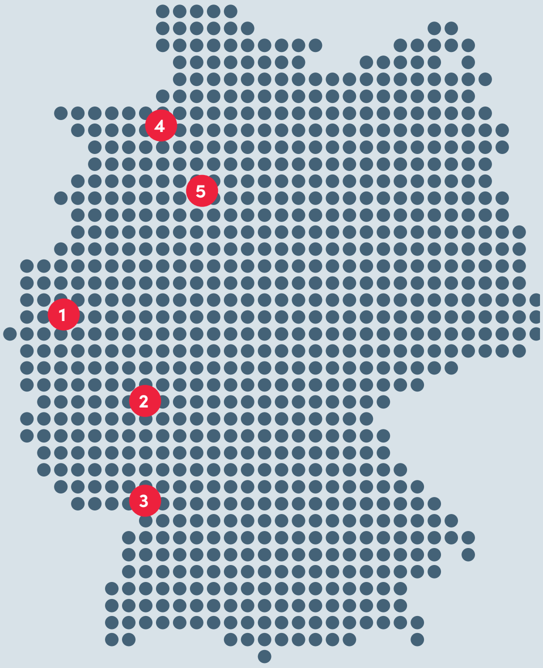
FOLLOW-UP OF THE FINANCIAL PERFORMANCE OF ACQUIRED SITES

Cofinimmo periodically receives a financial data report from its operators for each site the company owns. This enables Cofinimmo to assess the financial sustainability of each operation and, specifically, the rent hedging by the operational cash flow ('EBITDAR') generated by the site. A comparison of the prices paid by residents/patients for housing and by the authorities for care services enables to rank each operation compared to comparable sites and provides an evaluation of the risk associated with acquiring new units.

ACHIEVEMENTS IN GERMANY

106 million EUR
INVESTMENTS IN 2020

between 5% and 6%
GROSS RENTAL YIELD



Delivery of the construction works of a psychiatric clinic

	1 Kaarst
Delivery of the works	10.04.2020
Surface area	Approximately 8,000 m^2
Number of beds	Approximately 70
Operator-tenant	Oberberg
Duration and type of lease	20 years – Dach und Fach (see Glossary)
Investment budget	Approximately 22 million EUR

Acquisition of a healthcare site

	2 Bickenbach
Construction year	2011
Surface area	Approximately 6,700 m^2
Number of beds	145
Operator-tenant	Alloheim
Duration and type of lease	23 years – Dach und Fach (see Glossary)
Acquisition price	Approximately 16 million EUR

Acquisition of 3 healthcare sites

	3 Bad Schönborn	4 Aurich	5 Wiesmoor
Construction/ renovation year	1997/2020	1994/2020	1997/2020
Surface area	Nearly 18,500 m^2	Approximately 5,000 m^2	Approximately 5,000 m^2
Number of beds	240	Approximately 100	Approximately 100
Operator-tenant	Orpea Deutschland		
Duration and type of lease	15 years – Dach und Fach (see Glossary)		
Acquisition price	Approximately 60 million EUR		

6 Acquisition of a portfolio of 8 healthcare campuses to be constructed

Surface area	Approximately 100,000 m²
Number of units	1,100
Operator-tenant	Schönes Leben Gruppe
Duration and type of lease	25 years – Dach und Fach (see Glossary)
Acquisition price	Approximately 250 million EUR

ACHIEVEMENTS IN THE NETHERLANDS

66 million EUR
INVESTMENTS IN 2020

between 5% and 6%
GROSS RENTAL YIELD

Delivery of the extension of an orthopaedic clinic

	1 Rijswijk
Delivery of the works	13.02.2020
Surface area	Approximately 4,000 m²
Operator-tenant	Bergman Clinics
Duration and type of lease	15 years – triple net
Investment budget	Approximately 11 million EUR

Acquisition of a nursing and care home (in renovation)

	2 The Hague
Construction year	1986
Surface area after works	Approximately 5,400 m²
Number of beds	87
Operator-tenant	Stichting Haagse Wijk- en Woonzorg (HWW zorg)
Duration and type of lease	15 years – double net
Acquisition price	Approximately 14 million EUR

Delivery of a medical office building

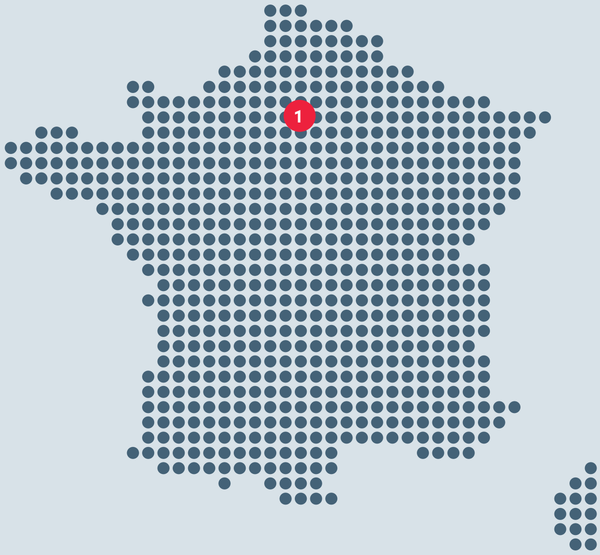
	3 Bergeijk
Construction year / Delivery of the works	2001 / 30.06.2020
Surface area	Approximately 3,000 m²
Average occupancy rate as at 31.12.2020	85%
Tenants	Several healthcare providers
Duration and type of lease	15 years – double net
Investment budget	>7 million EUR

Acquisition of a healthcare facility

	4 Bergen op Zoom
Construction year	2010
Surface area	>16,000 m²
Number of beds	220
Operator-tenant	Foundation 'tanteLouise'
Duration and type of lease	14 years – double net
Acquisition price	46 million EUR

ACHIEVEMENTS IN FRANCE

73 million EUR
INVESTMENTS IN 2020



Repurchase of a 49 % stake in the capital of Cofinea I held by Orpea Group

	1 Paris (19th district)
Surface area	Approximately 4,300 m²
Number of beds	Approximately 90
Operator-tenant	Orpea
Duration and type of lease	Almost 4 years - double net
Investment budget	26 million EUR

A 39 % stake in the capital of SCI Foncière CRF created by the French Red Cross and which owns 6 aftercare and rehabilitation clinics (cliniques de soins de suite et de réadaptation - 'SSR')

Surface area	Approximately 91,000 m²
Number of beds	858
Operator-tenant	French Red Cross
Duration and type of lease	12 years – double net
Invested amount	46 million EUR

ACHIEVEMENTS IN BELGIUM

255 million EUR
INVESTMENTS IN 2020

4.5%
GROSS RENTAL YIELD

Acquisition of a portfolio of 6 healthcare sites

Surface area	>38,000 m²
Number of beds	562
Operator-tenant	Orelia Zorg SA/NV
Duration and type of lease	27 years – triple net
Acquisition price	Approximately 105 million EUR

	Name of the asset	Location	Type of asset	Year built/ renovated	Number of units	Surface area
1	Ten Berge	Belsele (East Flanders)	Nursing and care home	2000	60	>3,000 m²
2	Dilhome	Dilbeek (Flemish Brabant)	Nursing and care home	2010	94	>5,100 m²
3	Puthof	Borgloon (Limburg)	Nursing and care home	2018	167	>11,300 m²
4	Keiheuvel	Balen (Antwerp)	Nursing and care home	2019	94	>6,700 m²
5	Serrenhof	Saint-Trond/Sint-Truiden (Limburg)	Nursing and care home	2020	101	>8,000 m²
6	Eden Park	Alost/Aalst (East Flanders)	Assisted-living units	2008	46	>4,200 m²

Acquisition of 5 nursing and care homes

Surface area	Approximately 38,000 m²
Number of beds	586 beds + 30 assisted-living units
Operator-tenant	Orpea; Vulpia
Duration and type of lease	27 years – triple net
Acquisition price	124 million EUR

	Name of the asset	Location	Year built/ renovated	Surface area (approx.)	Number of units
7	Paul Delvaux	Brussels	2014	6,300 m²	89 beds
8	Gray Couronne	Brussels	2013/2014	7,000 m²	114 beds
9	Prince Royal	Brussels	2015	6,200 m²	112 beds
10	Vordenstein	Schoten	2014	7,400 m²	121 beds
11	La Chartreuse	Liège/Luik	2010/2014-2015	11,000 m²	150 beds + 30 assisted-living units

Amendments relating to sport and wellness centres

During the 4th quarter of 2020, Cofinimmo and Aspria Group concluded amendments concerning the sport and wellness centres in Belgium and Germany. These agreements are fully in line with the assumptions taken into account by Cofinimmo in the context of its outlook relating to the net result from core activities - group share published on 19.11.2020.

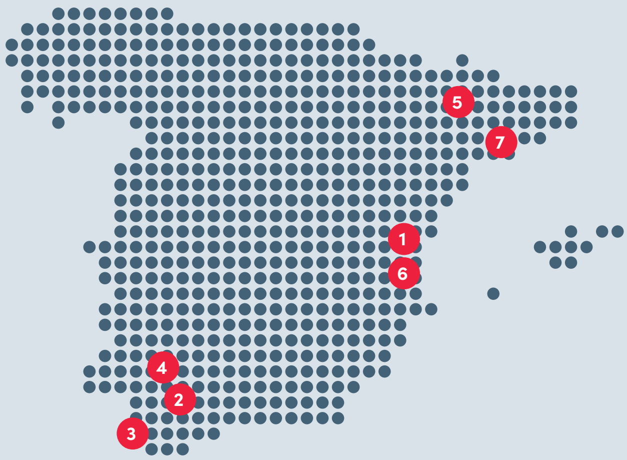
A 26.6 % stake in the capital of Aldea Group SA/NV

Number of units	>700 beds and 300 assisted-living units
Operator-tenant	Curavi; Orpea; Vivalto
Invested amount	20 million EUR

ACHIEVEMENTS IN SPAIN

67 million EUR
INVESTMENTS IN 2020

between 5 % and 7 %
GROSS RENTAL YIELD



Acquisition of a nursing and care home

	1 Castellón de la Plana (Valencia)
Construction year	2020
Surface area	>6,000 m²
Number of beds	150
Operator-tenant	Orpea
Duration and type of lease	17 years – double net
Acquisition price	Approximately 9 million EUR

Acquisition of a nursing and care home

	2 Utrera (Andalusia)
Construction year	2004
Surface area	Approximately 7,000 m²
Number of beds	Approximately 160
Operator-tenant	Grupo Reifs
Duration and type of lease	30 years – triple net
Acquisition price	8 million EUR

Acquisition of a nursing and care home to be redesigned

	3 El Puerto de Santa Maria (Andalusia)
Construction year	1982
Surface area	Approximately 9,800 m²
Number of beds	Approximately 180
Operator-tenant	Avita
Duration and type of lease	20 years – triple net
Investment budget	Approximately 10 million EUR

Acquisition of a nursing and care home

	4 Alcalá de Guadaíra (Andalusia)
Construction year	2005
Surface area	Approximately 7,900 m²
Number of beds	Approximately 190
Operator-tenant	Grupo Reifs
Duration and type of lease	30 years – triple net
Acquisition price	7 million EUR

Acquisition of plots of land for the construction of nursing and care homes

	5 Lérida (Catalonia)	6 Castellón (Valencia)
Surface area	Approximately 6,000 m²	Approximately 4,000 m²
Number of beds	Approximately 150	Approximately 100
Duration and type of lease	20 years – double net	20 years – double net
Investment budget	Approximately 14 million EUR	Approximately 8 million EUR

Acquisition of a plot of land for the construction of a nursing and care home

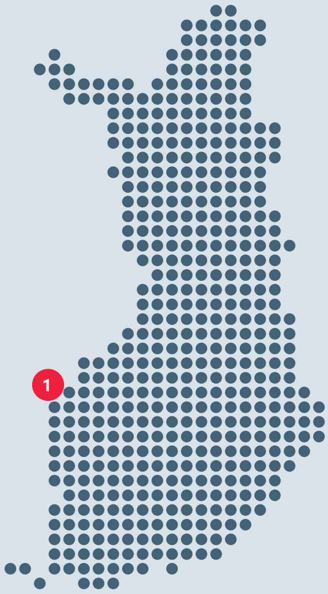
	7 Tarragona (Catalonia)
Surface area	Approximately 6,800 m²
Number of beds	Approximately 170
Duration and type of lease	20 years - double net
Investment budget	Approximately 15 million EUR

Acquisition of land reserves

In 2020, Cofinimmo also acquired land reserves in Tomares (Andalusia) and Tenerife (Canary Islands).

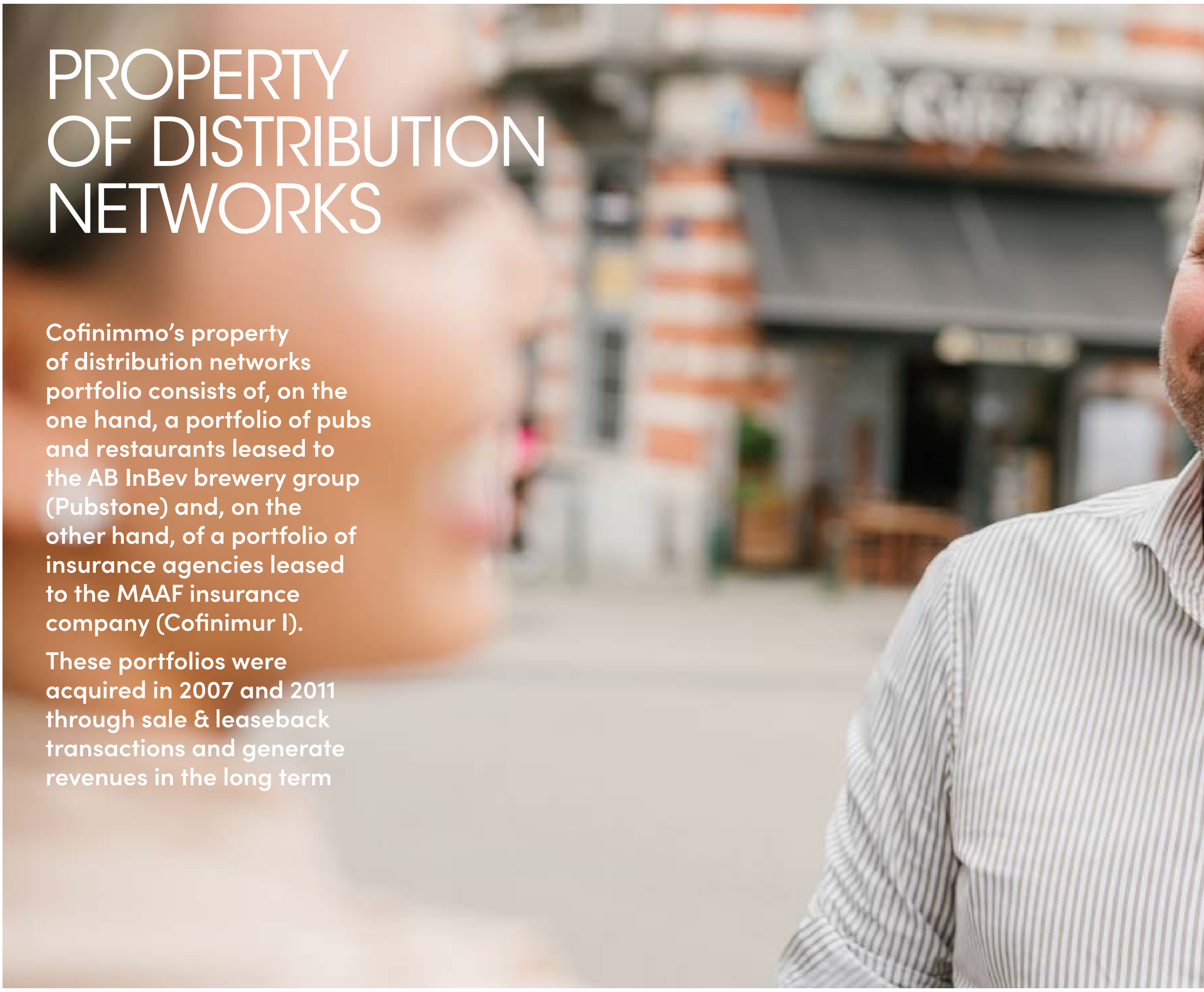
ACHIEVEMENTS IN FINLAND

12 million EUR
INVESTMENTS IN 2020



Acquisition of a medical centre under construction

	1 Vaasa
Surface area	4,200 m²
Operator-tenant	Mehiläinen
Duration and type of lease	20 years – double net
Investment budget	20 million EUR



PROPERTY OF DISTRIBUTION NETWORKS

Cofinimmo's property of distribution networks portfolio consists of, on the one hand, a portfolio of pubs and restaurants leased to the AB InBev brewery group (Pubstone) and, on the other hand, of a portfolio of insurance agencies leased to the MAAF insurance company (Cofinimur I).

These portfolios were acquired in 2007 and 2011 through sale & leaseback transactions and generate revenues in the long term

Property of distribution networks strategy

Property of distribution networks and healthcare real estate share the characteristic of generating high, predictable and indexed cash flows, within the framework of usually long-term contracts.

The other characteristics of the property of distribution networks portfolios are their acquisition at an attractive price as part of sale & leaseback transactions, their usefulness as a retail network for the tenant, the granularity of risk they carry and the potential to optimise their composition over time.

ESG

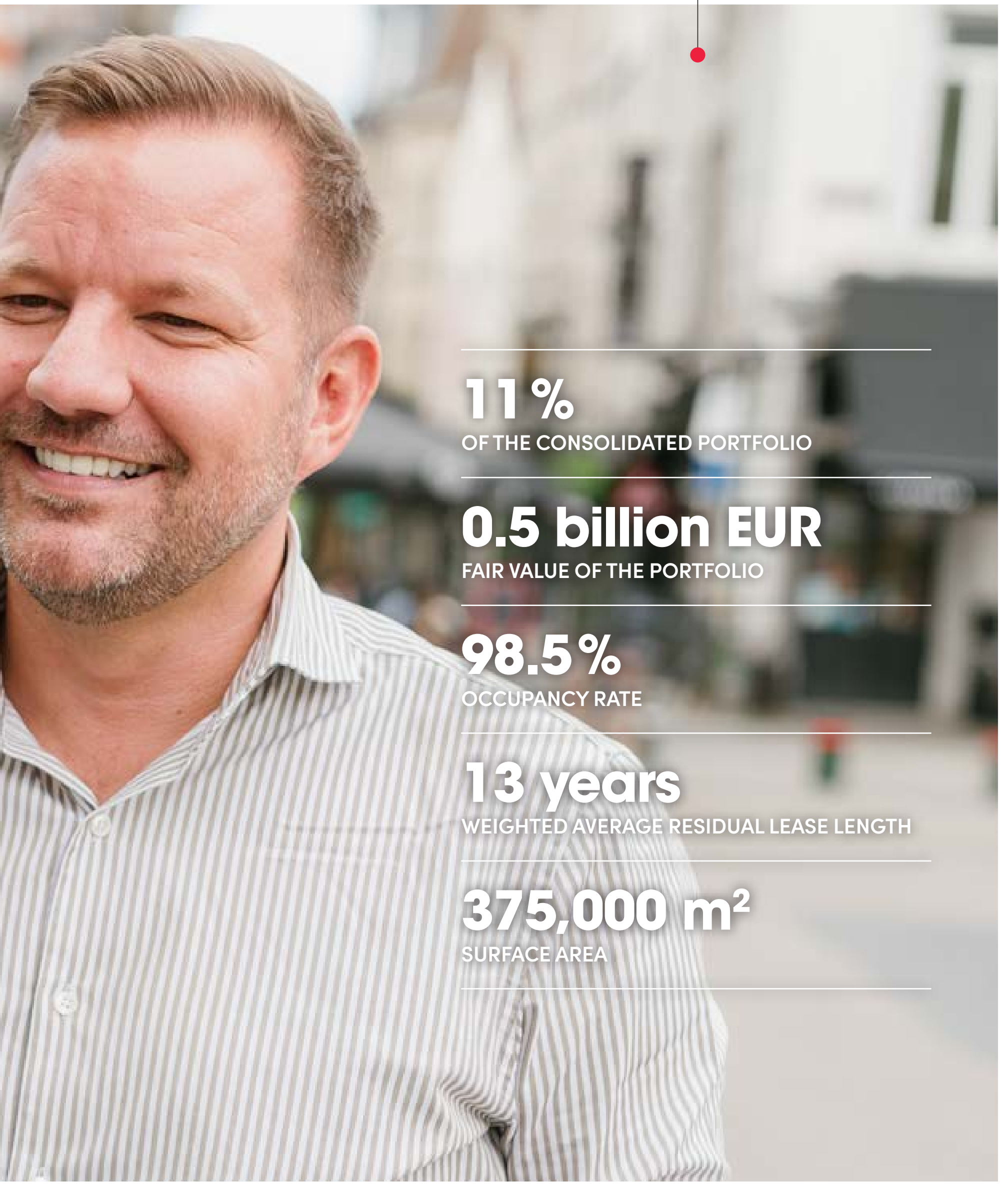
In the acquisition phase of this segment, a long-term partnership with the tenant is essential. A distribution network consists of a large number of small-scale individual assets. Consequently, during this phase it is not necessary to thoroughly gather the technical characteristics of the buildings. A sample of buildings is analysed and visited. Cofinimmo's influence on their sustainability in this phase is therefore rather limited.

Throughout the term of the lease, however, asset arbitrage is particularly important to ensure sustainability. In this case, Cofinimmo's influence depends on the contractual clauses. Cofinimmo endeavours to transform empty areas into useful spaces, for example through the reconversion of open spaces into residential apartments, or by temporarily making unused floors above shops available as dwellings.

Cofinimmo also contributes to the development of certain areas and to the revalorisation of urban cohesion. Finally, it favours the use of modern techniques and sustainable materials to reduce the carbon footprint of buildings during works on the outer envelope of assets. In particular, an advanced policy is implemented concerning roofing insulation during watertightness works. The day-to-day management of assets, in turn, is not under the operational control of Cofinimmo.

Through these various actions, Cofinimmo intends to fully shoulder its social and environmental responsibilities.

Rubben De Bisschop –
Property manager – Pubstone BE



Market characteristics

The assets which make up Cofinimmo's property of distribution networks portfolio do not represent traditional commercial assets since they are let in bulk to a single tenant. This type of portfolio, acquired within the framework of sale & leaseback transactions, therefore constitutes a niche market.

SALE & LEASEBACK TRANSACTIONS

The sale price per square metre requested by the seller is usually reasonable as it concerns buildings which are leased back to the seller, the latter being therefore responsible for paying rent after the sale.

OPTIMISATION OF THE POINTS-OF-SALE NETWORK FOR THE TENANT'S BUSINESS

The buildings are necessary for the tenant's activity due to their location and are leased for the long term. For most of these buildings, the probability of renewing the contract at the end of the lease is therefore high.

CAPITAL RISK GRANULARITY

Should the tenant leave, a significant portion of the properties can be sold as retail outlets or for housing to local investors, professionals or not, as the amounts to be invested are often attainable for this type of investor.

SUPPORT OF TENANTS FOR THE MANAGEMENT, DEVELOPMENT AND RENOVATION OF THE ASSETS

Cofinimmo maintains an ongoing dialogue with the occupant-tenant to increase the geographical scope of the sales network of the latter. Buildings with leases that will not be renewed at their term or which require renovation works in the medium term can thus be identified in advance. In addition, Cofinimmo can acquire new buildings the tenant would like to include in his network.

Pubstone: pubs and restaurants

Cofinimmo acquired an entire portfolio of pubs and restaurants at the end of 2007 under the terms of a property partnership. It was previously owned by Immobrew SA/NV, a subsidiary of AB InBev, since renamed Pubstone SA/NV. Cofinimmo leases the premises back to AB InBev for an initial term of 27 years. AB InBev sub-leases the premises to operators and retains an indirect stake of 10 % in the Pubstone organisation. Cofinimmo bears no risk with respect to the commercial operation of the pubs and restaurants, but handles the structural maintenance of roofs, walls, façades and outside woodwork. At the end of the lease, AB InBev can either renew the lease under the same conditions or return the spaces free of occupation.

In Belgium, the internal Pubstone team consists of five people, excluding support services, who work in portfolio management (property and project management). There is only one team member in the Netherlands.

ACHIEVEMENTS IN 2020

Sale of 28 pubs and restaurants

In 2020, Cofinimmo sold, through its subsidiaries Pubstone and Pubstone Properties 28 pubs and restaurants (24 located in Belgium and 4 located in the Netherlands) that were vacated by AB InBev for a total amount of approximately 8 million EUR. This amount is higher than the fair value of the assets as determined by the independent real estate valuers on 31.12.2020.

Amendments relating to the Pubstone portfolio

During the 2nd quarter of 2020, Cofinimmo and AB InBev concluded amendments relating to the Pubstone portfolio. These agreements are fully in line with the assumptions used by Cofinimmo in the context of its outlook concerning the net result of the core activities – group share published on 28.04.2020.

Technical interventions and renovation projects

In 2020, the property and project management operations teams supervised 343 technical interventions on the pubs and restaurants portfolio (286 in Belgium and 57 in the Netherlands). They managed 231 renovation projects (123 in Belgium and 70 in the Netherlands), for a total of 3.9 million EUR. This consisted primarily of façade and roofing renovations.

Pub 't Speelmanshuis – Bruges/Brugge (BE)

9 %
OF THE CONSOLIDATED PORTFOLIO

434 million EUR
FAIR VALUE OF THE PORTFOLIO

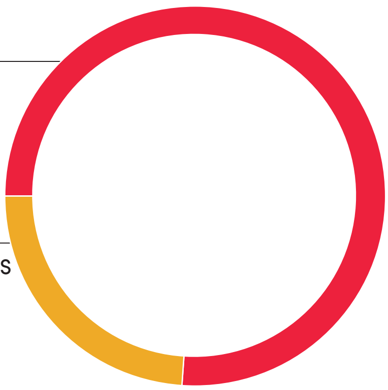
99.7 %
OCCUPANCY RATE

15 years
RESIDUAL LEASE LENGTH

318,000 m²
SURFACE AREA

910
NUMBER OF ASSETS

BREAKDOWN OF ASSETS BY COUNTRY (in %)



Main renovation projects in 2020

Location	Type of works
Belgium	
De Gouden Meermin Markt 31 - Bruges/Brugge	Façades renovation and painting
Du Gaz Scheepsdalelaan 48 - Bruges/Brugge	Façades and roof renovation
Hotel Malon Martelarenplein 15 - Louvain/Leuven	Façades and roof renovation
L'Arosoir Bld. du Souverain/ Vorstlaan 256 - Brussels	Replacement of outdoor joinery and roof renovation
The Netherlands	
Markt 22-23-24 Maastricht	Façades and roof renovation
Grote Markt 23 Nijmegen	Roof renovation
Raadhuisplein 16 Arcen	Roof renovation (in tiles and felt)

MAAF insurance agency – Villejuif (FR)

Cofinimur I: insurance agencies

In December 2011, Cofinimmo acquired, for its Cofinimur I subsidiary, a portfolio of commercial agencies from the MAAF Group located in France. Cofinimur I issued Mandatory Convertible Bonds (MCB) to finance part of the acquisition of the agencies (see page 48 of the 2011 annual financial report). The agencies, which are operated by MAAF employees, are leased to the insurer for an initial average period of 10 years. Cofinimmo is responsible for the asset and real estate management activities for the entire portfolio.

In Paris, the internal team of Cofinimur I consists of three people responsible for managing the portfolio.

ACHIEVEMENTS IN 2020

Sale of two insurance agencies

In 2020, Cofinimmo sold two insurance agencies through its Cofinimur I subsidiary for a total gross amount of approximately 0.6 million EUR. This amount is in line with the fair value of the asset as determined by the independent real estate valuer on 31.12.2020.

Signature of new lease contracts and increase of the average residual lease length

On 09.07.2020, the Cofinimur I portfolio was subject to a memorandum of understanding relating to contracts expiring in 2020. The signing of the agreements resulting from this memorandum took place on 02.09.2020 and resulted in an increase of the average residual lease length from 2 to 4 years.

Renovation and construction projects

In 2020, the MAAF Group renovated three insurance agencies, fulfilling its contractual obligations.

2%
OF THE CONSOLIDATED PORTFOLIO

114 million EUR
FAIR VALUE OF THE PORTFOLIO

94.4%
OCCUPANCY RATE

4 years
RESIDUAL LEASE LENGTH

57,000 m²
SURFACE AREA

266
NUMBER OF ASSETS

PUBLIC-PRIVATE PARTNERSHIPS

Cofinimmo invests in special-use buildings in Belgium through public-private partnerships (PPPs). By doing so, the company contributes to the renovation and improvement of public and parapublic real estate assets. To date, the PPP portfolio consists of seven assets in operation

Public-private partnerships strategy

Public-private partnerships and healthcare real estate share the characteristic of generating high, predictable and indexed cash flows, within the framework of usually very long-term contracts.

ESG

In the acquisition of unique assets intended for public use, a long-term partnership with the tenant is also essential. Indeed, the authorities serve as a model in the area of sustainability. They are required to include high technical standards in terms of energy performance, resulting in stringent specifications. This situation as such gives Cofinimmo little influence on the sustainability of assets during this phase.

During the design and construction of the asset, Cofinimmo's influence depends on the contractual clauses. Consequently, Cofinimmo acts more as an adviser in the area of sustainable construction. In the context of a competitive dialogue, the group constantly seeks innovative solutions to help improve the specifications. So doing, Cofinimmo contributes to the financing of a public need.

The day-to-day management of assets is not under its operational control. However, in some cases, Cofinimmo ensures the management of assets in accordance with a performance contract defined by the public authorities. The structures and procedures in place for the office segment help comply with the strict provisions and requirements of the contract.

All this influence enables Cofinimmo to fully embrace its corporate and environmental responsibilities.

Market characteristics

Cofinimmo strives to meet the specific needs of public authorities and provides its real estate and financial expertise for long-term partnerships which are usually subject to public contracts.

Cofinimmo is in charge of studying the economic and technical life cycle of the project. The analysis identifies the best compromise between initial investment and future expenses, for both maintenance costs as well as replacement and repair costs.

However, Cofinimmo does not bear the construction risk for this type of property investment, since this is the responsibility of an appointed general contractor, with whom is agreed to pay a flat fee upon delivery of the building. Nevertheless, the group supervises the quality and execution of the construction works.

Courthouse – Antwerp (BE)

Assets in operation in the PPP portfolio as at 31.12.2020

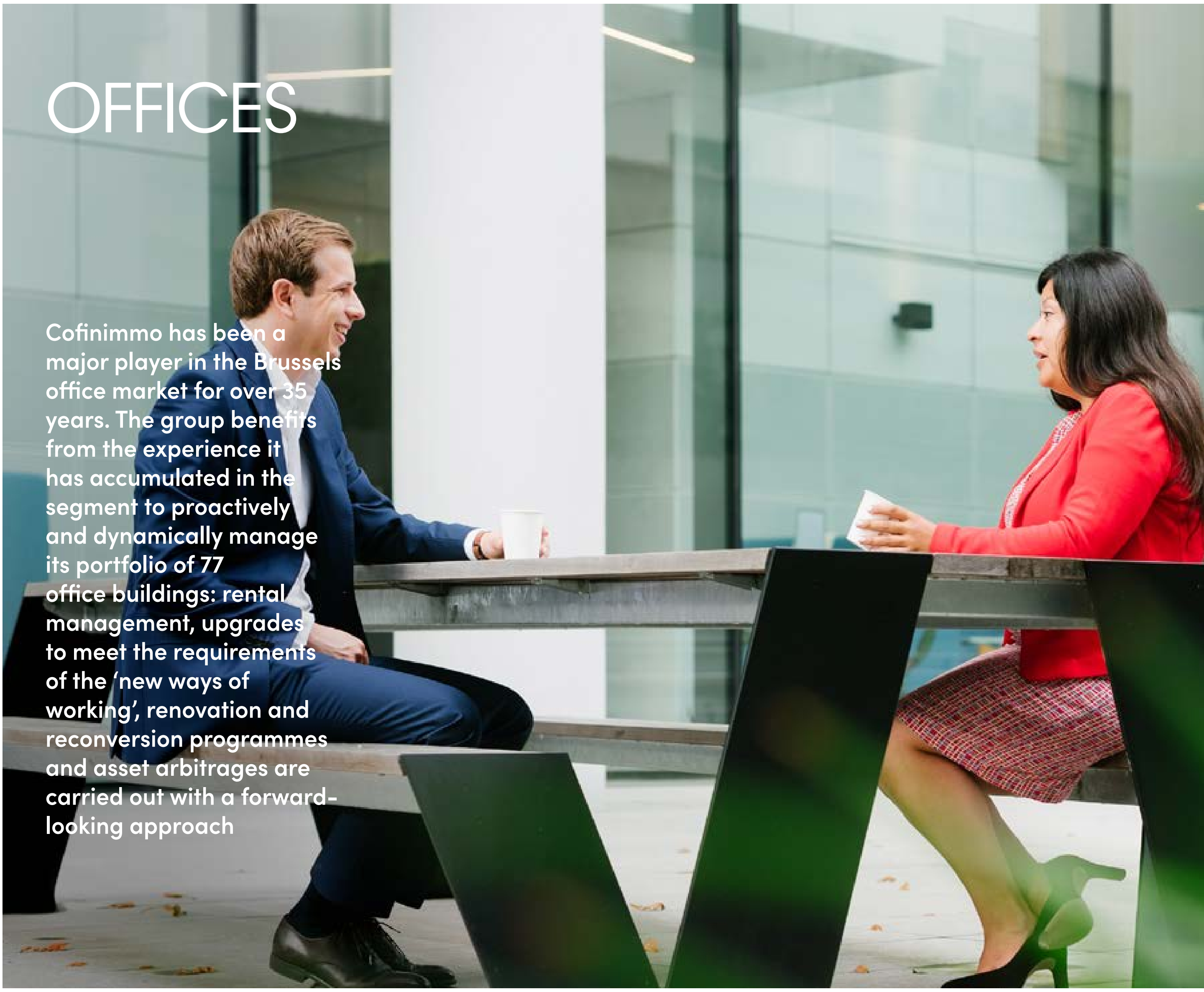
Cofinimmo is also responsible for up-keep and maintenance throughout the tenancy, which is usually under a lease for an extended period or long-lease. At lease end, the public authority has the option to purchase the property or to transfer ownership free of charge. Cofinimmo does not have perpetual ownership of the properties and, as a result, these are booked under the section 'finance lease receivables' on the balance sheet for 85.8 million EUR at 31.12.2020.

Property	Surface area
Courthouse – Antwerp	72,132 m^2
Prison – Leuze-en-Hainaut	28,316 m^2
Fire station – Antwerp	23,323 m^2
Police station – Termonde	9,645 m^2
Student housing Nelson Mandela – Brussels (Ixelles/Elsene)	8,088 m^2
Police station – HELKA zone	3,800 m^2
Student housing Depage – Brussels (Ixelles/Elsene)	3,196 m^2

NEO II

The NEO II public procurement has been assigned to the consortium composed of CFE and Cofinimmo in July 2018. The purpose of this public procurement, which has been launched by the city of Brussels and the Brussels-Capital Region in 2013, was a Design-Build-Finance-Maintain (DBFM) contract for a convention centre and a high-class hotel, on the Heysel plateau (north of Brussels, next to the Atomium).

On 16.10.2020, the public authorities involved in the NEO II project, namely the city of Brussels, the Brussels-Capital Region and the scrl NEO, put an end to the development of the convention centre and hotel project on the Heysel, in view of the uncertainties linked to the current health crisis.



OFFICES

Cofinimmo has been a major player in the Brussels office market for over 35 years. The group benefits from the experience it has accumulated in the segment to proactively and dynamically manage its portfolio of 77 office buildings: rental management, upgrades to meet the requirements of the 'new ways of working', renovation and reconversion programmes and asset arbitrages are carried out with a forward-looking approach

Offices strategy

Since it was established in 1983, Cofinimmo has been a major player in the Brussels office market, which consists of the various sub-segments described below.

It is in this market that the company has built its real estate expertise for over 35 years. In fact, Cofinimmo's staff is experienced in the management from A to Z of large-scale projects, including the design, construction, renovation, conversion and development of sites, in view of renting or even selling. It masters all aspects of the building life cycle. This know-how has expanded from offices to healthcare real estate, property of distribution networks and PPPs, which benefit from the synergies thus created.

In parallel to the development of the healthcare real estate segment, Cofinimmo is focusing on the rebalancing of its office portfolio between the various sub-segments, to the benefit of high-quality buildings located in the CBD of Brussels, where vacancy in this segment is lower than the Brussels market average.

In order to have an optimal operational platform, the size of the office portfolio should ideally remain above one billion EUR.

ESG

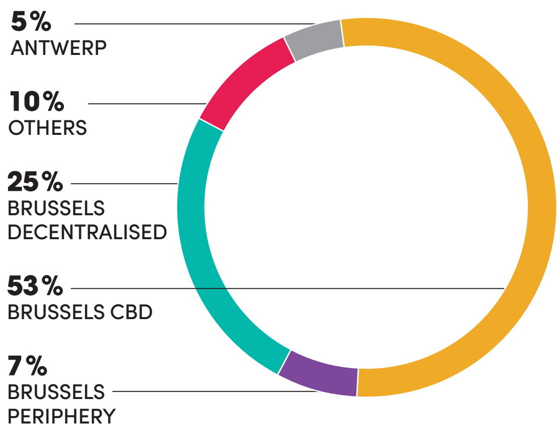
In the day-to-day management of its office portfolio, Cofinimmo pursues one of its primary objectives, which is to adopt a sustainable and environmental approach. Cofinimmo's ESG strategy was first influenced by the European and national or even regional regulatory frameworks. In a desire to anticipate, Cofinimmo went further and demonstrated its agility by integrating new requirements making it easier to adapt to these regulations.

Particularly in the case of an acquisition, Cofinimmo's influence can be decisive since it assesses the need to redevelop a project in order to keep the building up to standard in the long term. When selecting the files, it considers the location and above all the accessibility of the site by sustainable transport.

Of course, Cofinimmo adopts a life cycle approach for the technical management of buildings. When an office building reaches the end of its life, the construction is recycled. In the central locations of Brussels, where there is a strong demand for office spaces, the building is thoroughly renovated. For the more decentralised locations, a study is made on the possible reconversion of the building. In this way, Cofinimmo strives to

Céline Vermeylen – HR officer – Cofinimmo &
Wouter Kruijver – Treasury & project finance officer – Cofinimmo

BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY GEOGRAPHICAL AREA (as at 31.12.2020 – at fair value - in %)



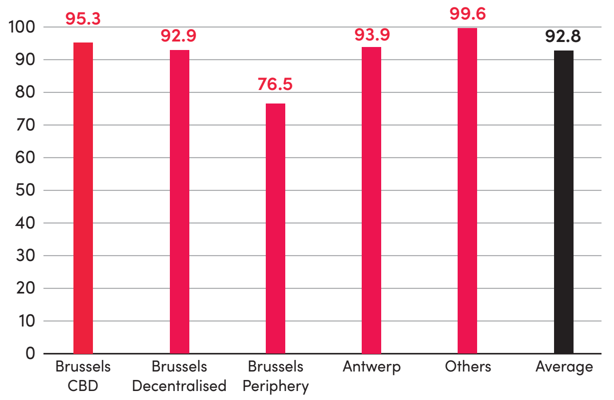
meet as well as possible the evolving needs of office users in terms of flexibility, mobility and diversity of living spaces at work.

Furthermore, Cofinimmo pays specific attention to transforming the urban landscape in a responsible manner by focusing on aesthetics and the diversity of districts. Cofinimmo also favours the use of modern techniques and sustainable materials to reduce the carbon footprint of the buildings developed, while also endeavouring to limit and reuse waste from project sites.

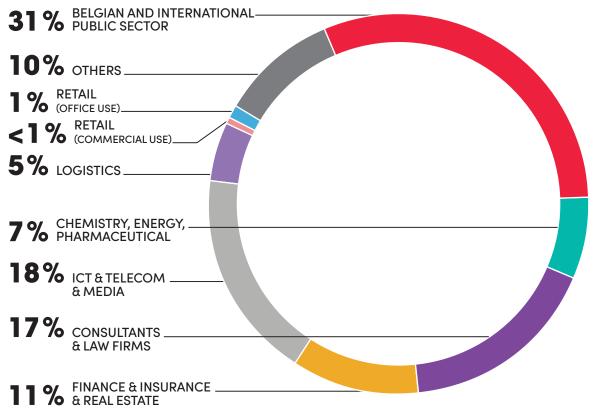
The day-to-day management of office buildings is also a real source of leverage in the sustainability strategy. Property management has been an in-house activity since 1999, and its influence is significant. Making tenants aware of their energy consumption and the signature of agreements with green energy suppliers aim at reducing the carbon footprint of buildings. Energy data management software processes the consumption figures (water, gas, electricity and waste) for all the communal spaces of office buildings under operational control, as well as the private consumption voluntarily provided by the different tenants. Using this tool helps identify possible sources of savings and measure the impact of the investments made. Through the installation of meters than can be read remotely, the whole portfolio of offices under operational control is connected to the energy accounting software in real time.

Through these areas of focus, Cofinimmo wishes to fully shoulder its social and environmental responsibility.

OCCUPANCY RATE BY GEOGRAPHICAL AREA
(as at 31.12.2020 – in %)



BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY TENANT BUSINESS SECTOR
(as at 31.12.2020 – in contractual rents – in %)



Quartz office building –
Brussels CBD (BE)

Market characteristics[1]

THE BRUSSELS OFFICE MARKET SUB-SEGMENTS

The Brussels office market consists of several sub-segments.

The first five are often grouped under the heading 'Central Business District' (CBD).

- **Brussels city centre:**
  - **the historical heart of the city**
    Occupants: Belgian public authorities and medium-size and large private Belgian companies.
- **Leopold district:**
  - **European district of the city**
    Occupants: European institutions and delegations and the non-profits organisations working with them, medium-size and large private companies, law firms, lobbyists.
- **Brussels North:**
  - **business area**
    Occupants: Belgian national and regional public authorities, semi-public and large private companies.
- **Louise district:**
  - **high-end district, mixed use (residential and offices)**
    Occupants: law firms, embassies and medium-size private companies.
- **Midi district:**
  - **district surrounding the Brussels-South railway station.**
    Occupants: SNCB/NMBS, railway-related companies, Belgian public authorities.
- **Brussels Decentralised:**
  - **the remainder of the 19 municipalities of the Brussels-Capital Region, primarily residential**
    Occupants: medium-size and large private companies.
- **Brussels Periphery & Satellites:**
  - **the area adjoining the Brussels-Capital Region, the Ring and the national airport**
    Occupants: private companies of all sizes.

THE BRUSSELS OFFICE RENTAL MARKET

Demand

In 2020, rental demand in the Brussels office market barely exceeded 300,000 m², which is the worst score in the last 20 years. The context of uncertainty associated with the COVID-19 health crisis and its duration has led many tenants to reconsider or postpone their relocation and expansion plans. The largest transactions signed in 2020 were located in the Leopold district. By way of exemple, we can mention the occupancy of 30,000 m² by the European Commission in The One office building, 14,000 m² by ING in the Belliard 5 building or 14,000 m² By EEAS in the Belmont building.

1. Market information deriving from the CBRE, Cushman & Wakefield, Jones Lang LaSalle and BNP market research. The figures and percentages indicated are an average between these four market players.

Bourget 44 office building –
Brussels Decentralised (BE)

Supply

During the 2020 financial year, 220,000 m² were delivered, of which 50,000 m² were still available at delivery. The main projects delivered were: Manhattan center (41,000 m²), T&T Gare Maritime (45,000 m²) or also Mobius 1 (26,000 m²). All three are located in the North district. Currently, 440,000 m² of office spaces are under construction for delivery by the end of 2022, of which 160,000 m² are still available for rent.

The most important development projects are: the Mobius 2 building, Victoria Tower and the Quatuor building in the North district, the Copernicus and Belliard 5 buildings in the Leopold district and the Multi tower, HQ BNP Paribas and Tweed buildings in the Pentagon. Cofinimmo will start in 2021 the redevelopment of the Montoyer 10, an office building of 6,000 m² located in the Leopold district and acquired in 2019 the Loi/Wet 85 building which should be redeveloped.

Vacancy

At the end of 2020, the Brussels office market had an average rental vacancy of 7.4%. This level is comparable to the vacancy rate in 2019 and to the historical average of the Brussels market. Moreover, the vacancy rate is also particularly low in the Grade A buildings, despite recent deliveries.

The Brussels office market is still characterised by a diversified dynamic. Currently, the vacancy rate remains under 5% in all central districts and stands at approximately 2.7% in the Leopold district, 4.9% in the North district, and 3.8% in the Pentagon. However, the average vacancy rate in the decentralised and peripheral districts remains high at 10.5% and 18.6% respectively.

THE BRUSSELS OFFICE INVESTMENT MARKET

In 2020, 3.5 billion EUR was invested in the office segment in Brussels, a record level although inflated by the Finance Tower transaction, which represent 1.2 billion EUR. The other most significant transactions impacted Silver Tower, the Platinium and Euroclear HQ buildings, the Generali portfolio, and the TOTAL building.

Most of these significant transactions were made by foreign investors.

Prime yields for offices in Brussels have continued to decline. At the end of 2020, they stood at 4% in the CBD and at 3.25% for long-leased assets.

Virginie Van Haute – Corporate legal officer – Cofinimmo &
Diana Islamaj – Corporate legal officer – Cofinimmo

Strategy implementation

PROXIMITY TO CLIENTS

Cofinimmo endeavours to build close and sustainable relationships with the tenants to ensure client satisfaction and loyalty. Building management is handled entirely in-house, that is, by its employees. The size of its office portfolio, which is in excess of one billion EUR, enables the group to have a complete human and technical management platform and to bear its costs.

The technical teams consist of industrial and civil engineers, architects and interior designers who supervise upgrade, maintenance and renovation works. The Service Desk is accessible 24/7 and is responsible for organising the response to requests for service and repairs.

The sales teams are in constant contact with the clients to meet their flexibility requirements. The administrative and accounting teams invoice rents and provide a breakdown of charges and taxes. The legal department prepares leases and monitors potential disputes.

PROACTIVE RENTAL MANAGEMENT

The rental vacancy risk faced by Cofinimmo each year involves an average of 10 % to 15 % of its office portfolio. A commercial strategy based on a close relationship with the clients contributes to a continued high occupancy level and positive operating margin growth.

The commercial strategy is completed by the implementation of innovative solutions intended to best meet the needs of tenants in terms of workspace flexibility, mobility, and diversity. The development of the Flex Corners® and Lounges® concepts are examples of this.

Flex Corner® by Cofinimmo

This concept enables clients looking for smaller office spaces to lease a private space in an office building equipped with shared infrastructure (kitchenette, lounge, meeting rooms). Leases are offered on a monthly basis and include rent, taxes, and charges for both the private space and the shared areas. The contracts are established for a period of time corresponding to the client's needs with a minimum of one year. A 'Custom your lease' option is also available, making it possible for tenants to establish their own lease period based on contractual terms suited to their needs.

This concept was initiated in 2016 and is now available in 8 of the buildings in the portfolio which had vacant space. At the end of 2020, the occupancy rate of the Flex Corners® stood at approximately 74 %.

The Lounge® by Cofinimmo

The group has two Lounges® by Cofinimmo: the first, inaugurated in 2016, in the Park Lane in Diegem and the second, completed in 2017, in The Gradient building in Brussels (Woluwé-Saint-Pierre/Sint-Pieters-Woluwe).

Cofinimmo provides tenants and their visitors with modern, inspiring and comfortable shared spaces that include catering, meeting, networking and relaxation areas. The spaces are managed on-site by the community manager. The concept meets the growing need for a range of different types of work spaces.

Occupancy rate

Cofinimmo's office portfolio occupancy rate was 92.8 % at 31.12.2020 compared to 92.5 % for the overall Brussels office market[1]. In the course of 2020, renegotiations and new leases have been signed for a total of almost 73,263 m² of office spaces compared to more than 99,375 m² recorded as at 31.12.2019. The most important transactions are listed in the table below.

Geographical area	Building	Type of transaction	m²
Brussels Decentralised	Georgin 2	Renegotiation	17,400
Brussels Decentralised	Herrmann-Debroux 44-46	Renegotiation	5,900
Brussels Decentralised	Bourget 44	Renegotiation	4,500
Other regions	Mechelen station - Malines/Mechelen	Renegotiation	3,500
Antwerp	AMCA - Avenue Building	Renegotiation	2,800
Antwerp	AMCA - Avenue Building	Renegotiation & Lease	2,400
Brussels Decentralised	Bourget 42	Lease	2,000
Brussels Decentralised	The Gradient	Lease	1,500
Brussels CBD	Arts/Kunst 46	Renegotiation & Lease	1,200
Other regions	Mechelen station - Malines/Mechelen	Renegotiation	1,000
Brussels CBD	Trône/Troon 100	Lease	800
Brussels CBD	Arts/Kunst 46	Lease	800

1. Source: Cushman & Wakefield.

Guimard 10-12 office building – Brussels CBD (BE)

REDEVELOPMENT PROJECTS

Cofinimmo's internal technical teams, consisting of industrial and civil engineers, architects and interior designers, are responsible for redevelopment projects including renovations, reconstruction, and reconversion. The projects are part of a long-term programme to optimise the composition of the portfolio, create value and, more broadly, to responsibly transform the urban landscape.

SELECTIVE ARBITRAGE OF ASSETS

Cofinimmo has implemented a selective arbitrage policy for its office buildings while maintaining its portfolio above 1 billion EUR which is compatible with the need for a complete management platform.

In parallel with the development of the healthcare real estate segment, Cofinimmo is focusing on the rebalancing of its office portfolio between the various sub-segments, to the benefit of high-quality buildings located in the CBD of Brussels. The rental vacancy in this segment, lower than the average of the Brussels market, makes it possible to achieve higher net yields.

The goal is to take advantage of investors' appetite for certain types of assets and to optimise the composition of the portfolio in terms of age, size, location and the rental situation of buildings. The funds collected are then reinvested in high-quality buildings located in the CBD of Brussels.

Park Lane office park – Brussels Periphery (BE)

Acquisition of 100 % of the shares of the company owning a building containing offices and a medical centre

Trône/Troon 100	
Delivery of the works	Q4 2020
Surface area	>7,200 m²
Acquisition price	40 million EUR
Energy performance	Level B+

Sale

Chaussée de Louvain/Leuvensesteenweg 325	
Surface area	Almost 6,300 m²
Sale price	Approximately 4 million EUR

Assignment of property rights for an office park

Serenitas	
Surface area	>19,800 m²
Sale price	22 million EUR

Assignment of property rights for an office building

Moulin à Papier/Papiermolen	
Surface area	Approximately 3,500 m²
Sale price	5 million EUR

Occupancy of an office building

Quartz	
Occupancy	Q3 2020
Surface area	Almost 9,200 m²
Works budget	23 million EUR
Environmental certificate	BREEAM Excellent

Acquisition of 100 % of the shares of the company owning the rights in rem in an office building

Port/Haven 86C ('Bruxelles Environnement/Leefmilieu Brussel')	
Surface area	Almost 17,000 m²
Acquisition price	Approximately 100 million EUR
Environmental certificate	BREEAM Excellent

COMPOSITION OF THE CONSOLIDATED PORTFOLIO

— At 31.12.2020, the consolidated property portfolio of the Cofinimmo group consisted of 1,473 buildings, for a total surface area of 2,169,787 m². Its fair value amounts to 4,869 million EUR.

Healthcare real estate already accounts for more than 59% of the group's portfolio, spread over six countries, namely: Belgium, France, the Netherlands, Germany, Spain and Finland. One third of the consolidated portfolio is invested in office buildings. This portfolio is only spread over Belgium, mainly in Brussels, the capital of Europe.

The group also owns two distribution networks leased to major players (AB InBev in Belgium and the Netherlands, and MAAF in France)

Healthcare campus Nebo – The Hague (NL)

The portfolio consists of:

- **in Belgium:**
  healthcare and office assets, a network of pubs and restaurants and Public-Private Partnerships;
- **in France:**
  healthcare assets and a network of insurance agencies;
- **in the Netherlands:**
  healthcare assets and a network of pubs and restaurants;
- **in Germany:**
  healthcare assets;
- **in Spain:**
  healthcare assets;
- **In Finland:**
  healthcare assets;
- **In Ireland (as from January 2021):**
  healthcare assets.

Changes in the consolidated portfolio

CHANGE FROM 1996 TO 2020

Cofinimmo was approved as a public fixed capital investment company (Sicafi/Vastgoedbevak - now SIR/ GVV) in 1996. The investment value of its consolidated portfolio amounted to just 600 million EUR at 31.12.1995. At 31.12.2020, it exceeds 5.1 billion EUR.

Between 31.12.1995 and 31.12.2020, the group:

- invested a total of 6,300 million EUR (acquisitions, constructions and renovations);
- sold for a total amount of 2,302 million EUR.

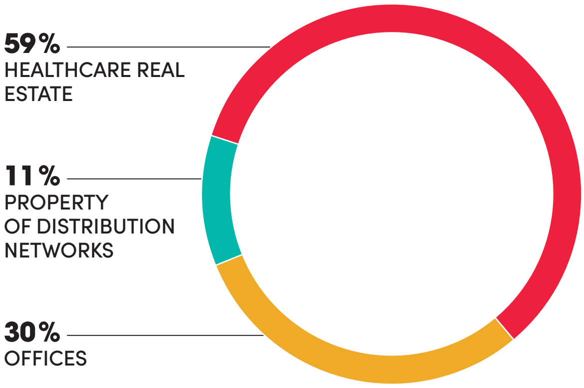
On average, Cofinimmo achieved a net profit of 9.08 % in investment value on sales compared to the latest annual valuations preceding the sales prior to deduction of payments to intermediaries and other miscellaneous expenses. These figures do not include capital gains and losses realised on the sale of shares of companies owning buildings, these amounts being recorded as capital gains or losses on the sale of securities.

The graph on the next page shows the breakdown by real estate segment of investments totalling 6,300 million EUR between 1996 and 2020.

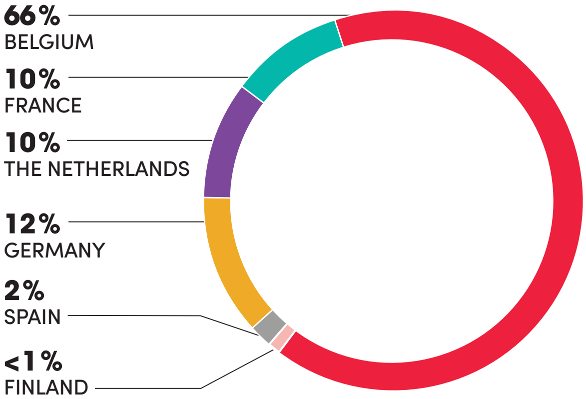
CHANGE IN THE INVESTMENT VALUE OF THE CONSOLIDATED PORTFOLIO BETWEEN 1996 AND 2020 (x 1,000,000 EUR)

Investment value of the portfolio as at 31.12.1995	609
Acquisitions	5,312
Constructions and renovations	988
Net disposal value	-2,499
Realised gains and losses compared to the last annual estimated value	197
Writeback of lease payments sold	218
Change in the investment value	257
Investment value of the portfolio as at 31.12.2020	5,082

BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY REAL ESTATE SEGMENT (as at 31.12.2020 – at fair value)

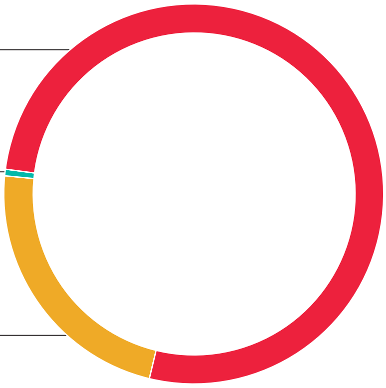


BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY COUNTRY (as at 31.12.2020 – at fair value)

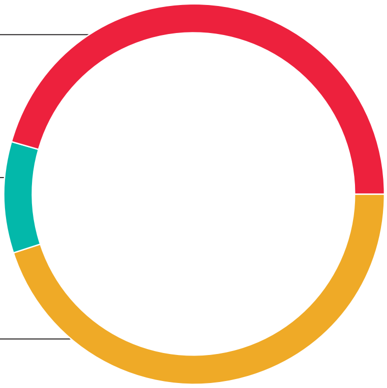


Cockx 8-10 office building – Brussels Decentralised (BE)

BREAKDOWN OF INVESTMENTS BY REAL ESTATE SEGMENT IN 2020 (in investment value – x 1,000,000 EUR)



BREAKDOWN OF INVESTMENTS BY REAL ESTATE SEGMENT BETWEEN 1996 AND 2020 (in investment value – x 1,000,000 EUR)



CHANGE IN 2020

The investment value of the consolidated portfolio increased from 4,428 million EUR at 31.12.2019 to 5,082 million EUR at 31.12.2020. At fair value, the figures were 4,247 million EUR at 31.12.2019 and 4,869 million EUR at 31.12.2020.

In 2020, the group:

- invested a total of 666 million EUR[1] (acquisitions, constructions and renovations);
- divested for a total amount of 40 million EUR.

The 2020 sales consisted mainly in 28 pubs and restaurants of the Pubstone distribution network, 2 insurance agencies of the Cofinimur I distribution network and 5 office buildings.

The graph on this page shows the breakdown by real estate segment of investments totalling 666 million EUR realised in 2020.

The change in fair value of the consolidated portfolio was 622 million EUR in 2020 (654 million EUR in investment value), i.e. an increase of 15 %. The table on the following page shows the change in fair value of the portfolio in 2020 by real estate segment and by geographical area.

CHANGE IN THE INVESTMENT VALUE OF THE CONSOLIDATED PORTFOLIO IN 2020 (x 1,000,000 EUR)

Investment value of the portfolio as at 31.12.2019	4,428
Acquisitions[1]	620
Constructions and renovations	47
Net disposal value	-45
Realised gains and losses compared to the last annual estimated value	5
Writeback of lease payments sold	9
Change in the investment value	19
Investment value of the portfolio as at 31.12.2020	5,082

1. As well as 66 million EUR in participations in associates.

CHANGE IN FAIR VALUE OF THE CONSOLIDATED PORTFOLIO BY REAL ESTATE SEGMENT AND BY GEOGRAPHICAL AREA IN 2020

Real estate segment and geographical area	Change in fair value[1]	Share of the consolidated portfolio
Healthcare real estate	**-0.2 %**	**59.2 %**
Belgium	0.4 %	29.9 %
France	-3.0 %	8.1 %
The Netherlands	-0.9 %	7.1 %
Germany	0.4 %	12.3 %
Spain	1.1 %	1.6 %
Finland	1.2 %	0.2 %
Offices	**0.7 %**	**29.6 %**
Brussels CBD	2.8 %	15.6 %
Brussels Decentralised	-0.4 %	7.4 %
Brussels Periphery	-5.1 %	2.2 %
Antwerp	-3.3 %	1.4 %
Other regions	-0.9 %	3.0 %
Property of distribution networks	**-2.0 %**	**11.3 %**
Pubstone – Belgium	0.8 %	6.1 %
Pubstone – The Netherlands	-1.3 %	2.9 %
Cofinimur I	-9.4 %	2.3 %
TOTAL POTFOLIO	-0.1 %	100 %

1. Without the initial effect of the changes in the scope.

Orthopaedic clinic Bergman – Rijswijk (NL)

Rental situation of the consolidated portfolio

The commercial management of the group's portfolio is handled entirely in-house: closeness to clients enables the Group to build a long-term relationship of trust, an essential element for ensuring a high occupancy rate, long lease maturities and quality tenants.

OCCUPANCY RATE

The occupancy rate of Cofinimmo's consolidated portfolio (excluding assets held for sale), calculated on the basis of contractual rents for space leased and the rental values estimated by independent real estate valuers for unoccupied space was 97.4 % at 31.12.2020. It is as follows for each real estate segment:

Real estate segment and country	Occupancy rate	Comment
Healthcare real estate	**99.9 %**	
Belgium	100%	The assets acquired are fully leased to healthcare operators with whom Cofinimmo signs leases with an initial duration of 27 years. Assets in development are all pre-let.
France	99.5%	The assets acquired are fully leased to healthcare operators, usually through leases with an initial duration of 12 years. As at 31.12.2020, the average residual lease length is 3 years. One asset is empty, one asset has been sold at market value and for the rest, the leases have been extended. Developed assets are all pre-let.
The Netherlands	99.6%	Cofinimmo owns 16 medical office buildings which are directly leased to healthcare professionals who receive their patients in the facilities. As at 31.12.2020, the occupancy rate of these buildings was 98.8 %. All other assets are fully leased to healthcare operators with whom Cofinimmo usually signs leases with an initial duration going from 10 to 15 years. Developed assets are all pre-let.
Germany	100%	The assets acquired are fully leased to healthcare operators with whom Cofinimmo usually signs leases with an initial duration of 15 to 30 years.
Spain	100%	The assets acquired are fully leased to healthcare operators with whom Cofinimmo usually signs leases with an initial duration of 15 to 30 years.
Finland	n/a	
Offices	**92.8 %**	The majority of leases signed by Cofinimmo in this segment are 3/6/9 years. The rental vacancy risk the group faces each year represents an average of 10 % to 15 % of its office portfolio. By comparison, the average vacancy rate in the Brussels office market was 7.2 % as at 31.12.2020 (source: Cushman & Wakefield).
Property of distribution networks	**98.5 %**	
Pubstone - Belgium	99.7%	As of the seventh year of the lease (2014), AB InBev has the option of terminating pub and restaurant leases each year accounting for up to 1.75 % of the annual rental income of the total Pubstone portfolio. The brewing group has vacated 126 assets since 2014: as at 31.12.2020, 13 assets have been leased again, 109 assets have been sold and 4 assets are empty.
Pubstone - The Netherlands	99.7%	As of the seventh year of the lease and at every five-year anniversary of the sub-lease agreed by AB InBev and the pubs and restaurants operator, AB InBev has the option of giving up the establishment, on condition that the total of the terminated leases during a given year do not exceed 1.75 % of the annual rental income of the total Pubstone portfolio. The brewing group has vacated 31 assets since 2014: as at 31.12.2020, 30 assets have been sold and 1 asset is empty.
Cofinimur I - France	94.4%	At the time the insurance agencies leased to MAAF were acquired (2011), ten agencies were either empty or rented through a lease with a residual length of less than one year. As at 31.12.2020, nine of the ten assets had been sold and one has been leased. The other assets acquired are leased for an initial duration of 3, 6, 9 or 12 years. In addition, 42 agencies have vacated by MAAF since the portfolio was acquired: as at 31.12.2020, 11 assets have been sold, 21 assets are empty and 10 of them have been re-leased.
TOTAL	97.4 %	

TIMETABLE OF LEASE MATURITIES

If every tenant were to exercise their first break option, the weighted average residual length of all leases in effect on 31.12.2020 would be 12 years. The graph below shows the lease maturity for each real estate segment as at 31.12.2020.

Average residual lease term would increases to 12.6 years if no break options are exercised, i.e. if all tenants would continue to occupy their rented space until the contractual end of the leases.

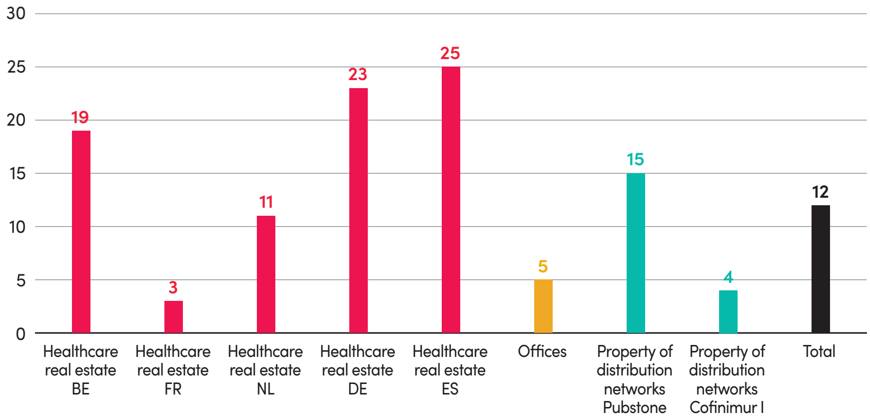
Furthermore, as at 31.12.2020, more than 60% of the leases signed by the group had a residual term greater than 9 years (see table below).

BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BASED ON LEASE MATURITIES (as at 31.12.2020 – in contractual rents)

Lease maturities	Share of the portfolio
Leases > 9 years	**60.9%**
Healthcare real estate	44.7%
Property of distribution networks – Pubstone	10.4%
Offices – public sector	4.0%
Offices – private sector	1.8%
Leases 6-9 years	**5.6%**
Healthcare real estate	2.2%
Property of distribution networks – Cofinimur I	0.3%
Offices	3.2%
Leases < 6 years	**33.4%**
Healthcare real estate	9.9%
Property of distribution networks – Cofinimur I	2.4%
Offices	21.1%
TOTAL	100%

Quartz office building – Brussels CBD (BE)

WEIGHTED AVERAGE RESIDUAL LEASE LENGTH PER REAL ESTATE SEGMENT UNTIL THE FIRST BREAK OPTION (as at 31.12.2020 – in number of years)



12 years
WEIGHTED AVERAGE RESIDUAL LEASE LENGTH

97.4%
OCCUPANCY RATE

TENANTS

The group's consolidated portfolio consists of more than 430 tenants coming from a variety of sectors, a diversification that contributes to the group's moderate risk profile. The listed French group Korian, expert in care and support services for the elderly, is the group's leading tenant. It is followed by AB InBev which leases the Pubstone pubs and restaurants portfolio.

CHANGE IN RENTAL INCOME

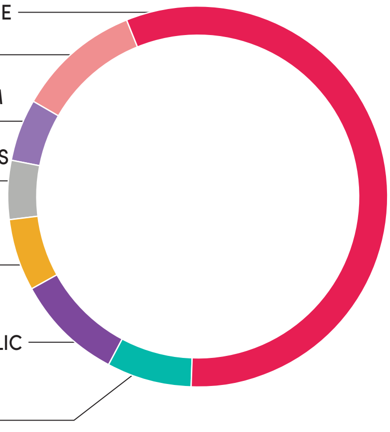
Gross rental income increased from 237.5 million EUR in 2019 to 257.7 million EUR in 2020, or an increase of 8.5%. On a like-for-like basis, gross rental income increased by 1.4%. The table on the following page shows the change in gross rental income for the various real estate segments and countries in 2020, on a like-for-like basis.

The positive effect of new leases (+1.9%) and indexation (+1.1%) largely compensates the negative effect of departures (-1.1%) and renegotiations (-0.3%).

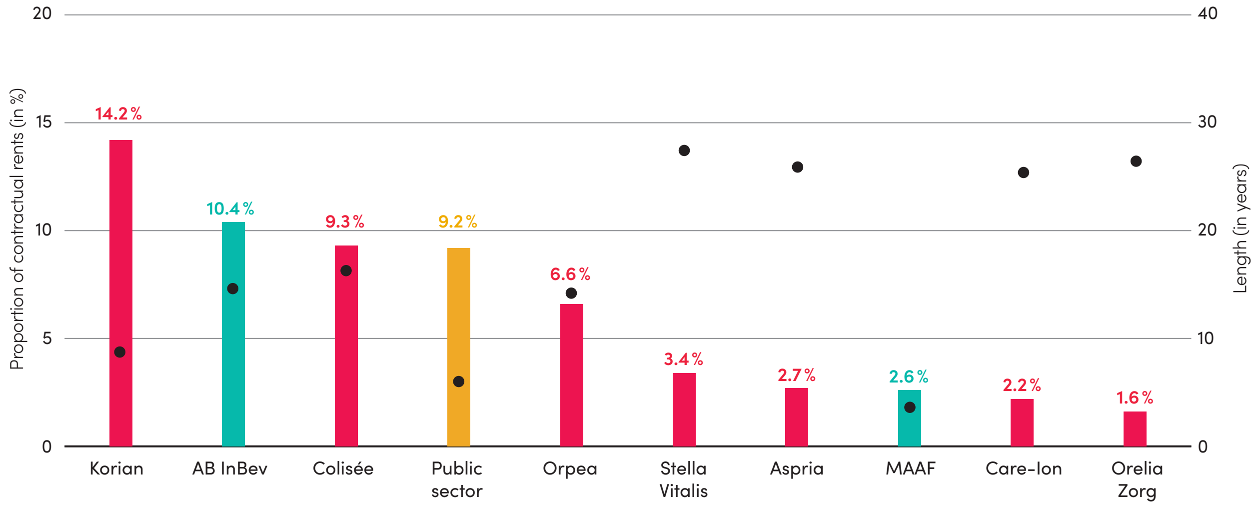
RENTAL INCOME

Cofinimmo is able to secure its long-term revenue thanks to its portfolio diversification strategy and its active commercial management. Over 77% of the rental income is contractually guaranteed until 2024. This percentage increases to 83% if no termination options are exercised and if all of the tenants remain in their rented spaces until the contractual end of their lease.

BREAKDOWN OF THE CONSOLIDATED PORTFOLIO BY TENANT BUSINESS SECTOR (as at 31.12.2020 – in contractual rents)



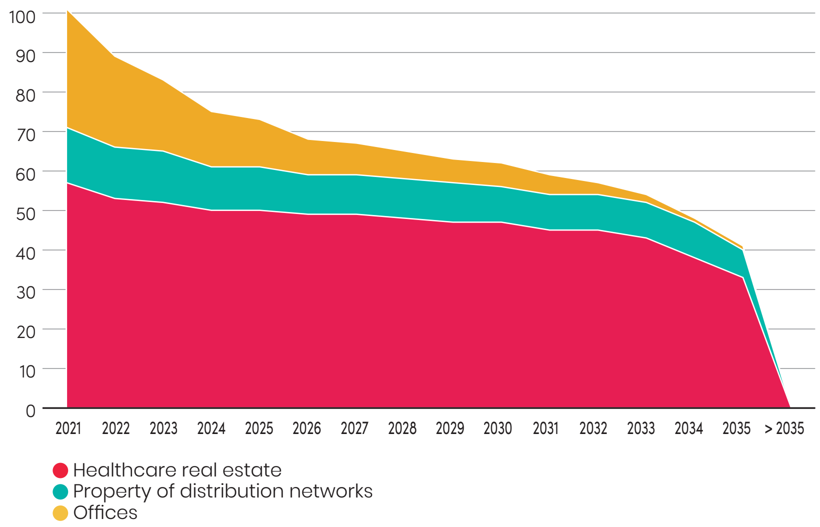
TOP 10 TENANTS (as at 31.12.2020 - in contractual rents – in %) AND WEIGHTED AVERAGE RESIDUAL LEASE LENGTH UNTIL THE FIRST BREAK OPTION (as at 31.12.2020 – in number of years)



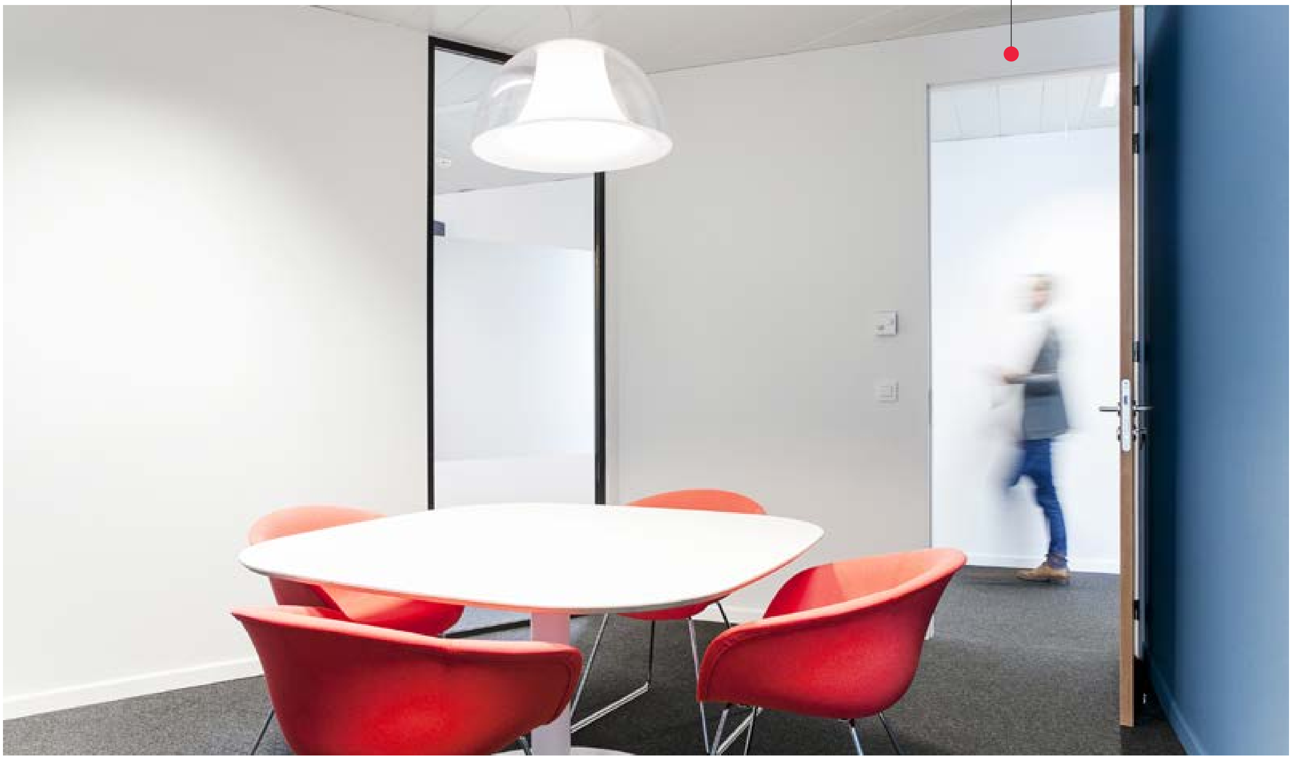
CHANGE IN GROSS RENTAL INCOME ON A LIKE-FOR-LIKE BASIS, BY REAL ESTATE SEGMENT IN 2020

Real estate segment	Change in gross rental income on a like-for-like basis	Share of the consolidated portfolio at fair value
Healthcare real estate	**1.1%**	**59.2%**
Offices	2.2%	29.6%
Property of distribution network	1.2%	11.3%
TOTAL	1.4%	100%

RENTAL INCOME (as at 31.12.2020 – in contractual rents – in %)



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



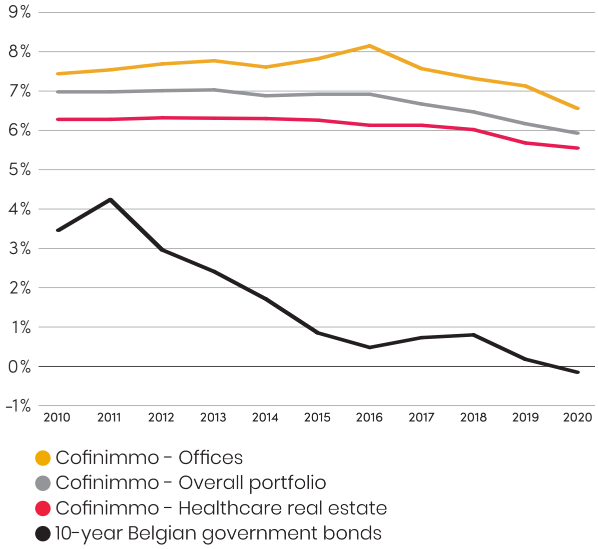
Pub Cheval marin – Brussels (BE)

Rental yield

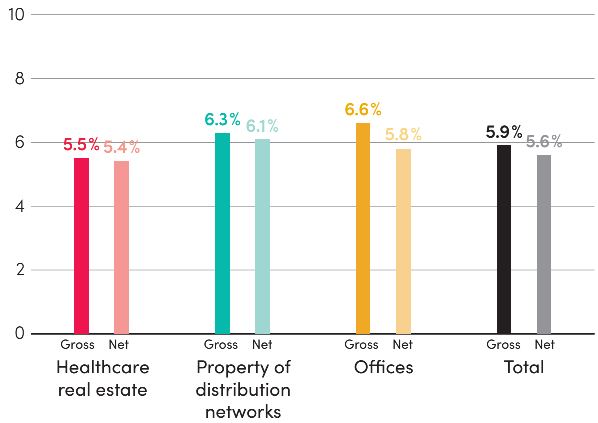
Rental yield is defined as the rental income for rented spaces and the estimated rental value of unoccupied space, divided by the investment value of the buildings (excluding assets held for sale) as established by the independent real estate valuers. This rental yield is defined as the capitalisation rate of rental income applied to the real estate portfolio.

The difference between gross rental yields and net rental yields reflects direct costs: technical costs (maintenance, repairs, etc.), commercial costs (agent commissions, marketing expenses, etc.) and charges and taxes on unoccupied space. The majority of healthcare real estate leases in France and Belgium are triple net, while in Germany, the Netherlands and Spain, the majority is of the double net type (Dach und Fach - see Glossary). The triple net lease implies that the maintenance and insurance expenses, as well as the taxes, are at the tenant's expense, contrary to the double net lease. Therefore, gross and net rental yields are almost identical in this segment.

CAPITALISATION RATES APPLIED TO THE COFINIMMO PORTFOLIO AND YIELD ON 10-YEAR BELGIAN GOVERNMENT BONDS (as at 31.12.2020 - in %)



GROSS/NET YIELDS PER REAL ESTATE SEGMENT (as at 31.12.2020)



SEGMENT INFORMATION

Real estate segment and country	Number of buildings	Surface area (in m²)	Average age (in years)	Fair value (x 1,000,000 EUR)	Share of the consolidated portfolio at fair value	Contractual rents (x 1,000 EUR)	Share of the consolidated portfolio in contractual rents
Healthcare real estate	**220**	**1,243,896**	**12**	**2,882**	**59.2%**	**162,166**	**56.8%**
Belgium	83	564,439	11	1,456	29.9%	77,080	27.0%
France	49	214,035	>15	393	8.1%	27,724	9.7%
The Netherlands	42	162,702	9	346	7.1%	20,633	7.2%
Germany	43	281,655	11	598	12.3%	35,296	12.4%
Spain	3	21,065	9	78	1.6%	1,434	0.5%
Finland	-	-	n/a	12	0.2%	-	-
Offices	**77**	**550,566**	**13**	**1,439**	**29.6%**	**85,988**	**30.1%**
Property of distribution network	**1,176**	**375,325**	**>15**	**548**	**11.3%**	**37,475**	**13.1%**
Pubstone – Belgium	696	275,870	>15	295	6.1%	19,567	6.8%
Pubstone – The Netherlands	214	42,133	>15	139	2.9%	10,139	3.5%
Cofinimur I	266	57,322	>15	114	2.3%	7,769	2.7%
TOTAL	1,473	2,169,787	13	4,869	100%	285,704	100%

MANAGEMENT OF FINANCIAL RESOURCES

— Cofinimmo's financial strategy is characterised by the diversification of its financing sources, regular access to the capital markets, a debt-to-assets ratio close to 45% and the optimisation of the duration and cost of its financing. Cofinimmo also pays particular attention to the coherence between its financial strategy and its ESG objectives (see chapter Strategy of this document). After being the first European real estate company to issue green & social bonds in 2016, Cofinimmo has now become the first Belgian real estate to have issued a benchmark public sustainable bond of 500 million EUR in November 2020

The group's debt and committed credit lines are not subject to any early repayment clauses, or changes in margin, related to its financial rating. They are usually subject to conditions related to:

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

At 31.12.2020 and throughout the 2020 financial year, the ratios were adhered to. In addition, no payment defaults on the loan contracts, nor violations of the terms and conditions of these same contracts are expected in the coming 12 months.

Belliard 40 office building – Brussels CBD (BE)

Financing transactions in 2020

In 2020, Cofinimmo reinforced its financial resources and its balance sheet structure. Two capital increases were carried out during the financial year. The financing operations over the financial year also enabled the group to improve the maturity timetable of its financial debts, to increase available financing, to maintain an average cost of debt at particularly low levels and to increase its maturity. The various operations carried out are stated below.

CAPITAL INCREASES

During the 2020 financial year, Cofinimmo proceeded to two capital increases (optional dividend and contributions in kind) totalling approximately 143 million EUR.

Optional dividend

The ordinary general meeting of 13.05.2020 had decided to distribute a gross dividend of 5.60 EUR per share (or a net dividend of 3.92 EUR per share) for the 2019 financial year.

The board of directors decided to offer shareholders the choice between receiving the dividend payment for the year 2019 in new shares or in cash, or to opt for a combination of both means of payment. The subscription price of one new share was set at 113.68 EUR. The new shares are entitled to Cofinimmo's results as from 01.01.2020 (first dividend payable in 2021).

Shareholders were invited to communicate their choice between the different payment modalities between 20.05.2020 and 05.06.2020. A total of 43.5 % of the 2019 dividend coupons were contributed to the capital against new shares. This resulted in the issue of 387,226 new shares for a total amount of 44.0 million EUR. The subscription price of 113.68 EUR per new share was 7.4 % below the volume-weighted average stock market price of the share during the subscription period (122.74 EUR).

The remaining dividend pay-out was settled in cash for a net total amount of 57.2 million EUR (amount from which the withholding taxes on dividends relating to reinvested and non-reinvested coupons has been deducted). The payment in cash and/or the delivery of securities was made on 09.06.2020. The effective day of listing of the new shares was 11.06.2020.

As a result, Cofinimmo's share capital was represented by 26,236,509 shares.

Contributions in kind followed by a private placement

On 10.06.2020, Cofinimmo signed an agreement regarding the acquisition of six healthcare sites in Belgium through contributions in kind of the shares of six companies. The conventional value of the assets for the calculation of the share price amounted to approximately 105 million EUR, whereas the contributions in kind amounted to 98,520,698.88 EUR. Within this framework, 825,408 new shares were issued.

Part of the new shares were offered on the same day within the framework of a private placement with institutional investors. Trading in Cofinimmo shares on the regulated Euronext Brussels market was temporarily suspended due to the private placement.

The private placement was successfully concluded. In total, 526,000 shares were placed with institutional investors at a price of 121.00 EUR, which represents a discount of 3.8 % compared to the closing price of the previous day. The trading in the Cofinimmo resumed on the next day.

Following this transaction, and as at 31.12.2020, Cofinimmo's capital was represented by 27,061,917 shares.

Psychiatric clinic –
Kaarst (DE)

ISSUE OF A SUSTAINABLE BOND

On 25.11.2020, Cofinimmo issued its first public benchmark-sized sustainable bond for an aggregate nominal amount of 500 million EUR, paying a coupon of 0.875 % per year and having a maturity date on 02.12.2030.

The market received Cofinimmo's issuance well as the demand exceeded six times the volume of the issue.

The proceeds from this issue will be used to (re)finance assets in accordance with Cofinimmo's sustainable financing framework of May 2020. The selected assets as well as the other sustainable financing actions defined by the group are detailed in the ESG report (see pages 128 to 133) .

The new issue is listed on the Luxembourg Stock Exchange. The settlement and admission to trading of the bonds took place on 02.12.2020.

EXTENSION OF THE COMMERCIAL PAPER PROGRAMME

In order to encourage long-term issues, Cofinimmo has decided to increase the maximum amount of the programme from 800 million EUR to 950 million EUR with a view to issuing more commercial paper with maturities longer than 1 year. The increase in the programme is reserved solely for long-term issues; the programme for short-term commercial paper remains limited to 800 million EUR.

Long-term commercial paper is issued based on reverse inquiries made by interested investors to the banks managing the commercial paper programme. Belfius Bank and ING Bank coordinate the issues of long-term commercial paper for Cofinimmo while Belfius Bank, BNP Paribas Fortis, BRED Banque Populaire, ING Bank, KBC Bank and Société Générale facilitate the issues of short-term commercial paper.

FINANCING OPERATIONS SINCE 01.01.2020

Overall financing developments

- 06.01.2020: conclusion of a new bilateral credit line of 50 million EUR for 5 years;
- 15.01.2020: maturity of a bilateral credit line of 50 million EUR concluded in 2015;
- 07.02.2020: repayment of 140 million EUR of bonds issued in 2012;
- 14.02.2020: new bilateral credit line of 20 million EUR for 4 years provided by a Spanish bank;
- 21.02.2020: issue of commercial paper for a total amount of 24 million EUR for 8 years;
- 25.02.2020: repayment of 6 million EUR commercial paper issued in 2015;
- 23.03.2020: new bilateral credit line of 50 million EUR for 5 years;
- 01.04.2020: early refinancing of a credit line of 55 million EUR maturing in October 2020 to postpone its maturity to 2028 and 2029 (2 x 27.5 million EUR);
- 15.04.2020: extension of the long-term commercial paper programme (for details see above);
- 23.04.2020: early refinancing of a credit line of 40 million EUR maturing in August 2020. This was initially a traditional credit line, refinanced in the form of a green & social loan for 3 years. In accordance with its sustainability strategy and its performance table, the green & social loan will be used by Cofinimmo to refinance projects with both environmental and social objectives;
- 04.05.2020: signing of the extension of the syndicated loan of 400 million EUR for 1 additional year to postpone its maturity to 01.07.2025;
- 11.05.2020: increase of the syndicated loan amount by 28 million EUR to bring it to 428 million EUR;
- 09.06.2020: new bilateral credit line of 38 million EUR for 7 years, replacing a credit line of 25 million EUR maturing in 2025;
- 12.06.2020: issue of commercial paper totalling 5 million EUR for 8 years;
- 01.07.2020: new credit line of 500 million EUR concluded for two years. This credit line was cancelled on 02.12.2020 when the sustainable bond was issued;
- 02.10.2020: early refinancing of the last credit line for 2021 of 30 million EUR maturing in March 2021 to extend its maturity to 2029;
- 12.11.2020: extension of a loan of 50 million EUR for 1 additional year to bring its maturity to 2026;
- 25.11.2020: issue of a 10-year public benchmark-sized sustainable bond for a total amount of 500 million EUR (for details see above);
- 26.11.2020: extension of a loan of 25 million EUR for 1 additional year to bring its maturity to 2031;
- 18.12.2020: conclusion of a new bilateral credit line of 80 million EUR for 7 years and 5 months;
- 02.02.2021: new bilateral credit line of 40 million EUR for 7 years;
- 11.02.2021: extension of a credit line of 20 million EUR for 1 additional year to bring its maturity to 2025;
- 12.02.2021: new bilateral credit line of 50 million EUR for 5 years;
- 15.02.2021: new bilateral credit line of 50 million EUR for 5 years;
- 15.02.2021: extension of a credit line of 50 million EUR for 1 additional year to bring its maturity to 2026.

Interest rate hedging

In the course of 2020, Cofinimmo continued to increase its hedging over a period of ten years. IRS for the years 2025 (100 million EUR), 2026-2027-2028 (350 million EUR), and 2029 (250 million EUR) were subscribed in order to increase hedging for these years. The main long-term hedging transactions were carried out during the first quarter. In January 2021, Cofinimmo continued its hedging for the years 2026 to 2029 with the subscription of an IRS for 50 million EUR.

In 2020, Cofinimmo also increased its hedging for the coming years with the subscription of caps for 2020 (150 million EUR), 2021 (250 million EUR), and 2022 (350 million EUR) and 2023-2024 (100 million EUR). In January 2021, Cofinimmo subscribed one new cap for 200 million EUR in order to increase its hedging for the years 2021-2022-2023-2024-2025.

Debt structure

CONSOLIDATED FINANCIAL DEBTS

At 31.12.2020, the current and non-current consolidated financial debt, issued by Cofinimmo SA/NV, was 2,283 million EUR. This included bank facilities and bonds issued on the financial markets. An overview of the bonds is listed in the table below:

Straight (S) Convertible (C)	Current (C) Non current (NC)	Sustainable financing	Nominal amount (x 1,000,000 EUR)	Issue price (%)	Conversion price	Coupon (%)	Issue date	Maturity date
S	NC	-	190.0	100.000	-	1.9290	25.03.2015	25.03.2022
S	NC	-	70.0	99.609	-	1.7000	26.10.2016	26.10.2026
S	NC	Green & social	55.0	99.941	-	2.0000	09.12.2016	09.12.2024
S	NC	Sustainable	500.0	99.222	-	0.8750	02.12.2020	02.12.2030
C	-	-	219.3	100.000	133.4121	0.1875	15.09.2016	15.09.2021

As of 31.12.2020, **non-current financial debt** was 1,247 million EUR, of which:

Bond market

- 260 million EUR representing two straight bonds;
- 55 million EUR of straight green and social bonds part of the Euronext ESG Bonds community, which brings together European issuers of green & social bonds that meet various objective criteria. Cofinimmo is currently one of the few issuers listed in Brussels participating in this committed European community. The other Belgian issuers being a Belgian banking group, the Belgian State, the Walloon Region and a Belgian wastewater treatment company;
- 500 million EUR for a benchmark-sized sustainable bond, part of the Luxembourg Green Exchange community along with many international issuers as well as a Belgian real estate developer and the Walloon Region;
- -4 million EUR mainly for the issue below par of the 500 million EUR bond and for the accrued interest not yet due on bond issues;
- 69 million EUR of long-term commercial paper;
- 2 million EUR corresponding to the discounted value of the minimum coupon of the Mandatory Convertible Bonds issued by Cofinimur I in December 2011.

Bank facilities

- 355 million EUR of committed bilateral and syndicated loans, with an initial term of five to ten years, contracted with approximately fifteen financial institutions;
- 9 million EUR in rental guarantees received.

As of 31.12.2020, Cofinimmo's **current financial debts** amounted to 1,037 million EUR, of which:

Financial markets

- 221 million EUR of a bond convertible into Cofinimmo shares. These convertible bonds are valued at their market value on the balance sheet;
- 800 million EUR of commercial paper with a term of less than one year, of which 306 million EUR with a term of more than three months. The short-term commercial paper issued is fully backed up by availabilities on committed long-term credit lines. Therefore, Cofinimmo benefits from the attractive cost of such a short-term financing programme, while ensuring its refinancing in the event that the issue of new commercial paper becomes more costly or impracticable;
- 10 million EUR of commercial paper initially concluded on a long-term basis and whose residual term is less than one year.

Bank facilities

- 5 million EUR of other loans.

AVAILABILITIES

On 31.12.2020, availabilities on committed credit lines reached 1,332 million EUR. After deduction of the commercial paper programme, Cofinimmo had at that date 532 million EUR of available lines to finance its activity (taking into account the capital increase of 180 million EUR, the credit lines concluded since 01.01.2021 and the investments already done, this amount is of 716 million EUR on 10.03.2021).

CONSOLIDATED DEBT-TO-ASSETS RATIO

On 31.12.2020, Cofinimmo met the debt-to-assets ratio test. Its regulatory debt-to-assets ratio (calculated in accordance with the regulations on RRECs as: financial and other debts / total assets) reached 46.1 % (compared to 41.0 % as at 31.12.2019). As a reminder, the maximum debt-to-assets ratio for RRECs is 65 %.

When the loan agreements granted to Cofinimmo refer to a debt covenant, they refer to the regulatory debt-to-assets ratio and cap it at 60 %.

WEIGHTED AVERAGE MATURITY OF FINANCIAL DEBTS

The weighted average maturity of the financial debts has improved from 4 to 5 years, between 31.12.2019 and 30.12.2020. This calculation excludes short-term commercial paper maturities, which are fully hedged by tranches available on long-term credit lines.

Committed long-term loans (bank credit lines, bonds, commercial paper with a term of more than one year and term loans), for which the total outstanding amount was 2,800 million EUR as at 31.12.2020, will mature on a staggered basis until 2031. Since 01.01.2021, new credit lines have been concluded for 140 million EUR. The yearly timetable is illustrated on page 74.

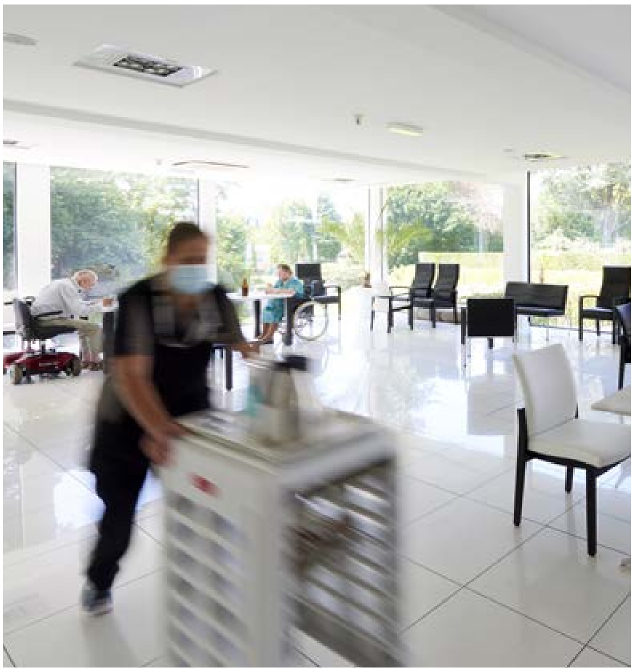
Average costs of debt and interest rate hedging

The average cost of debt, including bank margins, was 1.3 % for the 2020 financial year, compared to 1.4 % for the 2019 financial year.

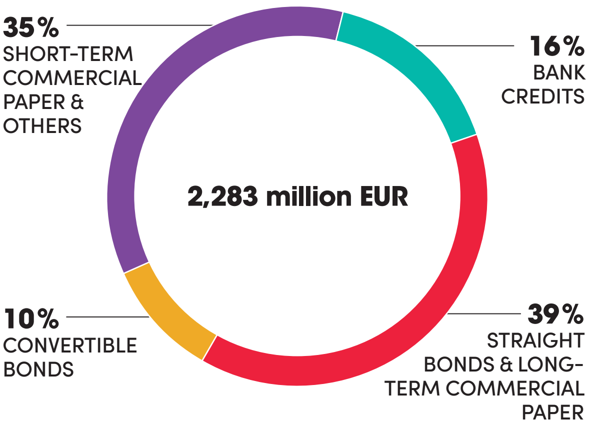
Cofinimmo opts for the partial hedging of its floating rate debt through the use of interest rate swaps (IRS) and caps. Cofinimmo conducts a policy aimed at securing the interest rates for a proportion of 50 % to 100 % of the expected debt over a minimum horizon of three years. In this context, the group uses a global approach (macro hedging). It therefore does not individually hedge each of the floating-rate credit lines.

Taking into account the hedging operations carried out on 07.01.2021, the distribution of expected fixed-rate debt, hedged floating-rate debt and unhedged floating-rate debt was as shown in the graph on page 74.

To date, the anticipated interest rate risk is hedged at more than 70 % until the end of 2025. Cofinimmo's result nevertheless remains sensitive to fluctuations in interest rates.



COMPOSITION OF DEBT (as at 31.12.2020)



Financial rating

Since 2001, Cofinimmo has been granted a long-term and short-term financial rating from the Standard & Poor's rating agency. On 20.04.2020, Standard & Poor's confirmed the company's BBB rating for the long term (stable outlook) and A-2 for the short term. The group's liquidity has been rated 'adequate'.

On 19.11.2020, Standard & Poor's issued a bulletin to update the debt-to-assets ratio outlook since the acquisitions made in 2020 exceeded their expectations.

Disposal of treasury shares

Article 8:6 of the royal decree of 29.04.2019, which implements the new Belgian Code of Companies and Associations as of 01.01.2020, stipulates that any disposal of treasury shares must be disclosed.

In application of this article, Cofinimmo declares that following the exercise of stock options by its employees within the framework of Cofinimmo's Stock Option Plan (SOP), it has since 01.01.2020 disposed of Cofinimmo's shares OTC in order to deliver these shares to the relevant employees.

OVERVIEW OF TRANSACTIONS MADE BETWEEN 01.01.2020 AND 31.12.2020 IN THE CONTEXT OF THE STOCK OPTION PLAN

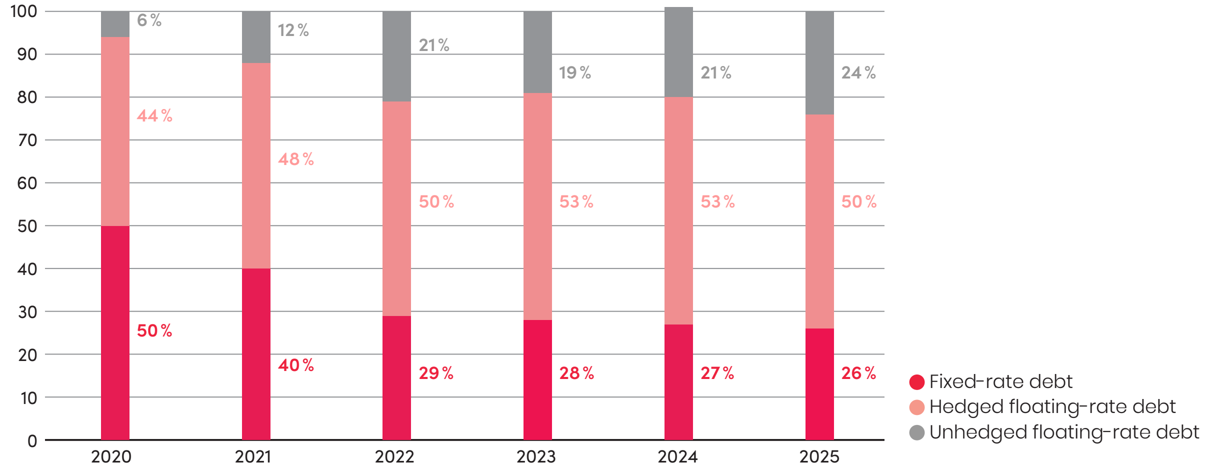
Transaction date	SOP plan	Number of shares	Exercise price (EUR)
13.06.2020	2006	1,000	129.27
11.06.2020	2006	100	129.27
11.06.2020	2007	475	143.66
11.06.2020	2008	100	122.92
11.06.2020	2010	250	93.45
11.06.2020	2016	475	108.44
05.06.2020	2006	1,350	129.27
06.03.2020	2015	200	95.03
02.03.2020	2015	200	95.03
02.03.2020	2016	200	108.44

In accordance with this article, Cofinimmo announced the disposal, on 25.06.2020, of 1,257 treasury shares on Euronext Brussels at an average price of 123.66 EUR per share. This purely technical disposal transaction was carried out by Gestone III SA/NV, a direct subsidiary of Cofinimmo. The shares sold are the result of the conversion into ordinary shares of the 1,257 preference I shares acquired by Gestone III SA/NV on 12.07.2019 in the absence of conversion requests[1]. At this time, Gestone III SA/NV does not plan to proceed with any further disposals of Cofinimmo shares.

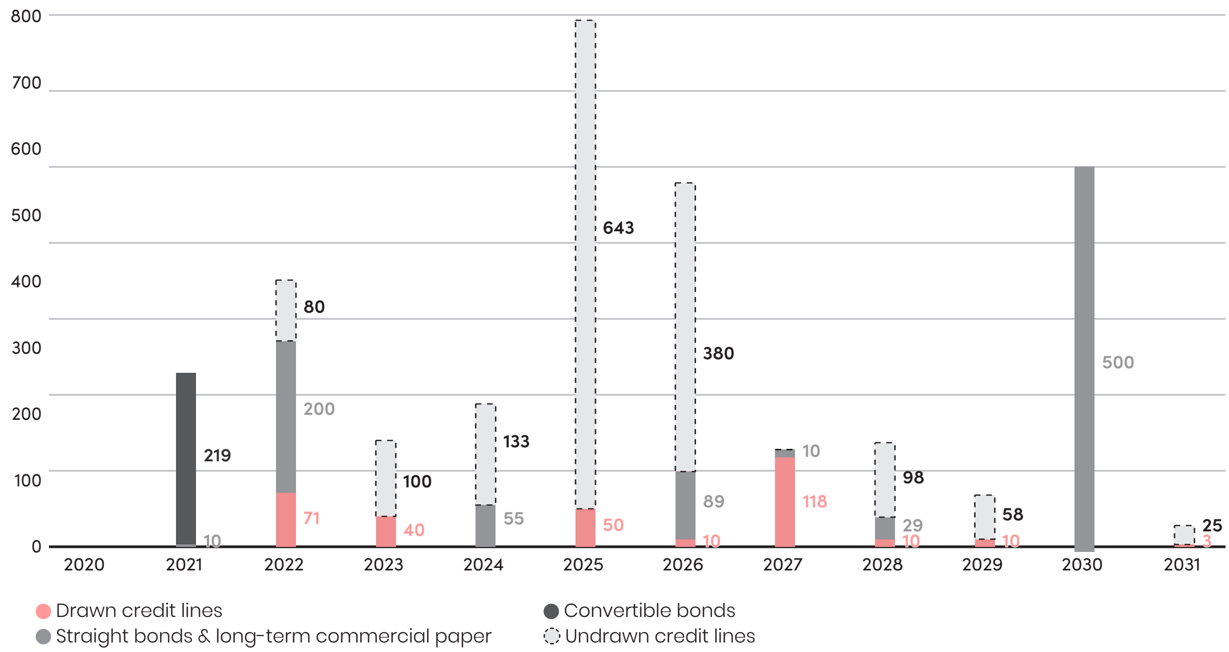
DETAILED OVERVIEW OF THE TRANSACTION

Transaction date and time	Number of shares	Average price (EUR)	Minimum price (EUR)	Maximum price (EUR)	Total price (EUR)
25.06.2020 09:49 and 09:54	1,257	123.66	123.40	123.80	155,441

BREAKDOWN OF FIXED-RATE DEBT, HEDGED FLOATING-RATE DEBT, AND UNHEDGED FLOATING-RATE DEBT (proforma 31.12.2020 after capital increase of 08.03.2021 – in %)



TIMETABLE OF LONG-TERM FINANCIAL COMMITMENTS ON 10.03.2021 (x 1,000,000 EUR)



1. See also press releases dated 28.05.2019 and 12.07.2019.

SUMMARY OF THE CONSOLIDATED ACCOUNTS

CONSOLIDATED INCOME STATEMENT – ANALYTICAL FORM

(x 1,000 EUR)	31.12.2020	31.12.2019
Rental income, net of rental-related expenses	249,491	233,224
Writebacks of lease payments sold and discounted (non-cash item)	9,444	8,784
Taxes and charges on rented properties not recovered	-2,483	-2,655
Taxes on refurbishment not recovered	-739	-3,737
Redecoration costs, net of tenant compensation for damages	243	-1,001
Property result	**255,956**	**234,615**
Technical costs	-6,051	-5,939
Commercial costs	-2,344	-1,808
Taxes and charges on unlet properties	-2,765	-3,579
Property result after direct property costs	**244,796**	**223,289**
Corporate management costs	-33,684	-29,460
Operating result (before result on the portfolio)	**211,112**	**193,829**
Financial income	8,186	9,021
Net interest charges	-24,541	-24,128
Other financial charges	-744	-634
Share in the net result from core activities of associates and joint ventures	215	-939
Taxes	-7,907	-5,572
Net result from core activities	**186,320**	**171,577**
Minority interests related to the net result from core activities	-4,863	-5,079
Net result from core activities - group share	181,457	166,498
Change in the fair value of hedging instruments	-22,756	-23,765
Restructuring costs of financial instruments	0	0
Share in the result on financial instruments of associates and joint ventures	0	0
Result on financial instruments	**-22,756**	**-23,765**
Minority interests related to the result on financial instruments	850	-419
Result on financial instruments - group share	-21,906	-24,184
Gains or losses on disposals of investment properties and other non-financial assets	4,583	12,394
Changes in the fair value of investment properties	-13,696	79,069
Share in the result on the portfolio of associates and joint ventures	-2,688	143
Other result on the portfolio	-36,130	-29,129
Result on the portfolio	**-47,931**	**62,477**
Minority interests related to the result on the portfolio	7,601	-176
Result on the portfolio - group share	-40,330	62,301
Net result	**115,633**	**210,289**
Minority interests	3,588	-5,674
Net result - group share	119,222	204,615

NUMBER OF SHARES

	31.12.2020	31.12.2019
Number of ordinary shares issued (including treasury shares)	27,061,917	25,849,283
Number of ordinary shares outstanding	27,016,833	25,798,592
Number of ordinary shares used to calculate the result per share	**27,016,833**	**25,798,592**
Number of preference shares issued	0	0
Number of preference shares outstanding	0	0
Number of preference shares used to calculate the result per share	**0**	**0**
Total number of shares issued (including treasury shares)	27,061,917	25,849,283
Total number of shares outstanding	27,016,833	25,798,592
Total number of shares used to calculate the result per share	26,478,781	24,456,099

DATA PER SHARE – GROUP SHARE

(in EUR)	31.12.2020	31.12.2019
Net result from core activities – group share	**6.85**	**6.81**
Result on financial instruments – group share	-0.83	-0.99
Result on portfolio – group share	-1.52	2.55
Net result – group share	4.50	8.37

Nursing and care home Keiheuvel – Balen (BE)

Comments on the consolidated income statement – analytical form

Rents (gross rental income) amount to 258 million EUR, compared to 238 million EUR as at 31.12.2019, up 8.5%, thanks to the acquisitions made between these two dates. On a like-for-like basis*, gross rental income increased by 1.4% between 31.12.2019 and 31.12.2020. Rental income (after gratuities, concessions and termination indemnities (see details on the calculation of alternative performance indicators) amounts to 252 million EUR, compared to 233 million EUR as at 31.12.2019, up 8.1% compared to 2019. Net writedowns on trade receivables were booked for 2 million EUR (compared to net writebacks of 0.6 million EUR in 2019). After taking these into account, rental income, net of rental charges amounts to 249 million EUR, compared to 233 million EUR, up 7.0%, in line with the outlook, as fine-tuned in November 2020.

The disposal of the Souverain/Vorst 23/25 at the end of 2019 resulted in a decrease in unrecovered taxes on buildings under renovation of 3 million EUR, in line with the outlook.

Redecoration costs, net of tenant compensation for damages are down by approximately 1 million EUR, and are in line with the outlook. By nature, these costs are exposed on a non-regular basis over the financial year or from one financial year to the next. The credit amount recorded in 2020 comes from the recovery of compensations for damages.

The change in corporate management costs between the 2019 financial year and the 2020 financial year is also in line with the outlook. As a reminder, the corporate management costs include the support (500,000 EUR) announced as soon as last April of initiatives aiming at fighting against the coronavirus pandemic and its effects in the healthcare sector, and more particularly in nursing and care homes as well as hospitals. The operating margin is established at 82.5%.

Financial income decreased by one million EUR, at 8 million EUR; last year's figure included non-recurring items for less than 3 million EUR, whereas the 2020 financial income includes non-recurring items for one million EUR booked in the 1st half-year, and linked to the contributions in kind of 10.06.2020.

The net interest charges are stable compared with last year, despite the increase of the average debt, and thanks to the average cost of debt which decreased to 1.3%, compared to 1.4% as at 31.12.2019. The net interest charges are in line with the outlook.

The group's momentum in terms of investments and financing, coupled with effective management of the existing portfolio, enabled the company to realise a net result from core activities – group share of 181 million EUR as at 31.12.2020, in line with the outlook (compared to the 166 million EUR that were made as at 31.12.2019), mainly due to scope variations of acquisitions made and the decrease in operating costs related to the office buildings sold. The net result from core activities per share – group share amounts to 6.85 EUR (in line with the outlook, compared to 6.81 EUR as at 31.12.2019) and takes into account the issues of shares in 2019 and in June 2020 (optional dividend and contributions in kind). The average number of shares entitled to the result of the period evolved from 24,456,099 to 26,478,781 between these two dates.

As for the result of financial instruments, the item 'Change in the fair value of financial instruments' amounts to -23 million EUR as at 31.12.2020, compared to -24 million EUR as at 31.12.2019. This variation is explained by the change in the forward interest rate curve between these two periods.

As for the result on the portfolio, the gains or losses on disposals of investment properties and other non-financial assets is established at 5 million EUR as at 31.12.2020, compared to 12 million EUR as at 31.12.2019. The item 'Changes in the fair value of investment properties' is negative as at 31.12.2020 (-14 million EUR compared to +79 million EUR as at 31.12.2019): the value appreciation of the healthcare real estate portfolio in Belgium as well as that of office buildings located in the Central Business District of Brussels (CBD) did not fully compensate the value depreciation of some buildings, particularly in the Cofinimur I portfolio. These changes are also affected (at the level of 10 million EUR, booked in Q4 2020) by the increase in transfer taxes in the Netherlands (going mostly from 6% to 8% as from 01.01.2021). Without the initial effect from the changes in the scope, the changes in the fair value of investment properties is stable (-0.1%) for the 2020 financial year. The item 'Other result on the portfolio' amounts to -36 million EUR as at 31.12.2020 and comprises in particular the effect of changes in the scope of consolidation, that of deferred taxes[1] and an impairment on goodwill recorded in the 1st half-year (usually recorded, where applicable, at the end of the financial year rather than within the financial year).

The net result - group share amounted to 119 million EUR (i.e. 4.50 EUR per share) as at 31.12.2020, compared to 205 million EUR (i.e. 8.37 EUR per share) as at 31.12.2019. This fluctuation is mainly due to the increase of the net result – group share and the changes in the value (investment properties, hedging instruments, goodwill, i.e. non-cash variations) between 31.12.2019 and 31.12.2020.

1. Deferred taxes on the unrealised capital gains relating to the buildings owned by certain subsidiaries.

CONSOLIDATED BALANCE SHEET

(x 1,000 EUR)	31.12.2020	31.12.2019
ASSETS		
Non-current assets	**5,093,589**	**4,397,253**
Goodwill	46,827	56,947
Intangible assets	2,172	935
Investment properties	4,865,581	4,218,523
Other tangible assets	1,434	1,278
Non-current financial assets	2,883	2,121
Finance lease receivables	104,889	105,651
Trade receivables and other non-current assets	386	1,016
Deferred taxes	1,390	1,162
Participations in associates and joint ventures	68,026	9,621
Current assets	**160,026**	**160,986**
Assets held for sale	3,320	28,764
Current financial assets	0	2
Finance lease receivables	2,367	2,258
Trade receivables	26,023	23,443
Tax receivables and other current assets	46,605	37,639
Cash and cash equivalents	48,642	31,569
Accrued charges and deferred income	33,069	37,311
TOTAL ASSETS	5,253,614	4,558,239
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	2,649,362	2,533,960
Shareholders' equity attributable to shareholders of the parent company	**2,574,775**	**2,451,335**
Capital	1,450,210	1,385,227
Share premium account	804,557	727,330
Reserves	200,786	134,163
Net result of the financial year	119,222	204,615
Minority interests	**74,587**	**82,625**
Liabilities	2,604,252	2,024,279
Non-current liabilities	**1,417,964**	**1,025,918**
Provisions	25,359	24,176
Non-current financial debts	1,246,850	873,546
Other non-current financial liabilities	100,690	84,227
Deferred taxes	45,064	43,969
Current liabilities	**1,186,289**	**998,361**
Current financial debts	1,036,612	870,993
Other current financial liabilities	206	96
Trade debts and other current debts	126,637	112,435
Accrued charges and deferred income	22,834	14,837
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,253,614	4,558,239

Comments on the consolidated balance sheet

The investment value of the property portfolio[1], as determined by the independent real estate valuers, amounts to 5,082 million EUR as at 31.12.2020, compared to 4,428 million EUR as at 31.12.2019. The fair value, included in the consolidated balance sheet in application of the IAS 40 standard, is obtained by deducting the transaction costs from the investment value. As at 31.12.2020, the fair value reached 4,869 million EUR, compared to 4,247 million EUR as at 31.12.2019, up 15 %.

The level of trade receivables as at 31.12.2020 is comparable to that as at 31.12.2019. As a reminder, despite the outbreak of the COVID-19 coronavirus, the proportion of due rents related to the 2nd quarter and actually collected (taking into account the writedowns booked) was similar to the proportion of due rents collected in the 2nd quarter of the previous financial year. Besides, the proportion of due rents related to the 2nd half-year of 2020 and the 1st quarter of 2021 and actually collected as at 25.02.2021 is similar to the proportion collected as at 25.02.2020.

The item 'Participations in associates and joint ventures' refers to Cofinimmo's 51 % stake in the joint ventures BPG CONGRES SA/NV and BPG HOTEL SA/NV, as well as the 26.6 % stake in the associate Aldea Group NV and the 39 % stake in the associate SCI Foncière CRF acquired in December 2020. As at 31.12.2019, it also included Cofinimmo's 51 % stake in Cofinea I SAS (nursing and care homes in France). The item 'Minority interests' includes the Mandatory Convertible Bonds issued by the Cofinimur I SA subsidiary (MAAF/GMF distribution network in France), and the minority interests of three subsidiaries.

Net asset value per share

(in EUR)	31.12.2020	31.12.2019
Net Asset Value per share		
Revalued net assets per share in fair value[2] after dividend distribution for the 2019 financial year	95.30	89.42
Revalued net assets per share in investment value[3] after dividend distribution for the 2019 financial year	101.18	94.30
Diluted Net Asset Value per share		
Revalued net assets per share in fair value[2] after dividend distribution for the 2019 financial year	95.22	89.32
Revalued net assets per share in investment value[3] after dividend distribution for the 2019 financial year	101.10	94.11

Comments on the net asset value per share

The Mandatory Convertible Bonds (MCB) issued in 2011 and the convertible bonds issued in 2016 were not taken into account in calculating the net assets per share as at 31.12.2019 and 31.12.2020, because they would have had an accretive impact.

Conversely, 22,875 treasury shares of the stock option plan have been taken into account in the calculation of the above-mentioned indicator in 2020 (compared to 27,345 in 2019) as they have a dilutive impact.

Nursing and care home
Henri Dunant – Brussels (BE)

1. Including buildings held for own use, development projects and assets held for sale.
2. Fair value: after deduction of transaction costs (mainly transfer taxes) from the investment value of investment properties.
3. Investment value: before deduction of transaction costs.

SUMMARY OF QUARTERLY CONSOLIDATED ACCOUNTS[1]

CONSOLIDATED COMPREHENSIVE RESULT BY QUARTER (INCOME STATEMENT)

(x 1.000 EUR)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Rental income	60.965	61.795	63.611	65.150	251.521
Writeback of lease payments sold and discounted	2.361	2.361	2.361	2.361	9.444
Rental-related expenses	7	-1.940	-33	-64	-2.030
Net rental income	**63.332**	**62.217**	**65.939**	**67.447**	**258.935**
Recovery of property charges	235	17	12	309	573
Recovery income of charges and taxes normally payable by the tenant on let properties	24.725	3.672	1.944	3.326	33.667
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease	161	-140	-43	-308	-330
Charges and taxes normally payable by the tenant on let properties	-27.270	-4.108	-1.941	-3.569	-36.888
Property result	**61.182**	**61.659**	**65.911**	**67.204**	**255.956**
Technical costs	-808	-603	-717	-3.923	-6.051
Commercial costs	-580	-685	-602	-477	-2.344
Taxes and charges on unlet properties	-2.074	-383	-88	-220	-2.765
Property management costs	-6.703	-5.547	-5.195	-6.133	-23.579
Property charges	**-10.164**	**-7.219**	**-6.603**	**-10.753**	**-34.740**
Property operating result	**51.018**	**54.440**	**59.308**	**56.451**	**221.217**
Corporate management costs	-2.873	-2.377	-2.227	-2.629	-10.105
Operating result before result on the portfolio	**48.145**	**52.063**	**57.081**	**53.823**	**211.112**
Gains or losses on disposal of investment properties	742	2.608	112	1.121	4.583
Gains or losses on disposal of other non-financial assets	0	0	0	0	0
Changes in fair value of investment properties	13.699	-6.002	-7.506	-13.887	-13.696
Other result on the portfolio	-3.229	-20.942	-2.614	-7.030	-33.815
Operating result	**59.357**	**27.727**	**47.072**	**34.027**	**168.184**
Financial income	1.789	2.819	1.622	1.956	8.186
Net interest charges	-5.829	-5.837	-6.350	-6.526	-24.541
Other financial charges	-190	-174	-186	-194	-744
Changes in the fair value of financial assets and liabilities	-10.879	-8.233	-2.338	-1.306	-22.756
Financial result	**-15.109**	**-11.425**	**-7.251**	**-6.070**	**-39.855**
Share in the result of associates and joint ventures	177	93	21	-2.764	-2.473
Pre-tax result	**44.425**	**16.395**	**39.842**	**25.193**	**125.856**
Corporate tax	-2.227	-238	-1.090	-4.352	-7.907
Exit tax	-160	-756	210	-1.609	-2.315
Taxes	**-2.387**	**-995**	**-880**	**-5.961**	**-10.223**
Net result	**42.037**	**15.402**	**38.963**	**19.232**	**115.633**
Minority interests	136	2.223	203	1.026	3.588
Net Result - group Share	42.174	17.624	39.165	20.258	119.222

1. The group did not publish any quarterly results information between 31.12.2020 and the date of the statement of the present document. The half-year and annual data are submitted to a control by the auditor Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren.

OTHER ELEMENTS OF THE COMPREHENSIVE RESULT	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Changes in the effective part of the fair value of authorised cash flow hedge instruments	0	0	0	0	0
Impact of the restructuring of the hedging instruments which relationship has been terminated	0	0	0	0	0
Share in the other elements of the comprehensive result of associates/joint ventures	0	0	0	0	0
Convertible bonds	6,306	-2,699	-882	4,996	7,721
Other elements of the comprehensive result	**6,306**	**-2,699**	**-882**	**4,996**	**7,721**
Minority interests	0	0	0	0	0
Other elements of the comprehensive result - group share	6,306	-2,699	-882	4,996	7,721

COMPREHENSIVE RESULT					
Comprehensive result	**48,343**	**12,702**	**38,081**	**24,229**	**123,354**
Minority interests	136	2,223	203	1,026	3,588
Comprehensive result - group share	48,480	14,925	38,283	25,255	126,943

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

(x 1,000 EUR)	Q1 2020	Q2 2020	Q3 2020	Q4 2020
ASSETS				
Non-current assets	**4,471,760**	**4,613,096**	**4,711,067**	**5,093,589**
Goodwill	56,947	46,827	46,827	46,827
Intangible assets	1,236	1,156	1,126	2,172
Investment properties	4,294,046	4,453,904	4,552,007	4,865,581
Other tangible assets	1,723	1,976	2,003	1,434
Non-current financial assets	413	79	89	2,883
Finance lease receivables	105,570	105,264	105,215	104,889
Trade receivables and other non-current assets	1,014	1,277	1,280	386
Deferred taxes	1,013	1,121	1,008	1,390
Participations in associates and joint ventures	9,798	1,492	1,514	68,026
Current assets	**156,231**	**132,794**	**141,898**	**160,026**
Assets held for sale	28,764	6,396	6,673	3,320
Current financial assets	3	4	1	0
Finance lease receivables	2,287	2,327	2,348	2,367
Trade receivables	24,802	25,343	27,226	26,023
Tax receivables and other current assets	20,394	22,479	37,543	46,605
Cash and cash equivalents	36,307	36,827	32,810	48,642
Accrued charges and deferred income	43,673	39,419	35,297	33,069
TOTAL ASSETS	4,627,991	4,745,890	4,852,965	5,253,614

SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	**2,582,314**	**2,587,706**	**2,625,637**	**2,649,362**
Shareholders' equity attributable to shareholders of the parent company	*2,499,770*	*2,511,326*	*2,548,878*	*2,574,775*
Capital	1,385,227	1,450,210	1,450,210	1,450,210
Share premium account	727,330	804,557	804,557	804,557
Reserves	345,040	196,761	195,148	200,786
Net result of the financial year	42,174	59,798	98,963	119,222
Minority interests	*82,544*	*76,380*	*76,758*	*74,587*
Liabilities	**2,045,677**	**2,158,184**	**2,227,329**	**2,604,252**
Non-current liabilities	*1,168,464*	*1,206,377*	*1,044,067*	*1,417,964*
Provisions	24,304	23,622	23,611	25,359
Non-current financial debts	1,013,356	1,042,272	877,167	1,246,850
Other non-current financial liabilities	86,597	95,275	97,323	100,690
Deferred taxes	44,208	45,207	45,966	45,064
Current liabilities	*877,213*	*951,807*	*1,183,262*	*1,186,289*
Current financial debts	736,188	811,027	1,036,501	1,036,612
Other current financial liabilities	3,700	2,658	1,443	206
Trade debts and other current debts	122,097	121,784	126,277	126,637
Accrued charges and deferred income	15,229	16,339	19,042	22,834
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,627,991	4,745,890	4,852,965	5,253,614

APPROPRIATION OF STATUTORY PROFITS

On the ordinary general meeting of shareholders on 12.05.2021, the board of directors of the Cofinimmo group will propose to approve the annual accounts as at 31.12.2020, to allocate the profits shown in the table and to distribute a dividend of 5.80 EUR gross, or 4.06 EUR net per ordinary share.

The dates and payment methods of the dividends are provided in the 'Shareholder's calendar' (see page 161).

The withholding tax is 30% (see also section 'Portfolio mix and outlook regarding the withholding tax' of chapter '2021 Outlook' of this document).

As at 31.12.2020, the Cofinimmo group held 45,084 treasury shares. For the 2020 financial year, the board of directors is proposing a dividend of 5.80 EUR per share for the 15,875 treasury shares owned by the Gestone III SA/NV subsidiary and to cancel the right to a dividend for the remaining 29,209 treasury shares.

The distribution is based on the number of shares outstanding at the closing date of the 2020 accounts (10.03.2021). Any sale of shares held by the group, or any new shares issued can modify the distribution.

Considering the capital increase of 08.03.2021 and after the distribution of 166 million EUR proposed for the 2020 financial year, the total amount of reserves and the statutory result of Cofinimmo SA/NV will be 76 million EUR, whereas the amount remaining for distribution according to the rule defined in article 7:212 of the Belgian Code of companies and associations (formerly article 617 of the Belgian company code) will reach 643 million EUR (see chapter 'Financial Statutory Statements' in this document).

For 2020, the consolidated net result from core activities - group share amounts to 181 million EUR and the consolidated net result - group share to 119 million EUR. The pay-out ratio amounts to 84.7% compared to 82.2% in 2019.

5.80 EUR
GROSS DIVIDEND PER SHARE PROPOSED FOR THE 2020 FINANCIAL YEAR

84.7%
PAY-OUT RATIO PROPOSED FOR THE 2020 FINANCIAL YEAR

Brand Whitlock 87-93 office building – Brussels Decentralised (BE)

APPROPRIATIONS AND DEDUCTIONS

(x 1,000 EUR)	2020	2019
A. Net result	122,774	197,542
B. Transfer from/to reserves	34,427	-52,506
Transfer to the reserve of the positive balance of changes in the fair value of investment properties	-5,283	-67,246
Financial year	-5,283	-67,246
Previous year	0	0
Transfer to the reserve of the negative balance of changes in the fair value of investment properties	9,738	0
Financial year	9,738	0
Previous year	0	0
Transfer to the reserve of the estimated transaction costs and rights resulting from the hypothetical disposal of investment properties	0	6,453
Transfer to the reserve of the negative balance of changes in the fair value of authorised hedging instruments qualifying for hedge accounting	0	0
Financial year	0	0
Previous year	0	0
Transfer to the reserve of the balance of the changes in fair value of authorised cash flow hedging instruments not qualifying for hedge accounting	20,448	24,394
Financial year	20,448	24,394
Previous year	0	0
Transfer from/to other reserves	-10	-4
Transfer from the result carried forward of previous years	9,534	-16,103
C. Distribution	-80,571	-7,517
Distribution provided for in article 13, § 1, first paragraph of the royal decree of 13.07.2014	-80,571	-7,517
D. Distribution for financial year other than return on capital	-85,258	-137,519
Dividends	-84,848	-137,054
Profit-sharing scheme	-410	-465
E. Result to be carried forward	19,198	78,327

EVENTS AFTER 31.12.2020

— No major event which could have a significant impact on the results as at 31.12.2020 occurred after the balance sheet date

Construction of an extension to a healthcare complex in Louvain/Leuven (BE)

On 14.01.2021, Cofinimmo signed an agreement relating to the acquisition of 100 % of the shares of the limited liability company Home Vogelzang OG. This company owns the rights in rem to a plot of land located in Leuven, Flemish Brabant, for the next 30 years. An extension will be added to an existing complex located on the plot of land.

The extension will be adjacent to an existing nursing and care home and assisted-living units and will be carried out in the form of a turnkey project. For this building, the aim is an energy consumption 30 % lower than the benchmark. The four-storey building will offer approximately 90 beds over a surface area of almost 6,500 m². Provisional acceptance of the works is expected by the end of March 2022.

The conventional value of the complex for the calculation of the share price amounts to approximately 15 million EUR. The project will be leased back through a long leasehold to VZW Home Vogelzang, which already operates the existing nursing and care home and assisted-living units, and which holds the permit to operate this extension. The leasehold has a term of 27 years, counting from the provisional acceptance of the works. The annual fee, which is in line with the market, will be due from the delivery of the works and will be indexed annually according to the Belgian consumer price index. At the expiration of the rights in rem, the building will automatically accrue to VZW Home Vogelzang. This transaction will therefore be recorded in Cofinimmo's accounts as a finance lease.

Acquisition of a nursing and care home in Vantaa (FI)

On 21.01.2021, Cofinimmo has continued its expansion in the Finnish healthcare real estate sector with the acquisition of a nursing and care home under construction in Vantaa, a city of 230,000 inhabitants located in the Helsinki metropolitan area, the capital of Finland. Vantaa is the fourth largest city in Finland. The total investment budget for the plot of land and the works amounts to approximately 12 million EUR.

As a reminder, Finland offers interesting perspectives for Cofinimmo which has the ambition to contribute to the response to the healthcare need of the Finnish population. The country has approximately 5.5 million inhabitants, of whom 22 % are 65 or older and approximately 10 % are 75 or older. The proportion of inhabitants aged 65 and above is expected to reach over 26 % by 2030. This demographic situation will increase the need for high-quality healthcare services. Currently, care facilities in Finland are offering approximately 65,000 beds. These are managed by operators from the public sector, charity associations and the private sector, with the latter taking up about 50 % of the beds. The nursing and care home segment therefore offers an interesting long-term growth potential, which will be driven by the ageing of the population, for the real estate portfolio as well as because of the privatisation of healthcare real estate.

The nursing and care home in Vantaa will offer 68 beds spread over a surface area of 2,600 m². Construction works started in Q3 2020 and the delivery of the complex is planned for Q4 2021. The building will have a B-level energy performance.

The asset is already pre-let to Esperi Care Oy, a major care provider in Finland. The double net lease will have a 15-year fixed term and the gross rental yield will be in line with current market conditions.

Expansion of the healthcare real estate portfolio to Ireland

On 18.01.2021, Cofinimmo entered the Irish healthcare real estate sector with the acquisition, through a subsidiary, of six nursing and care homes and one rehabilitation clinic in the counties of Cavan, Dublin, Kildare, Meath and Louth. It consists of a total investment of approximately 93 million EUR.

Ireland has approximately 5 million inhabitants. With approximately 30,000 beds, the Irish nursing home sector is less well equipped than most other European countries. According to Eurostat, the proportion of people aged 65 or more is expected to grow at a substantially higher pace than in other European countries by 2040. As a result, demand for high-quality elderly care facilities is strong in Ireland.

The current supply of new nursing homes and care facilities throughout the country does not meet the increasing demand. The bed capacity should grow by roughly one third of the current capacity to keep up with demand in the short term. Additionally, a material part of the current stock will have to be renovated to meet modern comfort and safety norms.

For each of the seven sites, which are already let to DomusVi, a triple net lease has been concluded for a fixed term of 15 years. The rents will be indexed annually according to the Irish consumer price index and the gross rental yield will be in line with current market conditions.

All the sites are operational and have a good energy performance (label B or C). Together, they offer a total surface area of approximately 39,500 m² and 491 beds.

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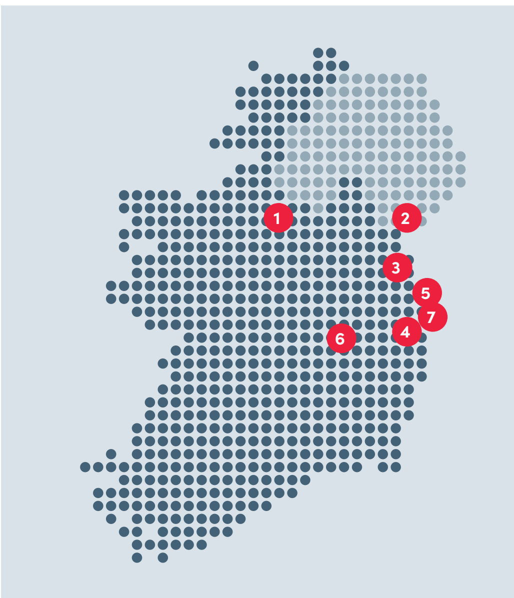


	Name of the facility	Type of asset	Location (county)	Year built / renovated	Surface area (approx.)	Number of units
1	Castlemanor	Nursing and care home	Cavan	2007	8,500 m²	71
2	St Peters	Nursing and care home	Louth	2002	2,500 m²	69
3	Gormanston Wood	Nursing and care home	Meath (Greater Dublin)	2000	10,500 m²	89
4	St Doolaghs	Rehabilitation clinic for post-surgery residents	Dublin	2001	7,000 m²	72
5	Anovocare	Nursing and care home	Dublin	2016	5,000 m²	89
6	Suncroft Lodge	Nursing and care home	Kildare (Greater Dublin)	2000	4,000 m²	60
7	Foxrock	Nursing and care home	Dublin	1999	2,000 m²	41
TOTAL					39,500 m²	491

Acquisition of 5 healthcare sites in France

On 01.02.2021, Cofinimmo acquired four nursing and care homes (EHPAD), one of which is currently under construction, and one assisted-living facility, all situated in Normandy, in the department of Orne or Calvados.

Four out of the five sites are currently operational. Renovation works have been recently conducted in three sites, these concerned either the insulation of the roof, the replacement of boilers or the renewal of the controlled mechanical ventilation system (CMV). Once the nursing and care home in Villers-sur-Mer has been delivered, which is planned for end 2022, the sites will together offer a total surface area of approximately 17,300 m² and 344 units.

The total investment for the five sites will eventually amount to approximately 44 million EUR. The acquisition price for the operational sites amounts to approximately 30 million EUR, whereas the investment budget for the building under construction amounts to approximately 14 million EUR (plot of land included).

For each of the five sites, a double net lease has been signed for a fixed term of 12 years with DomusVi. The rents will be indexed annually and the gross rental yield is in line with current market conditions.

	Name of the facility	Type of asset	Location (departement)	Year built / renovated	Surface area (approx.)	Number of units
Properties in operation						
1	Nouvel Azur	Assisted-living units	Saint-Pierre-du-Regard (Orne)	2013	4,100 m²	68
2	Grand Jardin	Nursing and care home	Sap-en-Auge (Orne)	1992/2017	2,100 m²	50
3	Les Ondines	Nursing and care home	Grandcamp-Maisy (Calvados)	2004/2018-2019	2,800 m²	64
4	Vallée d'Auge	Nursing and care home	Dozulé (Calvados)	2003/2019	3,500 m²	78
Ongoing development projects						
5	–	Nursing and care home	Villers-sur-Mer (Calvados)	2022	4,800 m²	84
TOTAL					17,300 m²	344

Assisted-living units Nouvel Azur – Saint-Pierre-du-Regard (FR)
© DomusVi – DR

Launch of the contribution of the office portfolio into a subsidiary

On 03.02.2021, Cofinimmo announced the launch of a contribution of its office portfolio into a subsidiary to allow future investors, in due time, to participate in the capital of the subsidiary (of which the control would be retained) and to benefit from Cofinimmo's very experienced management and investment platform, while allowing the group to recycle a part of the capital that has been invested in this portfolio.

This contribution into a subsidiary fits into the value creation strategy for the office portfolio. Thanks to its 35 years of experience in office real estate, Cofinimmo relies on a management model that offers an integrated services platform. Currently, Cofinimmo's office portfolio is currently mainly composed of 77 buildings with a total surface area of about 550,700 m² and an approximate value of 1.4 billion EUR, representing around 30 % of the company's total portfolio. It is mainly located in the Brussels Central Business District (CBD), as a result of the recentering to that area initiated mid-2018. Simultaneously, the internal teams follow the dynamics of market demand with regards to flexibility and innovation, and they collaborate to achieve the best possible results in terms of energy efficiency and ESG (Environment, Social, Governance) requirements.

The specialised office buildings subsidiary will have the status of an institutional regulated real estate company (IRREC/SIRI/IGVV). The board of directors approved the launch of the process leading to the contribution of the office portfolio into a subsidiary, which derives naturally from the strategy established mid-2018. The contribution is currently scheduled to be completed during the last quarter of 2021 at the earliest. This operation will have no effect on the consolidated accounts nor on the dividend.

Acquisition of a plot of land for the construction of a nursing and care home in Genappe (BE)

On 12.02.2021, Cofinimmo acquired 100 % of the shares of a company owning a plot of land in Genappe (Walloon Brabant). This plot of land will see the construction of a new nursing and care home. The investment budget (including the plot of land and the works) amounts to approximately 19 million EUR.

The future nursing and care home will be part of a residential care campus where assisted-living units are also planned. Located near the centre of the city of Genappe, in Walloon Brabant, it will replace an outdated nursing and care home in Chastre. Various bus stops within a 100-meter radius will ensure the accessibility to the site. The construction of this new nursing and care home meets the growing demand in the region for additional and modern residential care capacity. The new nursing and care home will offer approximately 112 beds, spread over a surface area of more than 6,000 m². The building meets all the current energy standards and sustainability requirements. Modern and sustainable materials as well as the latest techniques (LED-lighting, reuse of rainwater, ventilation, etc.) will be used. The building's carbon footprint will be significantly lower than that of the outdated nursing and care home.

After delivery of the works, expected early 2023, Senior Living Group will operate the new nursing and care home. In this context, a triple net lease has been concluded for a fix term of 28 years. The rent will be indexed according to the Belgian health index. The gross rental yield amounts to more than 4.5 %.

Capital increase of March 2021

On 03.03.2021, Cofinimmo SA/NV launched a capital increase in cash via accelerated bookbuilding (the ABB) with international institutional investors, within the authorised capital, with cancellation of the preferential subscription right of existing shareholders and without granting an irreducible allocation right to existing shareholders (the 'capital increase').

The company completed successfully the ABB. 1,487,603 new shares, which corresponds to approximately 5.5 % of the outstanding capital prior to the capital increase, were placed with institutional investors at an issue price of 121.00 EUR per share. The issue price represents a discount of 4.3 % compared with the last trading price on 03.03.2021 of 126.40 EUR per share. The gross amount of the capital increase amounts to approximately 180 million EUR.

The net proceeds will finance Cofinimmo's growth in European healthcare real estate, by refinancing investments completed over the past few months and by supporting further investments in the form of acquisitions and developments.

The issue, delivery and admission to trading on the Euronext Brussels regulated market of the new shares took place on 08.03.2021.

Since then, the company's capital amounts to 1,529,928,939.83 EUR and is represented by:

- 28,549,520 shares without par value. All these shares confer a voting right at the general meeting of shareholders and represent the new denominator of the participation rates;
- 1,502,196 bonds convertible in shares, issued on 15.09.2016.

In case of conversion of the convertible bonds a maximum of 1,643,933 shares conferring the same number of voting rights would be created.

2021 OUTLOOK

Rehabilitation clinic Kaiser Karl – Bonn (DE)

Assumptions - internal factors

ASSET VALUATION

The fair value of the real estate portfolio included in the projected consolidated balance sheet as at 31.12.2021 corresponds to the fair value of the overall portfolio as at 31.12.2020, increased by the expenses for major renovations and the investments planned for 2021.

MAINTENANCE, REPAIRS AND MAJOR RENOVATIONS

The projections, produced per building, include maintenance and repair costs which are entered as operating expenses. They also include major renovation costs which are capitalised and covered by self-financing or debt. These expenses are included in the investments and divestments below.

INVESTMENTS AND DIVESTMENTS

In the context of the preparation of its 2021 budget, Cofinimmo determined its investment assumptions, which would amount to approximately 333 million EUR gross for the 2021 financial year. Their breakdown is as follows:

- investments in healthcare real estate in Belgium, France, the Netherlands, Germany, Spain, Finland, and Ireland in the amount of 312 million EUR, resulting from the construction of new units or the extension of existing units to which the Cofinimmo group is committed (95 million EUR), as well as new investments (for 123 million EUR and under due diligence for 94 million EUR);
- investments in office buildings for 17 million EUR, resulting from major renovations;
- investments in property of distribution networks in Belgium and the Netherlands for 4 million EUR, resulting from major renovation works on pubs and restaurants in the Pubstone portfolio.

Furthermore, divestments are planned for a total amount of approximately 113 million EUR, mainly in office buildings, but also in healthcare real estate and property of distribution networks.

The future projects are detailed on page 35 for healthcare real estate.

RENTS

The rent projections take into account assumptions about tenant departures for each lease contract, analysed case-by-case. The ongoing contracts are indexed.

The projections also include the refurbishment costs, a period without tenants, rental charges and taxes on vacant surface areas which are applicable in the event of tenant departure as well as agent commissions to re-rent the premises. The rent projections are based on the current market, with no anticipated recovery or deterioration.

The property result also includes writebacks of lease payments sold and discounted for the gradual reconstitution of the full value of the buildings whose rents were sold.

A positive or negative change of 1% in the occupancy rate of the office portfolio would lead to a cumulative increase or decrease in the net result from core activities per share and per year of 0.03 EUR.

EXPENSES

The technical charges are estimated for each building, according to the identified needs, the age of the building and the type of contract they are subject to.

The corporate management costs are estimated by expenses type and take into account the group's growth.

The forecasted tax charge includes, on the one hand, the estimation of the recurring tax charges per company, and on the other hand, an anticipation of the identified tax risks.

Assumptions - external factors

INFLATION

The ongoing contracts are indexed. The inflation rate used for rent increases is between 0.9% and 1.4% (external data) depending on the country, for leases indexed in 2021.

The sensitivity of the projections to variations in the inflation rate is low for the period considered. A positive or negative change of 50 basis points in the expected inflation rate would lead to an increase or decrease in the net result from core activities of 0.04 EUR per share.

INTEREST RATES

The calculation of financial expenses is based on the future interest rate curve (external data) and the ongoing financing contracts as at 31.12.2020, increased by 120 million EUR. Given the foreseen hedging instruments, the average interest rate (margins included) should remain comparable to the 2020 rate.

Changes in the fair value of instruments used to hedge the financial debt are not modelled as they have no impact on the net result from core activities - group share, and cannot be customised. They are therefore included as nihil in the forecasts below.

CAVEAT

The projected consolidated balance sheet and income statements are projections which depend, in particular, on the evolution of the real estate and financial markets. They do not provide a guarantee and have not been certified by an auditor.

However, the Statutory Auditor, Deloitte Réviseurs d'Entreprises/ Bedrijfsrevisoren SC s.f.d. SCRL, represented by Mr Rik Neckebroeck, has confirmed that in his opinion, the forecast has been properly established on the basis of the assumptions made by the board of directors and that the accounting basis used is consistent with the accounting methods used by the group to prepare the financial statements.

If applicable, Cofinimmo will comply with article 24 of the royal decree of 13.07.2014, which requires the creation of a financial plan with an implementation schedule describing the measures intended to ensure that the consolidated debt-to-assets ratio does not exceed 65% of consolidated assets, as soon as this rate exceeds the 50% threshold. This plan must be sent to the FSMA (see also page 261).

Fire station – Antwerp (BE)

Consolidated outlook

Based on the information currently available and the assumptions detailed above, and barring major unforeseen events, Cofinimmo expects to achieve rental income net of rental charges of 274 million EUR leading to a net result from core activities - group share of 195 million EUR, i.e. 6.90 EUR per share for the 2021 financial year, an increase compared to that of the 2020 financial year (6.85 EUR per share), taking into account the pro rata temporis dilutive effects of the capital increases in 2020 (approximately 0.14 EUR per share), and of 08.03.2021 (approximately 0.30 EUR per share).

Based on the same data and assumptions, the debt-to-assets ratio would be around 45% at 31.12.2021.

A projection of the future market value of the group's buildings is uncertain. It would, therefore, be hazardous to venture a projection for the unrealised result on the portfolio. As it will depend on market rent trends, changes in their capitalisation rates and the expected cost of building renovations. As a reminder, the net result from core activities - group share does not include the result on financial instruments - group share, nor the result on portfolio - group share.

Changes in the group's shareholders' equity will mainly depend on the net result from core activities, on the result of financial instruments, on the result on the portfolio as well as on the allocation of dividends.

Dividend per share

The board of directors therefore intends to offer shareholders a gross dividend of 6.00 EUR per share for the 2021 financial year (i.e. a consolidated pay-out ratio of 87%, an increase compared to the proposed gross dividend of 5.80 EUR per share for the 2020 financial year.

This dividend represents a gross yield of 4.7% compared to the average market price of the share for the 2020 financial year and to a gross yield of 6.3% compared to the net asset value of the share at 31.12.2020 (at fair value).

The dividend must comply with article 13 of the royal decree of 13.07.2014 in the sense that the amount of the dividend distributed must be higher than the required minimum of 80% of Cofinimmo SA/NV's (non-consolidated) projected net profit for 2020. This article includes a waiver of the obligation to pay a dividend under certain circumstances. The group will, nevertheless, exercise its option to distribute under these circumstances, within the limits provided by article 7:212 of the Belgian CCA (previously article 617 of the company code).

Portfolio mix and outlook regarding the withholding tax

Based on the information currently available and the assumptions detailed above, and barring major unforeseen events, Cofinimmo expects that the share of healthcare real estate in the portfolio's fair value would reach 61% by the end of the 2021 financial year (compared to 59 % at the end of 2020). However, this percentage is not the relevant criterion in terms of withholding tax.

Article 171, 3° quater of the 1992 Belgian Income Tax Code provides for a 15 % withholding tax (instead of 30 %) for "dividends that are distributed by (...) regulated real estate companies (...) provided that at least 60 % of the real estate (...) is directly or indirectly (...) invested in assets that are located in a member state of the European Economic Area and used as or intended for care units or dwellings adapted to healthcare".

Furthermore, this article stipulates that "if the assets are not exclusively used as or intended for care units or dwellings adapted to healthcare, or only during part of the taxable period, only the share of the period and the surface area of the actual care units or dwellings adapted to healthcare will be eligible for the determination of the percentage" mentioned above. Lastly, the following is stipulated: "the King defines the detailed practical terms for proving the above-mentioned terms".

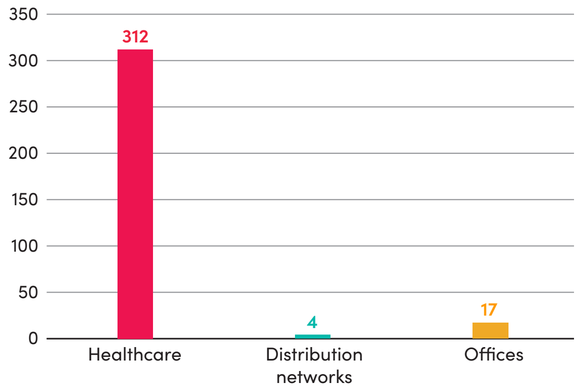
Since there is no royal decree to define these terms, Cofinimmo clarified the application of this article with the Administration.

The 60 % threshold, which is relevant in terms of withholding tax, is currently not achieved; the estimated percentage as at 31.12.2020 is approximately 55 %. The 60 % threshold is to be assessed by calculating the average, over the financial year, of the percentages updated at the end of each quarter, with a view to distributing the dividend relating to that financial year which will take place during the following financial year.

6.90 EUR/share
FORECAST OF THE 2021
NET RESULT FROM CORE ACTIVITIES – GROUP SHARE

6.00 EUR/share
FORECAST OF THE 2021
GROSS DIVIDEND, PAYABLE IN 2022

INVESTMENT PROGRAMME FOR 2021 (x 1,000,000 EUR – per segment)



STATUTORY AUDITOR'S REPORT ON THE FORECASTS

— 25 March 2021

For the attention of the board of directors of Cofinimmo SA/NV

Boulevard de la Woluwe 58 - 1200 Brussels

Dear Sirs

Cofinimmo NV/SA

We report on the Net result from core activities - Group share of Cofinimmo SA/NV ("the Company") and its subsidiaries (together "the Group") for the 12 months period ending 31 December 2021 (the "Forecast"). The Forecast, and the material assumptions upon which it is based are set out on pages 88 to 91 of the 2020 annual report of the Group ("the 2020 Annual Report") issued by the Company dated 10 March 2021. We do not report on the other elements of the projected consolidated income statement, on the projected consolidated balance sheet nor on the projected dividend.

This report is voluntarily required upon request by the Board of Directors of the Company for the purpose to confirm the Profit Forecast has been compiled and prepared in accordance with the requirements under Section 11 of Annex 1 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004 (the "Commission Delegated Regulation") and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Profit Forecast in accordance with Annex 1 section 11 of the Commission Delegated Regulation.

It is our responsibility to form an opinion as to the proper compilation of the Forecast and to report that opinion to you.

Save for any responsibility arising under art. 26 of the Law of 11 July 2018 to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Commission Delated Regulation, consenting to its inclusion in the registration document.

Basis of Preparation of the Profit Forecast

The Forecast has been prepared on the basis stated on pages 88 to 91 of the 2020 Annual Report and is based on a forecast for the 12 months to 31 December 2021. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

Basis of opinion

We conducted our work in accordance with the International Standard on Assurance Engagement 3400 "The Examination of Prospective Financial Information" ("ISAE 3400") issued by the International Auditing and Assurance Standards Board ("IAASB"). Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Belgium, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Profit Forecast has been properly compiled on the basis stated which is comparable with the historical financial information and is consistent with the accounting policies of the Group.

Declaration

For the purposes of art. 26 of the Law of 11 July 2018 we are responsible for this report as part of the registration document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the registration document in compliance with Annex 1 item 1.2 of the Commission Delegated Regulation.

Yours faithfully

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Rik Neckebroeck

ESG report

Quartz office building –
Brussels CBD (BE)

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MESSAGE TO THE STAKEHOLDERS

— Cofinimmo is one of the three companies listed on Euronext Brussels which have shown the strongest sustainable growth over the last decade. It has confirmed its ESG commitment through the implementation of its corporate project 30³, in order to contribute to the global objective of limiting global warming

— JACQUES VAN RIJCKEVORSEL, CHAIRMAN OF THE BOARD OF DIRECTORS
JEAN-PIERRE HANIN, CHIEF EXECUTIVE OFFICER

DEAR STAKEHOLDERS,

Cofinimmo, being a major real estate player in Europe, has been committed for more than ten years to a global ESG strategy and actively subscribes to the Paris Agreement concluded at COP21. The company believes it is possible to aim for a carbon neutral society by 2050 while guaranteeing the interests of all its stakeholders. Its project 30³, the objective of which is to reduce by 2030 the portfolio's energy intensity by 30 % compared to the 2017 level, is part of this approach. Its level has already been reduced from 190 kWh/m² in 2017 to 163 kWh/m² in 2020.

In 2020, the group confirmed its ESG commitment by launching its corporate project and becoming a member of the Belgian Alliance for Climate Action (BACA), an open platform for Belgian organisations wanting to reduce their GHG emissions and increase their climate ambitions using the science based targets initiative. Thanks to this methodology, Cofinimmo was able to objectivise the effort to be made in order to contribute to the global objective of limiting global warming.

Cofinimmo has implemented an environmental management system, certified ISO 14001:2015 since 2008 and systematically renewed every four years since (and again very recently in July 2020), which the company uses throughout the life cycle of its portfolio. This certification guarantees that the company manages the environmental aspects of its activities, including its compliance with the environmental regulations in force, in a structured manner.

In order to meet the demand of its stakeholders, the group has also adopted a proactive approach when it comes to ESG benchmarks and questionnaires, which are sources of primary and objective data for many of its stakeholders. Throughout the year 2020, Cofinimmo has therefore obtained certifications and ratings from numerous agencies and institutions (CDP, GRESB, ISS ESG, EPRA, etc.). Obtaining these ratings is not an end in itself but confirms the solidity of Cofinimmo's ESG commitments and encourages the group to continue along this path.

Cofinimmo also pays particular attention to the coherence between its financial strategy and its ESG objectives. In May 2020, it reviewed its sustainable financing framework in order to incorporate the latest trends in the specific financing of sustainable assets which contribute to its sustainability strategy. In this context, in November 2020 the company issued a first benchmark-sized public sustainable bond for an aggregate nominal amount of 500 million EUR. The proceeds are entirely allocated to (re)finance sustainable assets.

In January 2021, Cofinimmo was one of the three nominees for the Sustainable Growth Award 2020, a prize based exclusively on measurable figures, awarded by Euronext Brussels and Guberna. Cofinimmo received a bronze award, which is proof that it is one of the companies listed on Euronext Brussels that have shown the strongest sustainable growth over the last decade.

Since the beginning of the COVID-19 coronavirus pandemic in March 2020, Cofinimmo has implemented several measures in the countries where the group is active to ensure the continuity of its activities, while making the health and well-being of all its stakeholders its priority.

The pandemic has highlighted the social pillar of its ESG strategy and a programme of targeted savings has been defined to finance various charities. Cofinimmo supported different initiatives aiming at fighting the pandemic and its effects in the healthcare sector in Belgium (operation #clapandact, Dr. Daniël De Coninck Fund), in France (programmes supported by Fondation de France), in the Netherlands (project supported by the Oranje Fonds foundation), and in Germany (Johanniter-Unfall-Hilfe supported by Aktion Deutschland Hilft).

This health crisis has shown us that, united, we can overcome the greatest challenges.

MAJOR TRENDS AND THEIR IMPACTS ON THE ESG STRATEGY

— Cofinimmo prepares for the world of tomorrow and integrates major societal trends into its strategy. The 17 United Nations Sustainable Development Goals (SDG) are part of the major trends which Cofinimmo takes into account

The COVID-19 coronavirus has shown us that, united, we can overcome the greatest challenges. A number of organisations, such as the World Economic Forum, are calling on businesses to build more sustainable economies and societies that are more resilient to pandemics, climate change and the many other challenges we face globally.

Cofinimmo positions itself as a driver for change in dealing with the challenges facing the built environment such as climate change, population ageing, growing urbanisation, changing technologies, and working practices.

The health crisis has highlighted some of the new opportunities that have arisen from the new trends in sustainability. Since 2010, Cofinimmo has been building more efficient buildings and managing them in a more cost-effective way in order to meet tighter regulations on energy performance.

Convinced that science-based climate action is the most effective way to achieve its objectives, Cofinimmo has confirmed its commitment to ESG in 2020 by validating the objective of the project 30[3] through the science based targets initiative and by becoming a member of the Belgian Alliance for Climate Action (BACA). But Cofinimmo's commitment to ESG goes far beyond this. A good example is the materiality analysis, prepared for the first time in 2014 in accordance with the Global Reporting Initiative (GRI) guidelines, which is reviewed and refined on an annual basis since.

In 2020, Cofinimmo interviewed several investors in order to understand their needs. These interviews confirm, on the one hand, that investors are requesting more and more transparency in terms of the overall carbon footprint of the products they finance and, on the other hand, that they are convinced that governance is a powerful drive in the fight against climate change. The support of both the board of directors and the executive committee is therefore essential to transform the company's ESG ambitions into concrete projects. As a result of this dialogue with investors, Cofinimmo has reinforced its proactivity in terms of ESG benchmarks and questionnaires, which are primary and objective data sources for investors. For greater transparency, as stipulated in the TCFD's recommendations, Cofinimmo has also renewed its participation in the Carbon Disclosure Project. The answers are publicly available and describe in detail the risks and opportunities associated with climate change that have been identified.

The materiality analysis, shown on the infographics opposite, consists of 3 circles, each representing one pillar. The topics appearing in the 3 circles each represent a sustainability challenge for the company. Their position on the matrix reflects their importance, which is determined not only by the way the topic they represent is perceived by stakeholders but also by the impact this same factor could have in the long term, as estimated internally by Cofinimmo.

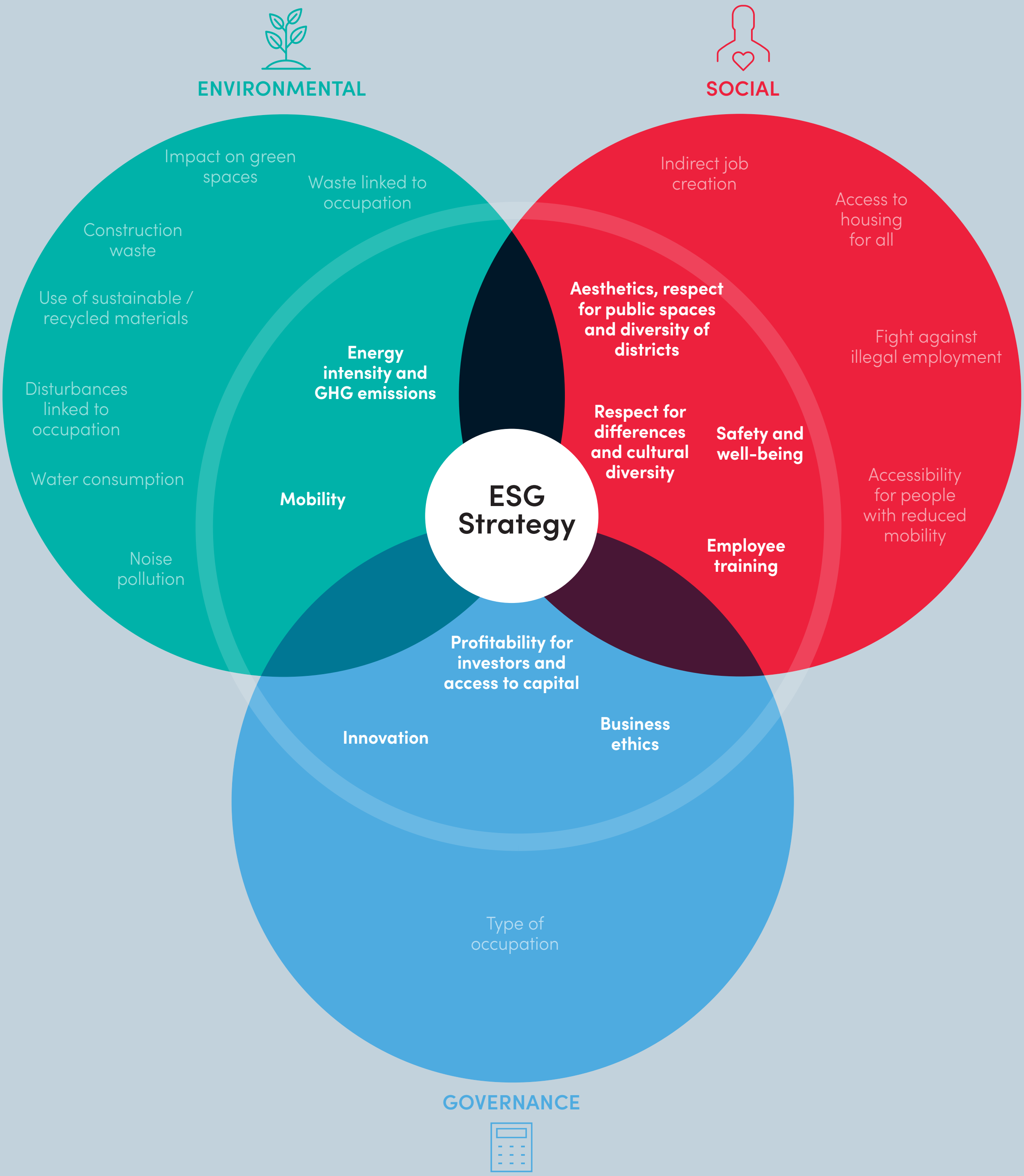
The area delineated by the inner circle contains the nine priority areas for action of the 21 areas identified internally. The most significant ESG risks are described in the risk factors (see page 6). The other topics in the materiality analysis are not considered to be a priority and lie outside of the circle. This does not reflect disinterest but can be explained by the fact that most of these topics are subject to fairly strict legislation that requires companies to deal with them, irrespective of the perception of their importance within the company. For example, Cofinimmo endeavours to reduce water consumption as much as possible by means of the introduction of remote meters, in the same way as it handles energy intensity and greenhouse gas emissions (GHG).

All the details of the actions carried out in 2020 and future objectives are listed in a dashboard (see pages 319-323). The link between the topics of Cofinimmo and the SDGs is listed in a cross-reference table (see pages 325).

17 UN goals to transform our world

Materiality analysis

The 21 challenges included in the company's materiality analysis reflect the importance of these trends for both Cofinimmo and its stakeholders.



Climate change

Climate change represents a long-term risk. Over the next 30 years, it is expected to have a considerable impact on real estate and therefore affect most European real estate players (Source: Emerging Trends in Real Estate®, Climate Change, Europe 2020, PWC & Urban Land Institute). Meeting the GHG emission reduction targets set by the Paris Agreement at COP 21 is therefore a major challenge for real estate. Climate change currently has and will have in the future an impact on the level of capital to be invested, operating costs and the speed of obsolescence of real estate assets.

Cofinimmo's rationale for adopting science-based climate action and joining BACA is based on three fundamental messages:

- businesses need to take more ambitious climate action now;
- only by working hand in hand with all stakeholders can we lead the transition to a net zero emission economy;
- science-based climate action is the most effective way to achieve the targets set.

Through its project 30[3], aiming at reducing energy intensity of its portfolio by 30% by 2030, Cofinimmo intends to take up this challenge and thus sustain the value of its assets complying with the Paris Agreement. This project is the keystone to achieve the objective validated by the science based targets initiative.

Ageing population

The acceleration in the ageing of the population has an impact on current social models. This includes the increase in the retirement age, the organisation of healthcare, etc.

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

But what are the population projections for the EU-27? During the period going from 2019 to 2080, the share of population of working age is expected to decline steadily until 2060 before stabilising somewhat, while elderly people will likely account for an increasing share of the total population. Those aged 65 years or over will account for 30.8% of the EU-27's population by 2080, compared with 20.3% in 2019. As a result of the population shift between age groups, the elderly dependency ratio in the EU-27 is projected to almost double, going from 31.4% in 2019 to 55.7% by 2080. The total age-related dependency ratio is projected to rise from 54.9% in 2019 to 80.8% by 2080 (source: Eurostat, July 2020 data).

This trend is addressed by the core strategy of Cofinimmo, which, through its healthcare real estate segment, aims to meet the needs of society, specifically: offering housing to the elderly, whether ill, disabled or in rehabilitation phase; creating mixed neighbourhoods where each function co-exists in harmony; promoting the accessibility of buildings to people with reduced mobility and developing safe buildings where it is pleasant to live.

Growing urbanisation

According to the World Bank, in 2019, about 56% of the world's population lived in cities (Source: https://data.worldbank.org/indicator/). This figure has been rising steadily since the 1950s. In Europe, this figure is even higher. In France, for example, it reaches the level of 81%.

This urbanisation represents a major challenge in terms of integrating populations of different origins, providing food and shelter for all, but also in terms of mobility, pollution management, connectivity, etc.

This phenomenon has an impact on the way real estate is thought about. One of the consequences being, for example, the progressive decrease in the average housing size.

With an increased focus on health and safety, the COVID-19 coronavirus increased the need for lower density and more spacious environments, which will accelerate the growth of suburbs.

Mobility

In the context of increasing urban population, pollution and the fight against GHG emissions, mobility is gradually being rethought.

Cities such as Paris, Brussels, Antwerp, and Gent are starting to exclude the most polluting vehicles. Public transport companies are moving to electric vehicles. Initiatives are being taken to promote micro-mobility such as sharing less polluting bicycles, electric mopeds or scooters. Mobility is intended to be multimodal, flexible and scalable according to actual travel needs. Aware of this challenge, Cofinimmo multiplies its mobility initiatives by testing shared vehicle solutions and by setting up infrastructures for cyclists in its buildings.

The trend is also affecting real estate. The number of authorised parking spaces is decreasing in order to push abandoned vehicles out of the cities. More and more charging stations for electric vehicles are being installed. The number of bicycle racks is increasing. From a circular point of view, parking areas are built in such a way that they can eventually be reassigned to another use. Larger drop-off areas are provided for taxi services or parcel delivery vans.

The sharing economy

The awareness of part of the society of the importance of limiting its carbon footprint, the search for a more efficient and reasoned use of physical and financial resources, lead an increasing number of people and companies to embrace the principles of the sharing economy. They become product users rather than product owners or, in the case of real estate, sole tenants. In addition, this approach provides users access to flexible solutions which are more in line with their rapidly changing needs and avoids certain investment costs.

Many sharing applications already directly or indirectly impact the office real estate segment: shared meeting rooms in buildings and business parks, co-working areas, etc. The generalised rapid shift to teleworking at the beginning of the health crisis will continue to apply in the future, at least partially. As a result, some companies will reduce their footprint in order to cut costs. However, office tenants will seek to expand space for new forms of collaboration and interaction, while respecting social distancing measures.

The sharing economy also affects residential real estate. Housing with more communal areas is being built, sometimes for a very targeted group of users, like Generation Y, but also for senior citizens in the form of assisted-living units.

Well aware of this issue, Cofinimmo is innovating by creating shared spaces such as those clients find in office buildings in the form of Lounge®, shared meeting rooms or Flex Corner®.

The circular economy

Natural resources are limited. As a result of NGOs lobbying, circular economy initiatives are being promoted and even subsidised by the European Commission and certain countries, regions, and cities in Europe, so as to limit waste and increase the rate at which materials are reused. Every year in the European Union, nearly 14 tonnes of materials are used per person, and each citizen of the EU-27 generates, on average, nearly 400 kg of waste (Source: Eurostat, October 2020 data).

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

Well-being

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

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

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

As a result of the health crisis, health and well-being will become more important factors in all areas of real estate. The industry will have to meet higher standards in terms of cleanliness and safety for tenants and customers to feel safe – and for them to come back especially in office buildings, pubs/restaurants. The new focus on personal security will lead to new services and technologies, which will enable the development of cleaner buildings, improved HVAC infrastructure, sensors, contactless entry and contact tracking applications.

Every effort is made to ensure a healthy and pleasant environment, and thus ensure the mental and physical well-being of the occupants.

Digital transformation

In the medium term, the health and economic crisis will accelerate the inevitable digital transformation of the construction and real estate sectors. More than ever, the survival of construction and real estate companies will depend on their ability to adapt, which will include the adoption of new technologies. The Internet of Things, augmented reality, artificial intelligence and digitalisation are all promising avenues that demonstrate the extent of the impact of evolving technology in the real estate sector. Technology makes it possible to go beyond the automation of repetitive tasks and today provides support in more complex intellectual processes, in customer relations, in equipment maintenance, in the management of breakdowns and in energy management.

When renovating its buildings, Cofinimmo provides for the integration of these new technologies. The chosen technologies aim to manage energy more efficiently and in doing so, to reduce GHG emissions of the buildings.

Generalised telework is seen as the ultimate test of the digital transformation in the workplace. Teleworking policies implemented in companies which have invested in digital capabilities are actually very popular among employees.

Since the lockdown in March 2020, a generalised teleworking system was implemented at Cofinimmo without any problems, with an emphasis on employee cyber-security awareness and training.

Evolving technology in healthcare

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

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

VALUE CHAIN

— Financing, skills and sustainable materials which have a positive impact on the customer relation in the long term

Financing

Cofinimmo's mission is to enable its shareholders to make long-term, low-risk and socially responsible investments that generate a recurring, predictable and growing stream of income, fuelling dividends and encouraging a return to the community. It must also have access to financing sources that are sufficiently diversified and at the lowest possible cost to reduce the refinancing risk at debt maturity and to guarantee the company's sustainability.

In May 2020, Cofinimmo reviewed its sustainable financing framework in order to incorporate the latest trends in the specific financing of sustainable assets. Vigeo Eiris confirmed in its Second Party Opinion that this financing framework was in line with the 2018 green bond principles, social bond principles and green loan principles. Under this framework, Cofinimmo can issue a variety of sustainable financing instruments, including bonds, convertible bonds, private placements and (syndicated) banking loan facilities. The proceeds have been directly fully allocated to various green & social assets. The list of selected assets for each of the financing operation is available in chapter 'Profitability for investors and access to capital' (see pages 126-135).

Skills

To implement projects which have an environmental impact, whether it be the extension of a nursing and care home or the conversion of an office building, Cofinimmo has an ISO 14001:2015-certified environmental management system running throughout the life cycle of its portfolio (including its head office).

On 30.07.2020, Vinçotte renewed Cofinimmo's ISO 14001 certification for the fourth consecutive time. This certification was granted for the first time in 2008 and has been systematically renewed since. It guarantees that the Cofinimmo group has not only set up an environmental management system, but also that it manages in a structured manner the environmental aspects of its activities, including its compliance with the environmental regulations in force.

The levers applied at the different stages of the assets' life cycle vary by business segment (see table below).

	Healthcare real estate	Distribution networks, PPP	Offices
Acquisition	●●●	●	●●●
Design	●●	●●	●●●
Construction	●●	●●	●●●
Marketing	●	●	●●●
Operational management	●	●	●●●
Development	●●	●	●●●

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

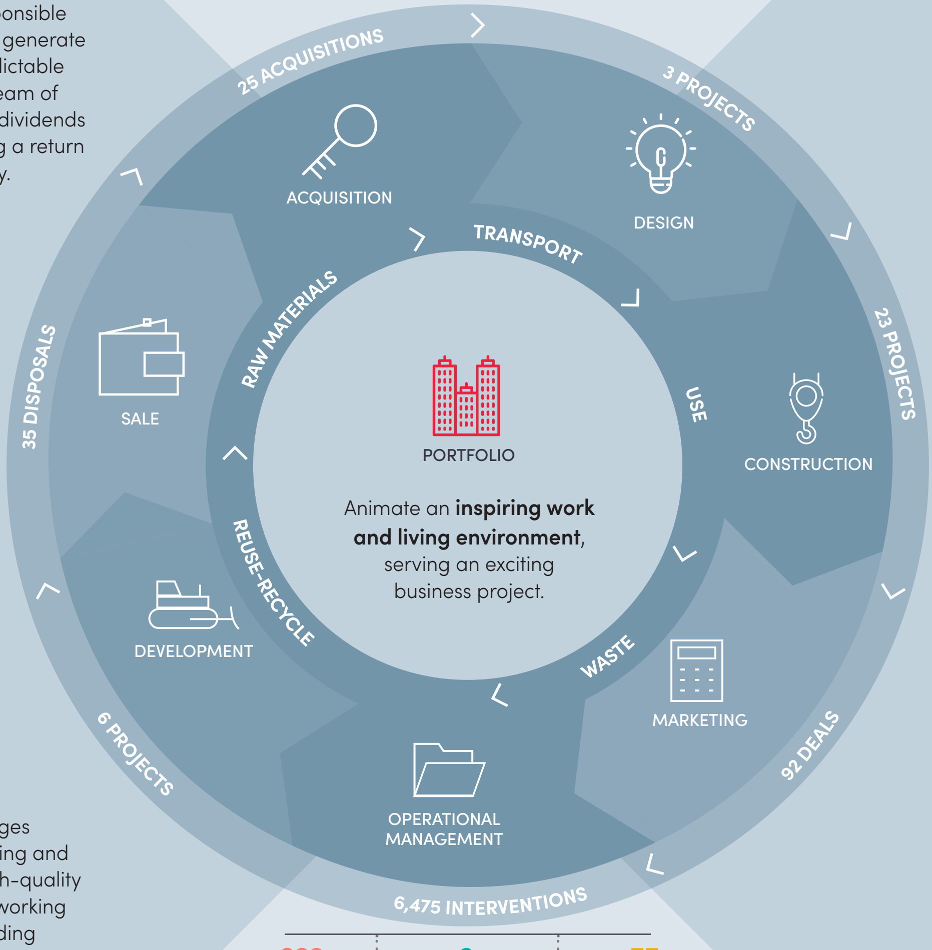
Cofinimmo's influence is described in detail and by segment in the management report (see pages 32, 46, 50 and 52-53).

Materials management

Cofinimmo has implemented a life cycle analysis (LCA) procedure that is intended to be very qualitative. Reflection starts from the design (or redevelopment) phase of a building and helps make sustainable choices on the construction principles (demolition or refurbishment) upstream, the materials to be used and the programme to be carried out for the works (reuse of the internal elements). It also takes into account the building's future development potential. This method is backed by the BREEAM certification and the ISO 14001 standard. When combined with other tools, such as Building Information Modelling (BIM), LCA makes it possible to map, evaluate and budget all the components of a building prior to starting works on the site.

Financial capital	Human capital
2.6 billion EUR EQUITY	**1,900** SUPPLIERS
2.3 billion EUR DEBT	**140** EMPLOYEES

Enable **shareholders** to make long-term, low-risk and socially responsible investments that generate a recurring, predictable and growing stream of income, fuelling dividends and encouraging a return to the community.



Promote exchanges creating well-being and inspiration in high-quality care, living and working spaces, by providing services that anticipate the needs and aspirations of their **occupants**.

220 HEALTHCARE REAL ESTATE	**2** DISTRIBUTION NETWORKS	**77** OFFICE BUILDINGS
142 TENANTS	**266** INSURANCE AGENCIES	**364** TENANTS
20,572 RESIDENTS	**910** PUBS / RESTAURANTS	**27,528** OCCUPANTS

DIALOGUE WITH STAKEHOLDERS

— As a real estate company and through its listing on the stock market, Cofinimmo enables as many people as possible to invest indirectly in real estate. Aware of the impact of its activities, it maintains a regular dialogue with its stakeholders at every stage of a building's life cycle

Nadia Carobbio – Receptionist – Cofinimmo

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

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

It also greatly values the motivation and commitment of each of its employees, in particular by ensuring transparent and proactive communication, performance appraisal, individual and team coaching, training processes, work-life balance, accountability, etc.

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

Each department of Cofinimmo is responsible for identifying and interacting with its own stakeholders. The company's policy in terms of good conduct, included in its corporate governance charter, provides guidelines to each employee. The communication department is there to guide and assist each department, where appropriate, in its dialogue with its stakeholders.

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

But who are Cofinimmo's key stakeholders?

Shareholders and investors

INDIVIDUAL OR INSTITUTIONAL SHAREHOLDERS AND FINANCIAL INSTITUTIONS

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

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

In 2020, Cofinimmo participated in about 20 roadshows, conferences, and other events bringing the company and investors together. During these roadshows/conferences, it was able to meet approximately 200 institutional investors and to answer their questions on the company's strategy.

Clients and occupants

HEALTHCARE PROPERTIES OPERATORS, RETAILERS, PUBLIC SERVICES, OFFICE TENANTS AND OTHER OCCUPANTS

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

In the healthcare real estate segment, in Belgium, France and the Netherlands, the client also receives visits from Cofinimmo's property managers or their representatives. In Germany, Cofinimmo has signed outsourcing agreements for the technical property management of buildings because the buildings are geographically dispersed. Each building is visited at least once a year to establish a proactive dialogue with the operator. In Finland, Cofinimmo also concluded outsourcing agreements with a local real estate manager. The main reasons for this are the requested local knowledge and the absence of Cofinimmo offices in Finland. The number of visits therefore ranges from one per month to one every six months, depending on the asset and the type of contract. In Spain, services are currently defined.

In the office segment, the client meets with a Cofinimmo employee in person at least once a year. In reality, there may be quarterly or even more frequent contacts if telephone conversations and e-mails are included. The client can also contact the company via the service desk, which is available 24/7. In 2020, the service desk responded to 6,475 client requests. This number is considerably lower than the previous year (about 10,000) which can be explained by a lower occupancy rate of buildings due to teleworking, which was implemented to contain the COVID-19 outbreak.

Employees

Due to the size of the company, which currently counts approximately 140 people, employees have regular contacts with the human resources manager or one of the members of the executive committee. Information meetings, open to all employees, are regularly organised and enable discussion with members of the executive committee.

In 2020, the results of the employee engagement survey were analysed. In total, 73 % of employees responded to the survey, which is above the sector average of 67 %. The overall engagement score was 66 %, which is slightly below the sector average of 70 %. An action plan was put in place based on the topics raised by employees.

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

The right to freedom of association and collective bargaining is provided through mandatory social elections. These elections are held every four years. However, in the absence of candidates, there has been no union representation to date.

Cofinimmo is committed to managing reorganisations responsibly. The minimum notice period for operational changes is six weeks. No reorganisation has taken place in recent years.

Céline Vermeylen – HR officer – Cofinimmo

Suppliers of goods and services

DEVELOPERS, CONTRACTORS, SERVICE PROVIDERS, FACILITY MANAGERS, REAL ESTATE AGENTS, SOLICITORS, CONSULTANTS

Cofinimmo works with more than 1,900 suppliers, the 20 largest of which account for approximately 65 % of expenditure. These are primarily contractors responsible for the (re)development of buildings and companies that carry out regular maintenance on buildings (technical maintenance, energy supply, cleaning, etc.).

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

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

Supervisory authorities

FINANCIAL SERVICES AND MARKETS AUTHORITY (FSMA), THE NATIONAL BANK, AUDITORS, MUNICIPAL, REGIONAL AND FEDERAL AUTHORITIES

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

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

Media, financial analysts

Through the 47 press releases and the half-yearly and annual financial reports which it published in 2020, Cofinimmo reached the entire financial world with an interest in its activities. All this information is available in three languages (French, Dutch, and English) on its website. The press releases relating to its operations in Germany, Spain, and Finland are also published respectively in German, Spanish, Finnish, and Swedish.

To follow the volatility and impact of social media, Cofinimmo is active on Twitter and LinkedIn. Together these represent 9,280 followers. In 2020, Cofinimmo published 48 posts on LinkedIn and 43 posts on Twitter.

Civil society, local communities

LOCAL RESIDENTS, CIVIL SOCIETY ASSOCIATIONS, ETC.

Cofinimmo pays close attention to its impact on civil society. In order to monitor its impact, Cofinimmo regularly takes part in conferences linked to its activities, gives interviews with journalists or agrees to help university students in the context of their academic work. The company is also a member of associations such as, for example, The Shift, in which both businesses and NGOs participate. These forums are an opportunity to reflect on the potential improvement of its sustainability policy. In 2020, Cofinimmo contributed to a seminar on the topic of a positive approach through commitment in order to facilitate sustainable investments.

The Shift is the national touch point for the world business council for sustainable development (WBCSD) and the UN global compact (UNGC). Over 480 organisations from different sectors are members of this network: businesses, NGOs, associations, universities, public bodies and other key players in society.

Stakeholders: expectations and responses

Stakeholders	Expectations	Responses
SHAREHOLDERS AND INVESTORS: individual and institutional shareholders, financial institutions	• A regular, predictable, and growing dividend; • The protection of the invested capital; • A moderate risk profile; • The provision of transparent financial information; • A long-term relationship; • A socially responsible investment; • The reimbursement of the debt and the payment of interests.	• A clear investment policy in the three business segments: healthcare real estate, distribution networks and PPP, and offices; • A search for income over the long term; • Transparent financial information, audited by the external auditor, governed by the regulations, and supervised by the Financial Services and Markets Authority: annual report, participation to investor fairs, general meeting, etc.; • Full application of the corporate governance code.
CUSTOMERS AND OCCUPANTS: healthcare real estate operators, retailers, public services, office tenants and other occupants	• A building in line with the specific needs of their activities; • The ability to innovate in order to meet changing needs; • Rents in line with their financial potential and transparent information on their rights prior to the signature of a lease; • Control of rental-related expenses; • A trustworthy, stable landlord; • Sustainable buildings which guarantee well-being and comfort.	• A team of professionals active in various real estate fields: sales representatives to fully understand customers' needs, project managers to ensure the buildings' construction quality, property managers to ensure efficient management of buildings in operation, and control of rental expenses. • A commercial offer with clear and transparent clauses.
EMPLOYEES	• Pleasant working conditions; • Fair treatment; • A guaranteed, stable, and attractive wage grid; • A skills development plan (training, career prospects, etc.); • Management with strong ethical values, a sense of leadership and the ability to listen.	• A policy on good conduct; • A performance appraisal system between an employee and his/her manager addressing tasks, their execution, working conditions, and aiming at improving work quality through the conclusion of agreements; • Access to training; • Regular employee surveys; • Fair treatment.
SUPPLIERS OF GOODS AND SERVICES: developers, contractors, service providers, facility managers, real estate agents, solicitors, consultants	• Collaboration opportunities; • Compliance with purchase orders and signed contracts: product and service prices, payment deadlines, etc.; • A healthy, well-balanced commercial relationship; • Respect for suppliers' staff.	• Clear specifications and tender rules; • Acceptance of the products and services delivered agreed upon by both parties; • Payment of agreed amounts within the agreed deadlines; • Openness to dialogue in the event of a dispute; • A policy on good conduct that includes supplier relationships.
SUPERVISORY AUTHORITIES: the Financial Services and Markets Authority (FSMA), the National Bank, auditors, municipal, regional, and federal authorities	• Compliance with the laws and regulations in effect, particularly those governing town planning and environment; • Open dialogue through professional associations; • Compliance with public space planning rules.	• Financial publications and press releases that meet regulatory requirements; • Timely transmission of information on the transactions carried out to enable the supervisory authority to review them without undue haste; • Compliance with the legislation and procedures in effect and the forms required by the authorities.
MEDIA, FINANCIAL ANALYSTS	• Accurate, reliable information and timely dissemination.	• Annual reports, press releases and other publications; • Participation in interviews, round tables, debates, and roadshows; • Press conferences; • Non-financial ratings.
CIVIL SOCIETY, LOCAL COMMUNITIES: local residents, civil society associations, etc.	• A response to society's actual real estate needs; • A contribution to citizens' well-being; • Improvement of urban quality of life and harmony; • Payment of taxes.	• Investment in segments that represent a demand and respond to a present and future societal challenge (healthcare real estate, PPP); • Respect for the neighbourhood when refurbishing buildings or during new developments; • Citizens' initiatives supported by Cofinimmo's employees.

ENVIRONMENT

Nursing and care home Rivierenbuurt
(under renovation – The Hague (NL)

Energy intensity and GHG emissions

— In Europe, the real estate sector is responsible for 40 % of greenhouse gas (GHG) emissions. In light of this fact, Cofinimmo wishes to limit the emissions resulting from the operation of the buildings in its portfolio and strives to ensure these offer optimal energy performance

The European Union's commitment to reduce its GHG emissions was reinforced in 2020 by the Green Pact for Europe. Building and renovating in an energy and resource-efficient way is one of the policies that will bring about major changes to transform the EU economy for a sustainable future.

Cofinimmo, being a major real estate player in Europe, has been committed for more than ten years to a global ESG strategy. The group believes that it is possible to aim for a carbon neutral society by 2050 while guaranteeing the interests of all its stakeholders.

Its project 30^3 is part of this approach. The objective of this ambitious project is to reduce the energy intensity by 30 % (compared to the 2017 level) by 2030 to achieve the level of 130 kWh/m^2. To achieve this objective, a 360-degree approach, taking into account the entire life cycle of buildings, will be applied.

This corporate project concerns both the office and healthcare real estate segments, as well as all activities managed directly within the company such as disposals and acquisitions, development, project management, and day-to-day management of the buildings.

REDUCE

Reducing energy intensity starts with a better understanding of the building portfolio. With this in mind, Cofinimmo is gradually, and more optimally, recording the consumption of the buildings' facilities. The action plan, implemented since 2013 in the office segment, was completed in 2018. For this purpose, these buildings are equipped with remotely readable meters.

8.8 %
RENOVATION OF THE PORTFOLIO (EXCLUDING NEW CONSTRUCTIONS, EXTENSIONS AND ACQUISITIONS) FOR 2025.

130 kWh/m^2
ENERGY INTENSITY TARGETED BY 2030.

75 %
SURFACE AREAS COVERED BY A SUSTAINABLE COLLABORATION AGREEMENT BETWEEN COFINIMMO AND THE TENANT, IN ALL SEGMENTS BY 2021.

157 tonnes of CO_2 per million EUR[1]
GHG EMISSIONS INTENSITY IN RELATION TO THE REAL ESTATE RESULT.

-16.4 %
DECREASE IN GHG EMISSIONS.

-9.3 %
DECREASE IN ELECTRICITY CONSUMPTION.

-4.9 %
DECREASE IN FUEL CONSUMPTION.

163 kWh/m^2
ENERGY INTENSITY.

1. In the context of a carbon tax at 44.60 EUR/ton CO_2, (Source: 'ADEME'), this corresponds to a tax of 1.8 million EUR.

These connect the facilities to the energy accounting software. Some operators from the healthcare real estate portfolio have taken the same step and automatically record their consumption. In 2019, a study was launched to equip the remaining healthcare real estate portfolio with automatic consumption recording systems.

Cofinimmo believes that landlords and tenants have a shared interest in reducing the environmental impact of a rented space. Building occupants are responsible for managing their own consumption, which is why Cofinimmo raises its tenants' awareness through a sustainable collaboration agreement which makes it possible to share consumption data and to implement initiatives to reduce it. When appropriate, this agreement is formalised by a green clause, a green charter, a proxy, or a simple exchange of emails for existing leases. Since 2020, a green clause has been included in each new lease. All the consumption data from all the shared spaces managed by Cofinimmo, as well as the private consumption data voluntarily provided by the different tenants, are collected with the energy accounting software. As at 31.12.2020, 52 tenants have accepted a sustainable collaboration agreement covering 63 % of the portfolio of which the energy consumption is known. All the energy intensity and GHG emissions data are available in chapter 'Key EPRA Performance Indicators' (see pages 299-318).

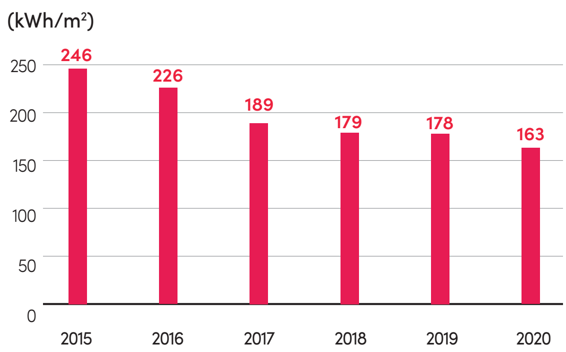
Cofinimmo has adopted the performance indicators advocated by the European Public Real Estate Association (EPRA). There are 28 of them, they correspond to 21 GRI standards drawn from the Global Reporting Initiative and give a truly clear picture of the performance of the various buildings from year to year.

PREVENT

What is the best way to actively participate in global efforts to reduce GHG emissions in the real estate sector? It is a matter of preventing energy consumption through the redevelopment or major renovation of the portfolio (3,6 % of the total portfolio in 2020). Cofinimmo therefore strives to go as far as possible in terms of energy intensity, often beyond legal requirements but within the scope of the desired economic profitability. The approach of reducing consumption differs by segment. For the healthcare real estate segment, Cofinimmo's involvement is focused on raising tenants' awareness. For offices, Cofinimmo is often involved in the construction/renovation phase and in the day-to-day management of a majority of buildings. This situation enables to have an influence on consumption as soon as the building is occupied. In the distribution networks segment, Cofinimmo completed 92 interventions in 2020 as part of its sustainability approach.

ENERGY INTENSITY

Buildings with a better energy performance are more attractive from a commercial point of view. They offer occupants greater comfort for a lower level of rental-related expenses. The consumption reports for Cofinimmo are available since 2010 and show a decrease in energy intensity of 25 %, all segments combined.



In the portfolio under operational control, the levers for initiatives in terms of emissions reduction go beyond renovations. A five-year plan ensures that maintenance work aiming at reducing the portfolio's energy intensity is planned. Operational management in collaboration with technical maintenance companies aims to proactively improve the energy performance of buildings.

RENEWABLE SOURCE

Although reducing and preventing energy consumption are always a necessity, the overall goal worldwide is to increase the share of renewable energy. Cofinimmo signed a contract for the supply of electricity from renewable sources for surface areas under operational control in the healthcare real estate and office segments. This electricity from renewable sources is produced off-site and the GHG emissions linked to this contract are therefore reduced to 0. The photovoltaic panels installed in 19 buildings of the portfolio together produce 2,219 MWh per year. All the on-site produced energy is used internally. However, legal constraints make it difficult to expand production. As such, photovoltaic projects, implemented under a third-party investor scheme, release Cofinimmo of all responsibility as an energy supplier, while making it possible to exploit surface areas that cannot be used for other activities but also reduce the liquidity of the portfolio. This formula is therefore only applied by way of exception. In the healthcare real estate segment, operators also participate in third-party investor projects for the installation of photovoltaic panels and other equipment with a positive impact on the net energy requirement.

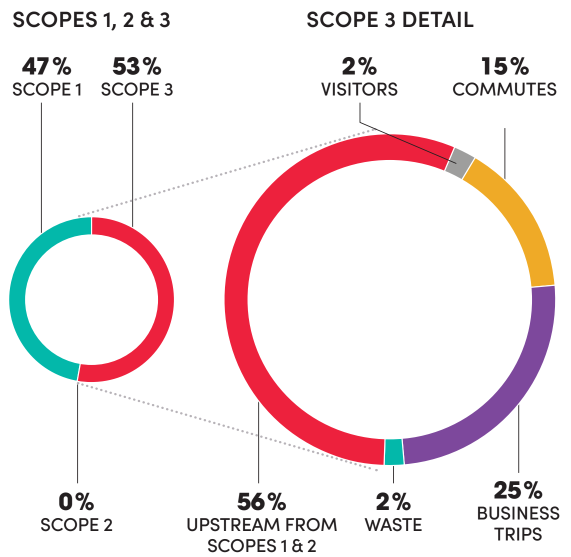
CARBON FOOTPRINT OF COFINIMMO'S HEAD OFFICE

The total carbon footprint of the head office has been analysed since 2009 and includes direct and indirect emissions associated with infrastructure and mobility, as well as indirect emissions associated with waste and equipment.

In 2020, the total footprint was 517 tonnes CO_2e (-25 % compared to 2009 and -29 % compared to 2019). Indeed, the health crisis has had a strong impact on emissions associated with mobility thanks to generalised teleworking. The reduction in the footprint per FTE is -37 % compared to 2009 and amounts to 4.1 tonnes CO_2e/FTE.

A green mobility policy is being implemented in order to continue to reduce emissions associated with mobility after the resumption of business operations at the head office. More details can be found in the chapter 'EPRA performance indicators' (see page 309).

COFINIMMO'S HEAD OFFICE - FOOTPRINT PER SCOPE IN 2020 (% emissions in tonnes CO_2e)



COMMITTED TO ACT ON CLIMATE CHANGE

The Belgian Alliance for Climate Action is a joint initiative of The Shift and WWF. It is an open platform to Belgian organisations, regardless of their size or sector of activity, which want to reduce their GHG emissions, raise their climate ambitions and use science based targets (SBT) to achieve their climate objectives. In total, more than 70 organisations in Belgium have already joined the Alliance, committing themselves to aligning their activities with the objectives of the Paris Agreement, i.e. to limit the global temperature rise to well below 2°C and to maintain their efforts to limit it to 1.5°C. WWF, co-founder of the science based targets, will provide expertise to the members of the alliance in terms of target setting and will also liaise with other climate alliances around the world.

Cofinimmo has increased its ESG ambitions by launching its project 30^3. The objective of this project has been established in accordance with the science based targets methodology, which enabled the group to objectivise the effort to be made in order to contribute to the global objective of limiting global warming. It follows on from the many ESG initiatives launched by Cofinimmo over the past ten years and is in line with the Paris Agreement concluded at COP21.

To limit the financial risk associated with climate change, Cofinimmo applies an approach with 7 levels:

- acquisition policy with an average energy intensity of 85 kWh/m^2;
- renovation projects with a maximum energy intensity of 50 kWh/m^2;
- maintenance works to reduce the energy intensity of the existing portfolio by an average of 10 %;
- operational management in collaboration with suppliers to improve the energy performance of existing assets;
- proactive dialogue with tenants;
- sustainable financing framework based on a list of eligible green and social assets;
- implementation of the ESG policy.

Convinced that science-based climate action is the most effective way to achieve its objectives, Cofinimmo confirmed its ESG commitment in 2020 by validating the objective of the project 30^3 according to the science based targets initiative (SBTi). Cofinimmo had already been considering this step for several years, but had first to refine the GHG accounting and reporting methods.

A bottom-up approach based on the actual performance of each individual asset in the portfolio enables to objectify the effort to be made to contribute to the global objective which consists of limiting global warming to a maximum of 1.5°C. Worldwide, only 1,000 companies have an objective validated through SBTi.

The objective for 2030 will be highlighted by means of clear intermediate milestones while setting the objectives for 2050 or even earlier.

Nursing and care home Paul Delvaux – Brussels (BE)

Mobility

— Since the introduction of the Cobrace legislation ('Code Bruxellois de l'air, du climat et de la maîtrise de l'Énergie' - Brussels Code for air, climate, and energy management), which aims to reduce the number of parking spaces available around office buildings in order to discourage workers from commuting by car, mobility has become a major challenge for companies in general and for the real estate sector in particular

The increase in car traffic makes driving in the city more difficult and creates discomfort for local residents due to the increase in air and noise pollution. In recent years, many European countries have introduced low-emission zones in major cities such as Paris, Brussels, Antwerp, or Ghent, which started to exclude the most polluting vehicles.

Although reducing the use of cars to the benefit of alternative means of transportation (e.g., electric vehicles) has a positive impact on the environment and everyone's well-being, this requires the implementation of specific measures. Encouraging the use of electric vehicles, for example, will not be possible without the introduction of charging terminals for staff. But the introduction of specific equipment does not stop there.

Courthouse – Antwerp (BE)

INFRASTRUCTURE FOR CYCLISTS

18%

OF BICYCLE PARKING SPACES AVAILABLE IN THE OFFICE SEGMENT.

ELECTRIC VEHICLE CHARGING TERMINALS

2%

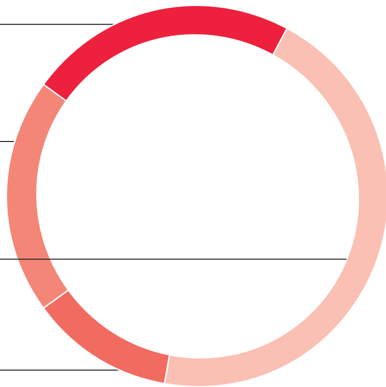
OF CAR PARKING SPACES EQUIPPED WITH CHARGING TERMINALS IN THE OFFICE SEGMENT.

SHARED AND PUBLIC PARKING SPACES

4%

OF PARKING SPACES AVAILABLE IN THE OFFICE SEGMENT.

ACCESSIBILITY OF OFFICE BUILDINGS (by public transport/bicycle)



London Tower office building (Parkbrug) – Antwerp (BE)

FACILITATING THE TRANSITION TO A CLEANER MOBILITY

Over the last few years, the number of companies which have introduced a genuine mobility policy in their strategy has been steadily increasing. Key measures include the possibility for employees to combine a company car with a bicycle and/or a season ticket for public transport, or the provision of shared facilities for all staff.

Although the health crisis has accelerated the development of cycle lanes in Brussels and increased the popularity of cycling, the bicycle, especially in its electric version, had already become a real competitor to the car for commuting journeys between 10 and 20 km. However, if this trend is to continue over time, it will have to be accompanied by an improvement in the facilities for cyclists in office buildings, such as the provision of a sufficient number of bicycle parking spaces, preferably covered, but also showers, with or without storage lockers.

Another way of limiting the number of cars in the city is to promote carpooling or reduce the number of parking spaces available upon arrival. In this context, some companies, including Cofinimmo, have set up a carpooling platform within the company. The platform connects employees who live in the same area through a notification system, and also enables the human resources department to manage the reimbursement of kilometres travelled by cyclists.

But for many, cutting down on travel goes hand in hand with a new approach to work.

- Gradually improve infrastructures for cyclists;
- Examine the gradual conversion of 1,200 parking spaces into public parking spaces as permits are being renewed, following the Cobrace regulations;
- Improve the average GHG emissions of the fleet.

CO-WORKING AND TELEWORKING

The most recent trends show that mobility is now inseparable from concepts such as co-working and teleworking. More and more people are no longer considering traveling to work every day. In fact, we estimate that almost 20 % of the working population has the opportunity to work two to three days a week from home or in a quiet place outside the office. It is therefore in the interest of companies to take the necessary steps to develop a policy which aims at improving the mobility of their employees. Moreover, companies that provide an infrastructure to support teleworking have seen a 20 % reduction in absenteeism.

Real estate companies must therefore reflect on the future needs of the real estate sector, taking into account the fact that urban and peripheral transfers are increasingly difficult, that they generate both air and noise pollution, and that mobility-related GHG emissions account for more than half of the ecological footprint of buildings.

A CHALLENGE THAT ALSO AFFECTS THE HEALTHCARE REAL ESTATE SEGMENT

Mobility also plays a role in the healthcare real estate segment. Indeed, a building accessible by public transport is not only more interesting for occupants, who can therefore expand their social network and get around more easily, but also for visitors and staff.

In the years to come, means of transportation and work habits will have to change drastically. It is therefore essential that companies in general, and the real estate sector in particular, prepare for tomorrow's world. Companies, such as Cofinimmo, which are already thinking about new societal trends and integrating them into their strategy will therefore be one step ahead of companies which adopt a more wait-and-see approach.

SOCIAL

Hanna De Groote – Head of ESG – Cofinimmo

Human capital

RESPECT FOR DIFFERENCES AND CULTURAL DIVERSITY

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

Diversity within Cofimmo is reflected in initiatives in the field of recruitment, staff management and external positioning of the company (see page 179 of this document).

Whether internally or when interacting with all the players it deals with, Cofinimmo has long since adopted a high level of ethics, an essential prerequisite for diversity, non-discrimination and respect for individuals, institutions, and the law.

This involves:

- good conduct policy;
- well-known values: connectivity, accountability, and customer experience;
- right to and promotion of self-expression, information, and personal development for all employees.

General principles of recruitment and selection

At all stages of the selection process, Cofinimmo's objective is to check the candidates' suitability for the position and the company, as well as their motivation, without any other consideration that could be described as discriminatory.

During selection interviews, Cofinimmo undertakes not to express any evaluation, judgement, or criticism, and not to ask candidates any questions which might be considered discriminatory or vexatious, given their values, personal and family choices and lifestyle.

Cofinimmo has the success and well-being of its staff at heart and refrains from hiring people who may not achieve the desired levels of success or well-being. In order to prevent mismatches when recruiting new employees, Cofinimmo may objectify the selection process by using non-discriminatory assessment tests, being of a behavioural or other nature. If Cofinimmo calls on an external operator for this assessment, it ensures that the latter has the skills, methods, and selection tools adapted to the requirements of the position, and that the persons responsible for evaluating candidates adhere to the principle of non-discrimination.

79%

WOMEN/MEN
REMUNERATION RATIO BETWEEN GENDERS AT EMPLOYEE LEVEL

Information on job vacancies and subcontracting

When Cofinimmo publishes advertisements in order to bring its job vacancies to the attention of the public, the content of these advertisements does not include any term, reference, or criterion of a discriminatory nature. If Cofinimmo calls upon intermediates, being recruitment and selection professionals, it first ensures that they adhere to the principle of non-discrimination and that they apply it at all stages of the procedure.

Reduced mobility

Cofinimmo expresses its desire to give equal consideration to the recruitment of a person with reduced mobility for a position whose content is compatible with this disability. Cofinimmo will make all reasonable arrangements to facilitate access to its premises and to the workstation to promote the success and well-being of staff with reduced mobility.

Welcome and on-boarding

Irrespective of the position held and its hierarchical level, Cofinimmo applies CLA 22 so that each new employee can integrate quickly and harmoniously into the company.

Irrespective of his or her position and hierarchical level, each employee leaving Cofinimmo may freely express the reasons for his/her decision to his/her superior and/or the human resources department during an exit interview.

Information and working tools

Cofinimmo believes it to be essential that all its employees, without distinction, have the information they need to carry out their duties, understand those of their manager and colleagues, and keep abreast of developments in the company.

The company's labour regulations are made available to all employees on the intranet and the company regularly organises information meetings where all employees - or some of them, depending on the topics addressed - are invited and given the opportunity to speak up.

Cofinimmo offers its staff the most modern and best-adapted tools, procedures, and working methods so that they can succeed in their position with an optimum level of comfort and well-being.

Cofinimmo regularly ensures that employees with a management function continue to master their function and that they continue to do so in the spirit of the principles of equality and diversity within Cofinimmo.

Compliance with regulations

Discriminatory practices and homophobic, xenophobic, or racist remarks, whether made internally or towards people outside Cofinimmo, are prohibited and are subject to sanctions. The same applies to the connection to xenophobic or racist websites at work, or to the use of discriminatory or vexatious language in emails.

The support person designated within Cofinimmo is attentive to the proper application of the principles of equality and diversity and prepares a summary report once a year on the cases handled anonymously and confidentially.

A complaint mechanism for freedom of association and collective bargaining, including confidential channels such as the support person, is available. Procedures are communicated to all employees on a regular basis and during on-boarding. Progress reports on individual cases are shared with the executive committee. In 2020, no cases were reported.

Remuneration policy

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

Given the issues of traffic jams and work-life balance, employees express the need to organise their time more optimally. In order to meet these requests, and to enable them to work remotely in an effective manner, Cofinimmo has provided them with IT solutions (top-of-the-range laptop, adapted telephone equipment) and added an internet subscription to the salary package.

This comes in addition to the other fringe benefits which employees already enjoy (company car, group insurance, private health insurance, meal vouchers and eco-cheques, medical check-up, Pilates classes, fresh fruit baskets, smartphone, laptop computer, option plan, etc.).

In its search for highly qualified profiles, Cofinimmo draws from the same talent pool as other BEL20 companies. However, most of them are much larger, while Cofinimmo is closer in size to an SME. In addition to a dynamic culture and shared values, Cofinimmo therefore pays close attention to alternative forms of remuneration to ensure the loyalty of the next generation of talent.

The diversity policy and key indicators are an integral part of the corporate governance statement (see pages 178-179).

Danielle Scherens – Senior communication officer – Cofinimmo & Axelle Adrien – Corporate communication officer – Cofinimmo

EMPLOYEE TRAINING

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

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

Investing in its employees allows Cofinimmo to benefit from their increased effectiveness and commitment, and above all to meet its excellence objectives.

3.5 days
TRAINING PER EMPLOYEE PER YEAR.

3,857 hours
CUMULATIVE TOTAL OF PAID TRAINING.

50%
EMPLOYEES WHO ATTENDED ONE OR MORE TRAINING COURSES.

61%
UNIVERSITY GRADUATES.

100%
COLLABORATORS RECEIVING REGULAR PERFORMANCE APPRAISALS.

Continuous training for employees and managers.

INVESTORS IN PEOPLE (IIP) LABEL

In 2006, Cofinimmo, together with fewer than ten other companies in the Brussels-Capital Region, obtained this valuable accreditation which is extremely widespread worldwide, especially in Anglo-Saxon countries or in Flanders, but far less in Wallonia.

Since its accreditation, Cofinimmo has managed to renew it every three years, which highlights the fact that the company invests in and listens to its employees. Such an accreditation also makes it possible to attract new talent that appreciates the company's sustainable approach.

In 2018, Cofinimmo achieved the renewal of the accreditation for three additional years, and it has been fully committed, since the previous renewal, to achieving the Gold level.

CONTINUOUS TRAINING POLICY FOR EMPLOYEES AND MANAGERS

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

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

Five areas of training are emphasised: business-related technical skills, sustainability, languages, IT, and personal development. In 2020, language courses were the major area. This is due to the internationalisation of the company and the need for everyone to be able to express themselves in a common language.

Training courses are selected jointly by the employee, his manager, and the HR department. They take into account advances made by the competition and the sector, the development needs of the teams, new trends, and also the potential for taking up a higher-level position.

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

All of these opportunities are provided equally, regardless of the country in which the employee performs his/her duties.

EMPLOYEE SAFETY AND WELL-BEING

– The good health of a company is closely related to the motivation and productivity of its employees

Recruiting good profiles is good. Making them want to stay is even better. It is so that the vast majority of the current generation of workers, known as 'generation Y', claims to be above all committed to fulfilment in the workplace.

Cofinimmo has always taken a series of measures to promote the well-being of its employees and encourage them to carry out their duties in the best possible conditions.

ON-BOARDING

On arrival, new employees receive a welcome pack setting out all the practical measures and the workplace safety standards. Employees are individually welcomed by both the human resources manager and by the members of the executive committee on the other hand.

Information meetings are organised on a regular basis and allow all employees to discuss matters with the members of the executive committee. Informing employees also involves the following actions:

- having valves where any safety-related information is displayed;
- providing a box where employees can record their comments and/or suggestions;
- informing employees of their rights and duties regarding safety.

Employees were also asked to express their views in an engagement survey. This survey showed that 66 % of employees are happy and feel good at Cofinimmo and that 73 % believe they maintain good relations with their colleagues, which is in line with the average. The action points relate to internal communication and the development of human capital.

RESILIENCE

Cofinimmo pays close attention to mental well-being and to the phenomenon of stress at work. The increase in stress at work, quite common in the business world, can have severe consequences which, in some cases, can lead to burnout. This type of condition leads to the prolonged absence of the affected person, and to disruption and additional costs for the employer. In 2020, the total absenteeism rate was 4,2 %, which is in line with previous years.

The aim of the home day-care service for sick children is a service offered by Cofinimmo to all employees who actually carry out their professional activities. Its objective is to give parents the opportunity to improve their work-life balance, to send a qualified person to take care of the sick child(ren) on a short-term assignment until the parents have found another solution, and to keep the child in his/her familiar surroundings. Child care costs are fully covered by Cofinimmo.

Following the outbreak of the COVID-19 coronavirus, Cofinimmo has implemented several measures to ensure the continuity of its activities, while making the health and well-being of all its employees its priority. In addition to the measures taken with regard to teleworking (without recourse to temporary unemployment), Cofinimmo has provided its staff with, among others, a day-care service for healthy children to make teleworking easier.

Flexibility in the organisation of work life, which is offered to all employees, is particularly used by women, and is developing among male employees. Flexibility in the work organisation within Cofinimmo is reflected firstly by the part-time work granted to one in nine employees, mainly women, but also men who wish to do so. As work-life balance is essential to the professional well-being of employees, flexible working hours have also been introduced to enable employees to adapt their working hours to any constraints or obligations they might have. Each collaborator has the opportunity, depending on his/her needs, to obtain at a specific point in his/her career a short-term and/or long-term reduction in working hours to take care of a relative and/or for educational reasons. In 2020, 19 % of employees had flexible working hours in 20 different schedules in Belgium.

- Implementation of the action plan following the results of the employee engagement survey;
- Regularly inform employees on the actions' progress.

Lynn Nachtergaele –
Investor relations manager – Cofinimmo

Community

AESTHETICS, RESPECT FOR PUBLIC SPACES AND DIVERSITY OF DISTRICTS

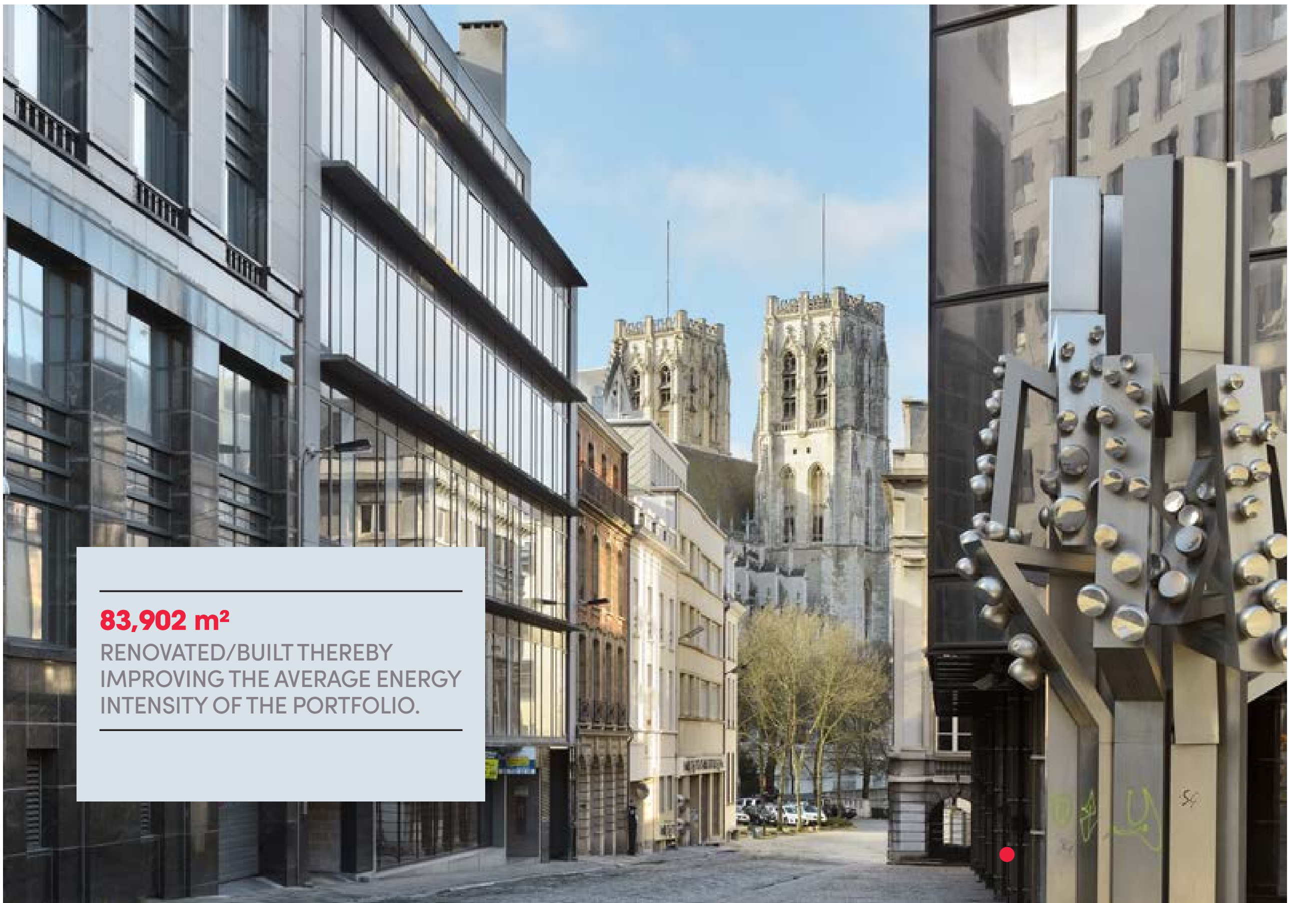
– As a property landlord and real estate investor, Cofinimmo is able to influence the aesthetics and diversity of districts through its investment choices and its construction projects, even though these are primarily based on economic considerations

The sustainability of cities is based on urban balance. Offices, residential buildings, shops and green spaces must coexist as single-purpose districts are gradually bound to disappear.

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

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

Cofinimmo commits to take into account socio-demographic developments (e.g. age, population, immigration) and changes in demand (e.g. more single households, changes in local population, unemployment) in the design of buildings (see programme of committed investments in healthcare real estate on page 35 of this document).



83,902 m²
RENOVATED/BUILT THEREBY IMPROVING THE AVERAGE ENERGY INTENSITY OF THE PORTFOLIO.

Ligne 13 office building – Brussels CBD (BE)

ROTTERDAM (NL): REDEVELOPMENT OF A HEALTHCARE REAL ESTATE SITE

In 2018, Cofinimmo acquired a healthcare site located in Hillegersberg, a district of Rotterdam, which comprises a geriatric rehabilitation centre built in 1966 and a nursing and care home built in 1999.

Cofinimmo financed the heavy renovation works of the rehabilitation centre as well as the demolition and redevelopment works of the nursing and care home. The works took place in several phases. The first phase, which relates to the nursing home with a new central restaurant and a kitchen, was delivered in July 2020. The two other phases, the renovation of the Strauss wing and the new construction of the Mozart wing, will be completed respectively in May 2021 and in March 2022. Care continued to be provided during the entire duration of the works.

The new buildings will provide 28 rehabilitation units, 60 geriatric rehabilitation units and 48 long-term care units, spread over a surface area of approximately 11,000 m^2.

This redevelopment considerably extended the life cycle of the site. The tehnical installations, façades and roof insulation have been renovated to improve the energy label (level A) and the final energy intensity, which amounts to 78.6 kWh/m^2/year.

Among the many sustainable features, it is worth mentioning:

- the absence of gas on the entire site (as part of the project 'Gas-free Netherlands by 2050');
- the choice to use an abundance of daylight (e.g. floor-to-ceiling wall openings in the studios);
- the presence of solar panels on the site (production: 92.5 kWp);
- air conditioning by means of a combination of air/water heat pumps and floor cooling/heating for the entire complex.

The site is located in a green environment and is easily accessible by car and public transport. The Goudenhart medical office building is settled there, as well as a general practice.

By putting its know-how at the service of this project, Cofinimmo illustrates its strategy which consists in redeveloping former healthcare assets into forward-looking healthcare facilities.

Healthcare site – Rotterdam (NL)

Medical centre – Vaasa (FI)

VAASA (FI): CONSTRUCTION OF A HEALTHCARE COMPLEX

Early November 2020, Cofinimmo established in Finland with a medical centre under construction in Vaasa, the regional capital of Ostrobothnia on the west coast of Finland.

The site will bring all of Mehiläinen's local services under one roof: medical center, occupational health services, Hospital Mehiläinen, Urheilu (Sports) Mehiläinen, Hammas (Dentistry) Mehiläinen.

The complex will have a surface area of 4,200 m^2 spread over a ground floor and five storeys. The delivery of the works is planned for Q3/Q4 2021.

The building will have a B-level energy performance. Energy consumption will be limited thanks to LED lighting as well as mechanical supply and exhaust air ventilation system with heat recovery systems.

The site is ideally located in the city centre of Vaasa. It will be within walking distance of the train station of Vaasa and will have a bus stop just across the street as well as parking spaces in sufficient number, which makes it easily accessible.

Delivery of construction, renovation and extension works for 11% of the portfolio.

SAFETY AND WELL-BEING OF OCCUPANTS AND SUBCONTRACTORS

– The impact of real estate on the outdoor environment is increasingly well managed. But what about its impact on the indoor environment?

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

BUILDING OCCUPANTS

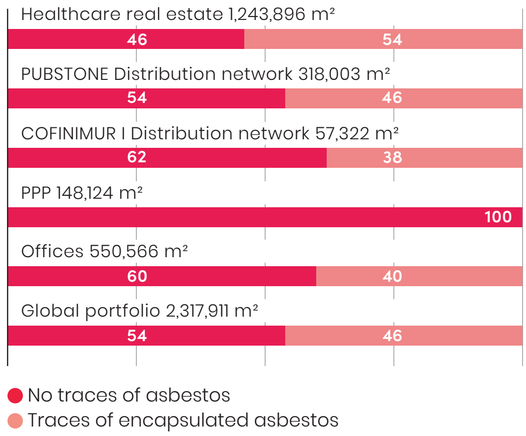
Construction choices and maintenance quality have an impact on the safety and well-being of occupants. The presence of unverified hazardous materials, the non-compliance with safety standards and incorrect settings on air-conditioning equipment can have consequences on their well-being and health.

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

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

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

ASBESTOS MANAGEMENT IN LEASED BUILDINGS (IN %)



93%
OF THE PORTFOLIO DIRECTLY MANAGED IS ASSESSED IN THE FORM OF A FIRE AUDIT AND ASBESTOS MONITORING.

No infringements which might have a financial or health impact on the occupant has been detected during fire audits and asbestos monitoring in the portfolio directly managed.

SUBCONTRACTORS

Cofinimmo always seeks to treat its suppliers fairly during purchase negotiations and also places particular emphasis on the safety of its staff. Commercial relationships can only be maintained through the mutual respect of all parties and the understanding of their respective concerns and objectives. The outsourcing of construction and maintenance activities go hand in hand with strict monitoring of these subcontracting operations.

In the context of large-scale renovations, Cofinimmo has employees trained in safety coordination who identify and monitor the risks and preventive measures to be implemented for each work site. Cofinimmo also calls on external safety coordinators when the workload requires it. The safety coordination provides for an introduction to safety on the work site for each worker, as well as regular monitoring of compliance with safety instructions. It is included in the agenda of weekly work site meetings. In accordance with a European directive, these measures are applied in all the countries where Cofinimmo is active.

In the context of calls for tenders, Cofinimmo clearly describes the responsibilities of each party in the specifications and contracts. The registration of site workers is compulsory in all countries where Cofinimmo is active. The employment of a young local is required for each work site and must be implemented by the general contractor. The monitoring and reporting of any accidents on the work site is the responsibility of each subcontractor in his capacity as employer. There were no accidents with fatal consequences on Cofinimmo's work sites in 2020.

- Renewal of the customer satisfaction survey in the healthcare real estate segment;
- Develop a policy on social aspects in the value chain for suppliers.

In 2020, the risk analysis relating to distancing measures in connection with the health crisis has been stepped up, in order to guarantee the continuity of work sites in complete safety.

A COVID protocol has been implemented for all work sites since the beginning of the health crisis. The following elements are part of this implementation protocol:

- to wash one's hands (soap available for workers);
- to respect the safety distance of 1.5 m;
- meetings or workers gatherings are forbidden;
- no lunch breaks or else breaks spread out according to specific time slots;
- restricted access to the site hut;
- gloves compulsory for all workers;
- cleaning of tools at the end of the day;
- forbidden to share personal protective equipment (PPE);
- obligation to wash one's hands before leaving the site;
- ensuring ventilation inside;
- obligation to apply the sanitary protocol in case of symptoms;
- stopping the work site in the event of positive results and communicating to other workers who may have been in the vicinity in the last 15 days.

The obligation to comply with this protocol is clearly specified in the minutes of the safety and health coordinator. "Any visit will be accompanied at all times by the staff of the subcontracting company and you must use the PPE corresponding to the risk to which you will be exposed".

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

IMPLEMENTATION OF THE CORPORATE STRATEGY IN TERMS OF CIVIC ACTIONS

Following the outbreak of the COVID-19 coronavirus pandemic in the countries where the group is active, Cofinimmo has implemented several measures to ensure the continuity of its activities, while making the health and well-being of all its stakeholders its priority.

As from 09.03.2020, Cofinimmo's executive committee encouraged its employees to switch to teleworking for all tasks which do not require a physical presence on site. As teleworking is an already embedded solution, widely used by the company's employees, no particular difficulties were experienced. This measure was subsequently further strengthened in order to fall within the framework of the decisions taken by the authorities.

Operational teams remained in close contact with the group's tenants to ensure the continuity of services and help them get through this difficult period for everyone.

The COVID-19 coronavirus pandemic enabled Cofinimmo to make several savings which were used for various civil actions. The group had the opportunity to focus on the 'S' pillar of its ESG strategy through acts of solidarity.

Cofinimmo donated the Easter eggs initially foreseen for its staff to three children's homes, which were particularly vulnerable during the health crisis: 'Le foyer des Orphelins' in Liège, 'Kindertehuis Asselbergs' and 'Queen Marie Henriette' in Brussels. The employees of Cofinimmo welcomed this initiative with great warmth and solidarity.

In 2020, Cofinimmo also supported the non-profit association Angkor Tree Project in the construction of a new classroom. This non-profit association, founded in 2015, created a school in Siem Reap in Cambodia. The main activity of this school consists in training teachers. These trainings have become the quality reference in Cambodia. Following COVID-19, the school was forced to adapt its infrastructure and to build an additional classroom in order to be able to continue the training while respecting hygiene and social distancing rules.

In June 2020, Cofinimmo sponsored the installation of a small museum in the Nebo building in The Hague, for residents and visitors.

Cofinimmo also supported the most vulnerable people and those belonging to risk groups by means of personal advice and assistance, in order to prevent them from becoming isolated during this pandemic. Cofinimmo donated smartphones and other IT equipment to a local organisation promoting local employment to put them back into circulation and distribute them through the Red Cross. The societal objective was two-fold: to reduce the environmental impact of these end-of-life devices for society and to reduce the digital divide for vulnerable groups of people. More specifically, the donation of equipment is intended for nursing and care homes and schools, two sectors that were strongly affected by the digital

Nursing and care home – Bickenbach (DE)

divide during the recent health crisis. Out of the 88 devices collected, 52 were put back into circulation in France (62%), Belgium (17%), Spain (17%) and Germany (4%) and 35 devices were donated to the Belgian Red Cross through the Foundation for Digital Inclusion. One device was used for the repair of other devices.

During its meeting of 13.04.2020, the board of directors decided to apply a 15% reduction on the attendance fees of the non-executive directors as well as the fixed monthly remuneration of the members of the executive committee from April 2020 until the end of the year 2020. The board of directors allocated these sums to various associations and initiatives related to the fight against the COVID-19 pandemic.

In Belgium, the group fed the common fund-raising platform set up for the benefit of 5 academic hospitals that are on the front line in the fight against the coronavirus (operation #clapandact). The 5 hospitals (Cliniques Universitaires Saint-Luc UCLouvain Bruxelles, UZ Brussel, CHU de Liège, UZ Antwerpen, Hôpital Erasme ULB) each received a donation. The group also financed the Dr. Daniël De Coninck Fund, supported by the King Baudouin Foundation, which supports initiatives that assist the management and staff of nursing and care homes in Belgium. These initiatives may aim at supporting management during the crisis, the psychological well-being of the staff, the quality of care, the communication of the management towards the staff and the families, or the implementation of medical and ethical guidelines related to the crisis.

In France, the group selected two programmes supported by the Fondation de France which promote another approach of ageing. 'Vivre ses choix, prendre des risques jusqu'à la fin de sa vie' is an initiative that encourages ethical practices that respect elderly people and aim at preserving human dignity. It has 4 objectives, namely: to make the practices evolve in order to have a better consideration of elderly's wishes and desires, irrespective of their health condition or where they live; to develop consultation with elderly, families and healthcare staff to better support the elderly's choices; to promote a 'right-to-risk' culture by training and supporting professionals and family members; to advance reflection on death and grief with all parties involved, particularly in EHPAD.

The second initiative 'Vieillir acteur et citoyen de son territoire' aims at enabling elderly to take part in the local life for as long as possible and has 3 objectives more specifically: to give everyone the opportunity to express themselves and to take action on their own territory; to promote elderly autonomy and social integration thanks to new technologies; to anticipate the disruptions caused by ageing by developing solidarity among family and neighbours and by involving professionals and volunteers networks.

In the Netherlands, Cofinimmo selected the project 'Samen ouder', supported by 'Stichting Oranje Fonds' foundation. This programme encourages elderly to meet and engage in voluntary work. The programme combats social isolation among the elderly by involving them in activities. This enables them to remain active and to use their free time for meaningful activities.

In Germany, Cofinimmo selected 'Aktion Deutschland Hilft', which itself supports 'Johanniter-Unfall-Hilfe', one of the largest charity associations in Europe, active in Germany and abroad.

GOVERNANCE

Business ethics

— Being a leader in the European healthcare real estate, a key player in the office real estate in Belgium and a listed company, Cofinimmo demonstrates transparency and ethical behaviour towards its stakeholders in conducting its activities. Of course, it condemns any practices that are questionable or punishable by law (corruption, money laundering, undeclared work, social dumping, etc.) and also those that go against the principles of sustainability, fair treatment, equal opportunities and respect for others

These operating principles apply to all the segments in which Cofinimmo is active and in all the countries where the company is established.

Maria Garbayo – Senior business development manager – Cofinimmo
& Javier Zaraguëta – Corporate legal officer – Cofinimmo

No cases of misappropriation were identified.

No cases of wrongdoing in calls for tenders were identified.

CORPORATE VALUES

Challenging oneself is an attitude which Cofinimmo has always adopted in order to perfectly fit into the dynamic world we live in. In this spirit, Cofinimmo has decided to put certain values forward for the coming years: connectivity, accountability and customer experience. Beyond the concepts they encapsulate, these words were chosen to be closely in line with the company's societal ambitions.

As for the skills expected from every employee, the concepts of Reliability and Pioneer have been introduced. Though trendy, these words mainly aim to help define the attitudes and behaviours associated with these key values. To do so, actions and projects are specifically defined for each business segment. Here, the aim is to respond to the changes affecting society and to provide high-quality caring, living and working spaces ('Caring, Living and Working - Together in Real Estate').

Disclosure of a policy on tax principles

Profitability for investors and access to capital

— Profitability is essential to enable Cofinimmo to take up its responsibilities and pursue its activities. It enables the company to measure both its efficiency and the value which clients see in its products and services. It is a determining factor for the allocation of resources and for the protection of investments on which its development and the production of its services depend. In case of insufficient profits or a fragile financial base, Cofinimmo would not be able to fully take up its economic and societal role

Quartz office building – Brussels CBD (BE)

ECONOMIC VALUE GENERATED AND DISTRIBUTED IN 2020 (x 1,000 EUR)

Economic value generated	Economic value distributed
+ 262,260 CUSTOMERS	**- 21,007** PERSONNEL
- 26,731 SUPPLIERS OF GOODS AND SERVICES	**- 105,452** SHAREHOLDERS
	- 25,285 FINANCIAL EXPENDITURE
+ 235,529 GENERATED VALUE	**- 10,353** PUBLIC SECTOR
	- 162,097 DISTRIBUTED VALUE

+73,432
ECONOMIC VALUE RETAINED WITHIN THE GROUP

INNOVATIVE USE OF SUSTAINABLE FINANCING

Cofinimmo is the first European real estate company to issue green & social bonds. On 09.12.2016, Cofinimmo successfully closed a private placement of green and social bonds for a total amount of 55 million EUR, with an eight-year maturity and a fixed coupon of 2.00 %. In November 2020, Cofinimmo further reinforced its balance sheet through the issuance of a first public benchmark-sized sustainable bond for 500 million EUR, paying a coupon of 0.875 %/year for 10 years. The bonds, which, in accordance with the sustainable financing framework of May 2020 (detailed below), are meant to (re)finance assets with a positive contribution to sustainability, were placed with institutional investors.

In March 2019, Cofinimmo carried out the early refinancing of a bilateral credit line, which was due to mature in August 2019, for a total amount of 40 million EUR. In February 2020, the company carried out the early refinancing of a bilateral credit line for 40 million EUR which should have matured in August 2020. Initially, these were traditional credit lines, refinanced in the form of green & social loans. In accordance with its ESG strategy and performance dashboard, the green & social loans will be used by Cofinimmo to refinance assets with both environmental and social objectives.

SUSTAINABLE FINANCING FRAMEWORK

Cofinimmo pays particular attention to the coherence between its financial strategy and its ESG objectives. In this context, in May 2020, the company reviewed its sustainable financing framework in order to incorporate the latest trends in the specific financing of sustainable assets which contribute to its ESG strategy. Vigeo Eiris confirmed in its Second Party Opinion that this financing framework was in line with the 2018 green bond principles, social bond principles and green loan principles. Within this framework, Cofinimmo can issue a variety of sustainable financing instruments, including bonds, convertible bonds, private placements, and (syndicated) bank loan facilities.

Selection procedure in line with the ESG strategy

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

The assets listed on pages 129-133 currently make up the portfolio allocated to green & social bonds financing. Their selection was based on defined criteria, such as fund allocation and ESG criteria. The selection procedure was based on the expertise of Cofinimmo's in-house teams responsible for these assets, on the one hand, and on impact assessment studies, BREEAM requirements and other technical factors collected externally, on the other. Each assessment step was approved by the executive committee and was part of an analytical approach to a building's life cycle. All the selected assets were in operation at the time of acquisition or were delivered between the date of acquisition and the time of refinancing. The date of construction and/or last renovation is displayed in the property report of this document where the assets are identified with the following icon

Funds allocation

Cofinimmo's Treasury department ensures that the funds collected through the green & social bonds issued are allocated, within the year following the issue and throughout the duration of the bond, exclusively to assets that make up the green & social portfolio. The allocation of the funds issued prior to the publication of the sustainable financing framework is as follows: 50 % is allocated to offices with an environmental and sustainability certification, the other 50 % being allocated to healthcare assets dedicated to the housing of vulnerable or dependent people in need of special care. Since May 2020, the environmental category has been extended to all the segments. A healthcare real estate asset can therefore be both green and social at the same time. The objective of the benchmark-sized bond issued in November 2020 is to allocate at least 90 % of the funds to green assets in order to be classified as a green bond.

Auditing

Until the maturity of the sustainable funding, the external auditor, currently Deloitte, will annually assess the funds allocation, the compliance with the eligibility criteria and the sustainable benefit indicators of the selected assets. The audit report is available in the statutory auditor's report (see pages 330-331). The indicators that were verified are identified in the section ESG management (see pages 134-135 of this document) by the following icon

COMMITTED COMMUNITY

As Cofinimmo pays particular attention to the coherence between its financial strategy and its ESG objectives, it is part of the Euronext Green Bonds community, which brings together European issuers of green bonds that meet various objective criteria (external reviews, compliance with international standards, regular updates of the green & social financing framework, etc.). Cofinimmo is currently one of the few issuers listed in Brussels participating in this committed European community. The other Belgian issuers being a Belgian banking group, the Belgian State, the Walloon Region and a wastewater treatment company.

SUSTAINABLE GROWTH AWARD 2020

EURONEXT

On 19.01.2021, Cofinimmo was one of the three nominees for the sustainable growth award of Euronext and Guberna. This award distinguishes the listed companies that have shown the strongest sustainable growth over the last decade. The award is exclusively based on measurable data and rewards the company which obtained the best result in the combined ranking of their ESG score (source: Refinitiv) on the one side and their stock price performance over the last 10 year on the other side. Cofinimmo received a bronze award.

COMPONENTS OF THE SUSTAINABLE FINANCING FRAMEWORK

FUND ALLOCATION → ASSET SELECTION → FUND MANAGEMENT → ANNUAL INDICATORS REPORT → EXTERNAL AUDITING

CRITERIA AND OBJECTIVES:

TWO CATEGORIES OF ELIGIBLE ASSETS

The funds are meant to (re)finance assets contributing positively to the ESG strategy. The buildings selected within the framework of the green & social financing have environmental or social objectives.

Green assets

Investments in existing/future green assets in Cofinimmo's portfolio with an environmental and sustainability certification (BREEAM or BREEAM In-Use with at least a Very Good rating, LEED, HQE or at least a level-B PEB/EPC certification).

Objectives

- Climate change mitigation by implementing energy savings and the suppression or reduction of GHG emissions.
- Environmental design and management of assets through:
  - energy performance scorecard;
  - equipment and installation upgrades;
  - extension of BREEAM and/or BREEAM In-Use certifications.

Healthcare real estate

Investments in existing/future assets providing and/or promoting access to essential healthcare services for vulnerable groups of people and in certain medical specialties.

Objectives

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

SUSTAINABLE BENEFITS

Climate change mitigation:
Reduction of GHG emissions.

Protection of natural resources:
Water and energy savings, use of sustainable materials, etc.

Improvement of healthcare services:
Increased provision of healthcare beds and services.

SELECTION PROCEDURES

In line with the strategy

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

Assessment and selection framework

- Environmental criteria;
- Social criteria;
- Governance criteria.

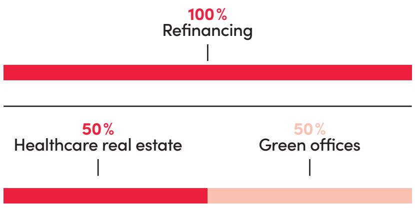
- Expertise of internal teams;
- External assessments and requirements;
- Approval by the executive committee;
- Treasury allocation;
- Assessment by the external auditor.

2016 GREEN & SOCIAL PORTFOLIO

55 million EUR

OF STRAIGHT GREEN & SOCIAL BONDS

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	55	99.941 %	2.00 %	09.12.2016	09.12.2024



	Number of beds	Cost (x 1,000,000 EUR)	Allocated amount (x 1,000,000 EUR)
		62	55
HEALTHCARE REAL ESTATE			
Eligibility criterion: Nursing and care home with specialty in psychogeriatrics			
 1 AM STEIN 20 - NEUSTADT/WESTERWALD (DE)	71		
 2 TILLENS – UCCLE/UKKEL (BRUSSELS) (BE)	80		
Eligibility criterion: Psychiatric clinic			
 3 DOMAINE DE VONTES – ESVRES-SUR-INDRE (FR)	160		

Improvement of healthcare services: 311 out of 20,572 beds in the categories nursing and care homes, rehabilitation, psychiatric and acute care clinics, specialised care and assisted-living facilities.

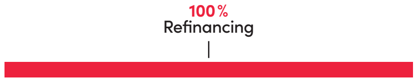
GREEN OFFICES	Energy intensity	Water intensity
Eligibility criterion: BREEAM Excellent		
 4 GUIMARD 10-12 (BE)	24 kg CO_2e/m^2 132 kWh/m^2	0.18 m^3/m^2

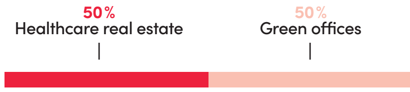
Climate change mitigation: energy intensity 19 % below the portfolio's average energy intensity in kWh/m^2.

2019 GREEN & SOCIAL LOAN PORTFOLIO

40 million EUR
OF GREEN & SOCIAL LOANS

Issuer	Nominal amount (x 1,000,000 EUR)	Issue date	Maturity date
Cofinimmo SA/NV	40	13.03.2019	31.01.2027





		Cost (x 1,000,000 EUR)	Allocated amount (x 1,000,000 EUR)
		97	40

HEALTHCARE REAL ESTATE	Number of beds
Eligibility criterion: Assisted living with specialty in psychogeriatrics	
 1 DE RIDDERVELDEN - GOUDA (NL)	33
Eligibility criterion: Nursing and care home	
 2 GRAND MAISON –L'UNION (FR)	111
 3 LE CLOS DU MURIER - FONDETTES (FR)	85

Improvement of healthcare services: 229 out of 20,572 beds in the categories nursing and care homes, rehabilitation, psychiatric and acute care clinics, specialised care and assisted-living facilities.

GREEN OFFICES	Energy intensity	Water intensity
Eligibility criterion: BREEAM Excellent		
 4 BELLIARD 40 (BE)	19 kg CO_2e/m^2 104 kWh/m^2	0.10 m^3/m^2

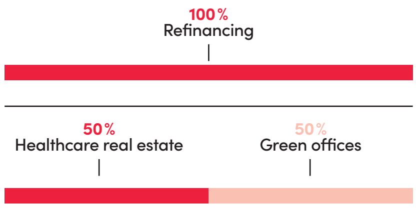
Climate change mitigation: energy intensity 36 % below the portfolio's average energy intensity in kWh/m^2.

2020 GREEN & SOCIAL LOAN PORTFOLIO

40 million EUR

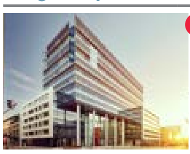
OF GREEN & SOCIAL LOANS

Issuer	Nominal amount (x 1,000,000 EUR)	Issue date	Maturity date
Cofinimmo SA/NV	40	14.08.2020	14.02.2023



			Cost (x 1,000,000 EUR)	Allocated amount (x 1,000,000 EUR)
			91	40
HEALTHCARE REAL ESTATE	Number of beds			
Eligibility criterion: Rehabilitation clinic				
 1 BRUYERES - LETRA (FR)	101			
Eligibility criterion: Nursing and care home				
 2 SAINT GABRIEL - GRADIGNAN (FR)	130			

Improvement of healthcare services: 231 out of 20,572 beds in the categories nursing and care homes, rehabilitation, psychiatric and acute care clinics, specialised care and assisted-living facilities.

GREEN OFFICES	Energy intensity	Water intensity
Eligibility criterion: BREEAM Excellent		
 3 BELLIARD 40 (BE)	19 kg CO_2e/m^2 104 kWh/m^2	0.10 m^3/m^2

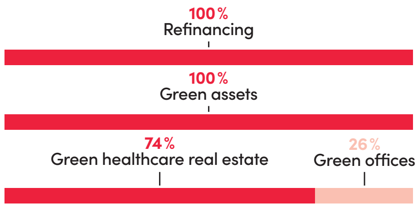
Climate change mitigation: energy intensity 36 % below the portfolio's average energy intensity in kWh/m^2.

2020 SUSTAINABLE BONDS PORTFOLIO

500 million EUR

OF STRAIGHT GREEN & SOCIAL BONDS

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	500	99.222%	0.875%	02.12.2020	02.12.2030



	Cost (x 1,000,000 EUR)	Allocated amount (x 1,000,000 EUR)
	543	500

GREEN HEALTHCARE REAL ESTATE	Number of beds	Label
Eligibility criterion: Nursing and care home		
1 AM TANNENWALD 6 - SWISTTAL (DE)	80	A
2 ARCADE NW - ERMELO (NL)	56	A
3 DILHOME - DILBEEK (BE)	94	BREEAM Very Good*
4 DR. SCHEIDERSTRAẞE 29 - RIESA (DE)	138	B
5 EPPMANNSWEG 76 - GELSENKIRCHEN (DE)	80	B
6 KASTANJEHOF 2 - VELP (NL)	30	A++
7 KEIHEUVEL - BALEN (BE)	94	BREEAM Very Good*
8 KLOOSTERSTRAAT - BAVEL (NL)	22	A
9 LANGE STRAẞE 5-7 - LANGELSHEIM (DE)	78	B
10 MOERMONT (NL)	224	A
11 PUTHOF - BORGLOON (BE)	167	BREEAM Very Good*
12 RESIDENZWEG 2 - CALAU (DE)	80	A
13 SERRENHOF – SAINT-TROND/SINT-TRUIDEN (BE)	101	BREEAM Very Good*
Eligibility criterion: Assisted living		
14 EDEN PARK - ALOST/AALST (BE)	46	BREEAM Very Good*
Eligibility criterion: Care facility for people with disabilities		
15 BARONIE 149-197 – ALPHEN AAN DEN RIJN (NL)	24	B
16 CASTORSTRAAT 1 – ALPHEN AAN DEN RIJN (NL)	45	A
17 CHURCHILLAAN - LOPIK (NL)	33	A
18 GANTELWEG - SLIEDRECHT (NL)	25	A
19 WIJNKOPERSTRAAT 90-94 - GORINCHEM (NL)	36	A

* BREEAM target - to be certified before 02.12.2021.

Eligibility criterion: Acute care clinic		
20 BRAILLELAAN 10 - RIJSWIJK (NL)	22	A++
21 BRAILLELAAN 5 – RIJSWIJK (NL)	17	A
22 LOUIS ARMSTRONGWEG 28 - ALMERE (NL)	n/a	A
23 RIJKSWEG 69-69A - NAARDEN (NL)	39	B
Eligibility criterion: Medical office building		
24 BIJLMERDREEF 1169 - AMSTERDAM (NL)	n/a	A
25 BURGEMEESTER MAGNEESTRAAT 12 - BERGEIJK (NL)	n/a	A
26 DODEWAARDLAAN 5-15 - TIEL (NL)	n/a	A /B
27 MOERGESTELSEWEG 32 – OISTERWIJK (NL)	n/a	B
28 OOSTERKERKSTRAAT 1 - LEIDEN (NL)	n/a	A
29 ORANJEPLEIN - GOIRLE (NL)	n/a	A
30 PRINSENHOEVEN 20-48 - TILBURG (NL)	n/a	A
31 TERGOOI - WEESP (NL)	n/a	A/B
32 TILBURGSEWEG-WEST 100 - EINDHOVEN (NL)	n/a	A++
33 TORENZICHT 26 - EEMNES (NL)	n/a	A
34 VOORSTE STROOM - MOERGESTELSEWEG 22-26 – OISTERWIJK (NL)	n/a	A
35 WATERLINIE - UITHOORN (NL)	n/a	A
36 ZOOMWIJCKPLEIN 9-13-15 – OUD BEIJERLAND (NL)	n/a	A
Eligibility criterion: Rehabilitation clinic		
37 BRECHTZIJDE 20 - ZOETERMEER (NL)	34	A
38 BROCELIANDE – CAEN (FR)	60	B
39 DE PLATAAN - HEERLEN (NL)	100	A
Eligibility criterion: Psychiatric clinic		
40 HOF VAN ARKEL - TIEL (NL)	14	A

Improvement of healthcare services: 1,739 out of 20,572 beds in the categories nursing and care homes, rehabilitation, psychiatric and acute care clinics, specialised care and assisted-living facilities.

GREEN OFFICES	Label	Energy intensity	Water intensity
Eligibility criterion: BREEAM Excellent			
42 BELLIARD 40 (BE)	B	19 kg CO_2e/m^2 104 kWh/m^2	0,10 m^3/m^2
43 PORT/HAVEN 86C (BE)	B-	11 kg CO_2e/m^2 60 kWh/m^2	0,07 m^3/m^2

Climate change mitigation: Energy intensity 48 % below the portfolio's average energy intensity in kWh/m^2.

ESG MANAGEMENT

ENVIRONMENT

	HEALTHCARE REAL ESTATE	OFFICES	TOTAL
Environmental strategy			
Five-year portfolio renewal objective ✔	10.1 %	11.8 %	8.8 %
Energy efficiency of buildings			
Yearly energy intensity (standardised by surface area) ✔	159 kWh/m^2	184 kWh/m^2	163 kWh/m^2
GHG emissions per year, based on location ✔	30 kg CO_2e/m^2	34 kg CO_2e/m^2	31 kg CO_2e/m^2
Estimated MWh (solar energy production) ✔	931 MWh	1,287 MWh	2,219 MWh
Cooperation with tenants to reduce the environmental impact of buildings			
Multi-tenant buildings equipped with remotely readable meters (in % of surface areas)	5 %	48 %	14 %
Number of sustainable collaboration agreements (in % of surface areas)	61 %	99 %	63 %
Number of inspection visits during which aspects associated with environment have been discussed with the occupant (in % of surface areas)	31 %	100 %	40 %
Inclusion of environmental factors in the logistics chain			
Materials reused after building refurbishment	In 2020, no redevelopment projects were identified where the opportunity arose to recover materials before demolition.		
Number of supplier contracts with environmental clauses concerning major development and refurbishment projects	The ESG policy is attached to all general contracting agreements.		

SOCIAL

	HEALTHCARE REAL ESTATE	OFFICES	TOTAL
Responsible customer relations			
Number of flexible contracts (space, duration)	n/a	In 2020, 9 contracts were signed for the Flex Corners® for gross surface areas between 47 m² and 378 m² and durations between 1 and 9 years.	n/a
Number of requests	n/a	In 2020, the service desk handled 6,475 requests.	n/a
Progress of asbestos detection and removal	46 % of the portfolio contains no traces of asbestos.	60 % of the total portfolio is free of asbestos.	For the global portfolio see chapter 'Safety and well-being' of occupants and subcontractors'.
Number of inspection visits during which social aspects have been discussed with the occupant (in % of surface areas)	31 %	100 %	40 %
Inclusion of social factors in the logistics chain			
Number of controversies related to social aspects in the logistics chain ✔	No controversies related to social aspects in the logistics chain were identified.		
Promotion of social and economic development			
Number of contracts with a clause for the promotion of local youth employment ✔	n/a	A clause concerning the employment of a trainee is included in all general contracting agreements.	n/a
Building accessibility			
Number of accessibility audits for persons with reduced mobility ✔	The compliance checks are part of the due diligence procedure and are regulated by a license for the operation of the assets.	25 % of the multi-tenant buildings have been audited since 2013.	n/a
Number of audits for building connectivity (proximity and multi-modal transport) ✔	At the time of acquisition an audit is not mandatory but is often carried out proactively (at the due diligence stage).	Quantitative audits for 100 % of the portfolio (see page 110).	n/a

GOVERNANCE

Prevention of corruption and money laundering	
Number of external audits and controversies ✔	In 2020, two external audits were carried out on the accounts by Deloitte. During the financial audit, there was an IT audit, focusing on SAP.
Audit and internal control	
Number of internal controls and results ✔	In 2020, one internal audit was carried out by the internal auditor on the general IT security. Moreover, at 31.12.2020, 7 recommendations are ongoing, coming from the internal and external audits of 2020 and previous years, and 22 recommendations were closed in 2020.

Innovation

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

ELECTRONIC SIGNATURE OF AROUND ONE HUNDRED LEASES, AMENDMENTS AND MANY OTHER CONTRACTUAL DOCUMENTS.

In the context of COVID-19, Cofinimmo has implemented new working tools: communication tools enabling remote collaborative work such as Skype Enterprise and Office 365, including Microsoft Teams, as well as administrative tools such as DocuSign for the digital signature of documents, and Whiteboard, a virtual whiteboard shared and used during brainstorming sessions. These tools will have a long-term environmental impact and their use will not be limited to the lockdown. However, they will need to be used in a rational way in order to achieve the objective of reducing GHG emissions through reduced travel and paper use, among other things.

Furthermore, from a property management point of view, the particular COVID-19 context has forced Cofinimmo to pay particular attention to health safety in its buildings. Numerous initiatives have been taken in this respect, such as the installation of automatic taps, contactless door opening, review of the ventilation/heating system, additional audits on air quality and installations, etc.

DATA MANAGEMENT

In order to improve the efficiency of its teams and the company's processes, Cofinimmo has undertaken a vast programme to improve data management. This initiative will make it possible to support the company's growth by means of a more efficient and agile organisation. Better data management is a real differentiating element in the current environment. Cofinimmo wants to adopt best practices in terms of data management.

This project affects different aspects:

- document management: the existing electronic document management platform is being improved. This will make it easier to file documents and to search them;
- the production of reports, dashboards and management indicators will be reviewed in order to standardise and automate their production. A new platform will be implemented, taking advantage of the latest technologies available on the market;
- the acquisition process: the pace of acquisitions has accelerated due to an investment level of more than 500 million EUR per year. The review of documents and data processing should make it possible to industrialise this process, enabling the organisation to better manage the flow of information collected and to distribute it efficiently to the departments concerned;
- roles and responsibilities: the creation of new roles in the organisation related to data management will ensure better quality of information at all stages of the processes and will facilitate its access within the organisation.

Montoyer 10 office building (project) –
Brussels CBD (BE)

ELECTRONIC SIGNATURE OF LEASES

From the beginning of the lockdown in March 2020, Cofinimmo rapidly implemented an electronic document signature process (DocuSign) which has enabled more than a hundred leases, amendments, and many other contractual documents to be signed virtually.

Thanks to the innovative electronic document validation process, Cofinimmo's commercial activities have continued in an efficient and professional manner.

THE CLT CONSTRUCTION METHOD

As soon as the planning permit is obtained, which is estimated in the fourth quarter of 2021, Cofinimmo will start the reconstruction works of the Montoyer 10 office building in the European district of Brussels. The project will comprise a concrete core and basement, while all other superstructures, whether floors, columns or structural façade elements, will be made of wood. For this purpose, the solid cross-laminated timber (CLT) construction method, which is currently flying high, will be used. This technique is currently the ideal solution for building in a sustainable and ecological manner:

- a positive carbon balance thanks to wood's ability to store CO_2;
- a sustainable and environmentally friendly construction method (forest management, manufacturing, transport, implementation, possible reuse);
- a lighter material than brick or concrete and, consequently, a saving in materials for the substructure and foundations;
- first-class insulation qualities;
- simple assembly, a markedly high level of prefabrication and a particularly short construction period;
- dry construction, a clean building site, and a significant reduction in the risk of accidents during construction;
- comfortable living spaces with a warm and healthy indoor atmosphere.

On a pedestrian scale, the large structural solid wood doorposts, highly visible through the glass façade that covers the ground and first floors, will forcefully assert the nature of the building. The office spaces will be equipped and furnished to ensure that the wooden structure is always visible.

The technique chosen for the air-conditioning of office areas is the 'smart acoustic passive power' (SAPP) hot/cold active ceiling. This is currently the best technique in terms of comfort (no air movement, smooth temperature transitions) and energy savings (use of the building's inertia).

The main green roof is equipped with approximately 150 m^2 photovoltaic panels and the parking lot will be equipped with charging stations for electric vehicles.

Beyond the applicable standards, additional measures are taken in order to obtain at least a BREEAM Excellent or Outstanding label.

With its planted terrace and garden on the ground floor, the project contributes to a better greening of the block's interior and encourages biodiversity in the city.

Property report

CONSOLIDATED REAL ESTATE PORTFOLIO

The assets included in the sustainable portfolios are marked in this report by

Overview of the real estate portfolio per segment as at 31.12.2020

Segment	Acquisition price (x 1,000,000 EUR)	Insured value[1] (x 1,000,000 EUR)	Fair value (x 1,000,000 EUR)	Gross rental yield	Estimated rental value (ERV)[2] (x 1,000 EUR)
Healthcare real estate	2,477	579	2,882	5.5%	161,821
Offices	1,431	1,282	1,439	6.6%	87,676
Property of distribution networks	509	15	548	6.3%	35,875
TOTAL	4,418	1,876	4,869	5.9%	285,372

Overview of the top 10 investment properties as at 31.12.2020

Property	Address	Year of construction (last renovation)	Year of acquisition	Surface area (in m^2)	Contractual rents (x 1,000 EUR)	Occupancy rate[3]	Share of consolidated portfolio at fair value
Belliard 40 Brussels	Rue Belliardstraat 40 1000 Brussels	2018	2001	20,322	5,164	99%	2.6%
Port/Haven 86C Brussels	Avenue du Port/ Havenlaan 86C 1000 Brussels	2014	2020	16,725	3,951	100%	2.2%
The Gradient Brussels	Av. de Tervuren/ Tervurenlaan 270-272 1150 Brussels	1976 (2013)	1997	19,580	3,908	99%	1.2%
Guimard 10-12 Brussels	Rue Guimardstraat 10-12 1000 Brussels	1980 (2015)	2004	10,410	2,588	100%	1.2%
Quartz Brussels	Avenue des Arts/ Kunstlaan 19H 1000 Brussels	2020	1996	9,186	2,114	100%	0.9%
Bourget 42 Brussels	Av. du Bourgetlaan 42 1130 Brussels	2001	2002	14,262	1,949	100%	1.1%
Damiaan Tremelo	Pater Damiaanstraat 39 3120 Tremelo	2003 (2014)	2008	20,274	2,673	100%	1.0%
Albert Ier 4 Charleroi	Rue Albert 1er 4 6000 Charleroi	1967 (2005)	2005	19,189	2,943	100%	1.0%
La Rasante Brussels	Rue Sombre/ Donkerstraat 56 1200 Brussels	2004 (2012)	2007	7,196	2,730	100%	1.0%
Residentie Moermont Bergen op Zoom	Veilingdreef, 6 4614 RX Bergen op Zoom	2010	2020	16,652	2,252	100%	0.9%
Others				2,015,991	255,432	96%	87.1%
TOTAL				2,169,787	285,704	97%	100%

1. Except for vacant buildings, this amount does not include the insurance taken during works, nor the policies that are contractually for the account of the occupant (for healthcare assets in Belgium and in France, pubs of the Pubstone portfolio and some office buildings), nor the insurance related to finance leases. Neither does this amount include insurance policies related to buildings rented by the MAAF Group (first rank insurance on all properties in full ownership and second rank insurances on co-owned properties) and which cover their reconstruction value.
2. The estimated Rental Value takes into account the market data, the property's location, its quality and the tenant's financial data (EBITDAR) (if available) and, for healthcare assets the number of beds.
3. The occupancy rate is calculated as follows: contractual rents divided by (contractual rents + ERV (Estimated Rental Value) on unlet spaces).

The rental situation of buildings under finance lease, for which the tenants benefit from a call option at the end of the lease, and properties held by associates and joint ventures is described below:

Inventory of buildings excluding investment properties

Property	Surface area (in m²)	Contractual rents[1] (x 1,000 EUR)	Occupancy rate[2]	Tenant
Financial assets under finance leases				
Courthouse - Antwerp	72,132	1,491	100%	Building Agency
Fire station - Antwerp	23,323	205	100%	City of Antwerp
Police station - HEKLA zone	3,800	692	100%	Federal police
Student housing Depage - Brussels	3,196	85	100%	ULB - Brussels University
Student housing Nelson Mandela - Brussels	8,088	1,252	100%	ULB - Brussels University
Prison - Leuze-en-Hainaut	28,316	755	100%	Building Agency
Hospital SSR - Chalon-sur-Saône	9,269	1,083	100%	French Red Cross
Assets held by associates and joint ventures				
2 sites under development - Germany	-	-	-	Schönes Leben Gruppe
20 sites Aldea - Belgium	88,000	7,140	80%	Curavi, Orpea, Vivalto
6 sites French Red Cross - France	93,000	9,300	100%	French Red Cross

1. Part of the unsold lease payments, varying from 4% to 100% depending on the properties.
2. Occupancy rate is calculated as follows: contractual rents / (contractual rents + estimated rental value on unlet premises).

Nursing and care home Christinenhof – Lüneburg (DE)

The table hereafter includes:

- properties for which Cofinimmo receives rents;
- properties with lease payments partially or entirely sold to a third party and of which Cofinimmo keeps the ownership and the residual value[1];
- different projects and renovations in progress.

It does not include the properties held by the group's subsidiaries under equity consolidation.

All properties of the consolidated property portfolio are held by Cofinimmo SA/NV, except those marked with an asterisk, which are partially or entirely held by one of its subsidiaries (see Note 40).

Property	Year of construction (last renovation/ extension)	Surface area (in m²)	A Contractual, rents, (x1,000,EUR)	C=A/B[2] Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
HEALTHCARE REAL ESTATE		1,238,519	162,166	100%	162,393
Belgium		**564,439**	**77,080**	**100%**	**77,080**
Operator: Anima Care		6,752	754	100%	754
ZEVENBRONNEN - WALSHOUTEM	2001 (2012)	6,752	754	100%	754
Operator: Armonea		206,934	26,026	100%	26,026
BINNENHOF - MERKSPLAS	2008	3,775	464	100%	464
DAGERAAD - ANTWERP	2013	5,020	907	100%	907
DE WYNGAERT - ROTSELAAR	2008 (2010)	6,878	833	100%	833
DEN BREM - RIJKEVORSEL	2006 (2015)	5,408	751	100%	751
DOMEIN WOMMELGHEEM - WOMMELGEM	2002	6,836	824	100%	824
DOUCE QUIÉTUDE - AYE	2007	4,635	479	100%	479
MATHELIN - MESSANCY	2004	6,392	1,253	100%	1,253
HEIBERG - BEERSE	2006 (2011)	13,568	1,490	100%	1,490
HEMELRIJK - MOL	2009	9,362	1,086	100%	1,086
HENRI DUNANT - EVERE (BRUSSELS)	2014	8,570	1,269	100%	1,269
HEYDEHOF - HOBOKEN	2009	2,751	377	100%	377
HOF TER DENNEN - VOSSELAAR*	1982 (2008)	3,279	486	100%	486
LA CLAIRIÈRE - WARNETON	1998	2,533	282	100%	282
LAARSVELD - GEEL	2006 (2009)	5,591	958	100%	958
LAARSVELD SERVICEFLATS - GEEL	2009	809	63	100%	63
LAKENDAL - ALOST/AALST*	2014	7,894	854	100%	854
LE CASTEL - JETTE (BRUSSELS)	2005	5,893	522	100%	522
LE MENIL - BRAINE-L'ALLEUD	1991	5,430	621	100%	621
LES TROIS COURONNES - ESNEUX	2005	4,519	581	100%	581
L'ORCHIDÉE - ITTRE	2003 (2013)	3,634	610	100%	610
L'ORÉE DU BOIS - WARNETON	2004	5,387	612	100%	612
MARTINAS - MERCHTEM*	2017	7,435	972	100%	972
MILLEGHEM - RANST	2009 (2016)	9,592	1,020	100%	1,020
DE HOVENIER - RUMBEKE*	2011 (2015)	5,079	802	100%	802
NETHEHOF - BALEN	2004	6,471	714	100%	714
NOORDDUIN - COXYDE	2015	6,440	897	100%	897
PLOEGDRIES - LOMMEL*	2018	6,991	676	100%	676
RÉSIDENCE DU PARC - BIEZ	1977 (2013)	12,039	693	100%	693
SEBRECHTS - MOLENBEEK-SAINT-JEAN / SINT-JANS MOLENBEEK (BRUSSELS)	1992	8,148	1,135	100%	1,135
T'SMEEDESHOF - OUD-TURNHOUT	2003 (2012)	8,648	1,028	100%	1,028
TILLENS - UCCLE/UKKEL (BRUSSELS)	2015	4,960	1,108	100%	1,108
VOGELZANG - HERENTALS	2009 (2010)	8,044	1,076	100%	1,076
VONDELHOF - BOUTERSEM	2005 (2009)	4,923	583	100%	583
Operator: Aspria		7,196	2,730	100%	2,730
SOMBRE 56 - WOLUWÉ-SAINT-LAMBERT / SINT-LAMBRECHTS-WOLUWE (BRUSSELS)	2004 (2012)	7,196	2,730	100%	2,730

1 The 'Contractual rents' section comprises the reconstitution of sold and discounted lease payments and, if applicable, the share of unsold lease payments (see Note 22).
2 The occupancy rate is calculated as follows: contractual rents / (contractual rents + estimated rental value on unlet premises).

Property	Year of construction (last renovation/ extension)	Surface area (in m²)	A Contractual, rents, (x1,000,EUR)	C=A/B Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
Operator: Calidus		**6,063**	**782**	**100%**	**782**
WEVERBOS - GENTBRUGGE	2011	6,063	782	100%	782
Operator: Care-Ion		**44,193**	**6,410**	**100%**	**6,410**
CLOS DE LA QUIÉTUDE - EVERE	1997 (2016)	7,227	1,086	100%	1,086
DE BLOKEN - WELLEN	2008	7,564	1,111	100%	1,111
DE GERSTJENS - ALOST/AALST	2015	6,252	1,060	100%	1,060
LE DOUX REPOS - NEUPRÉ	2011	6,875	959	100%	959
PAALEYCK - KAPPELLE-OP-DEN-BOS	2016	3,744	682	100%	682
RESIDENCE DU NIL - WALHAIN	1996	5,040	606	100%	606
SENIOR'S FLATEL - SCHAERBEEK	1972	7,491	906	100%	906
Operator: Le Noble Âge		**6,435**	**1,245**	**100%**	**1,245**
PARKSIDE - LAEKEN (BRUSSELS)	1990 (2013)	6,435	1,245	100%	1,245
Operator: Orelia		**38,544**	**4,460**	**100%**	**4,460**
DILHOME - DILBEEK*	2010	5,170	760	100%	760
EDEN PARK - ALOST/AALST*	2008	4,212	370	100%	370
KEIHEUVEL - BALEN*	2019	6,746	850	100%	850
PUTHOF - BORGLOON*	2018	11,333	1,200	100%	1,200
SERRENHOF - SAINT-TROND/SINT-TRUIDEN*	2020	8,038	900	100%	900
TEN BERGE - BELSELE*	2000	3,045	380	100%	380
Operator: Orpea Belgium		**51,745**	**7,961**	**100%**	**7,961**
GRAY COURONNE - IXELLES/ELSENE*	2014	7,042	920	100%	920
L'ADRET - GOSSELIES	1980	4,800	493	100%	493
LINTHOUT - SCHAERBEEK (BRUSSELS)	1992	2,837	486	100%	486
LUCIE LAMBERT - BUIZINGEN	2004	8,314	1,549	100%	1,549
PRINCE ROYAL - IXELLES/ELSENE*	2015	6,242	1,245	100%	1,245
PAUL DELVAUX - WATERMAEL-BOITSFORT/WATERMAAL-BOSVOORDE*	2014	6,283	998	100%	998
RINSDELLE - ETTERBEEK (BRUSSELS)	2001	3,054	584	100%	584
TOP SENIOR - TUBIZE/TUBEKE	1989	3,570	385	100%	385
VIGNERON - RANSART	1989	2,200	185	100%	185
VORDENSTEIN - SCHOTEN*	2014	7,403	1,118	100%	1,118
Operator: Senior Living Group (Korian group)		**154,711**	**20,897**	**100%**	**20,897**
ARCUS - BERCHEM-SAINTE-AGATHE/SINT-AGATHA-BERCHEM (BRUSSELS)	2008 (2009)	10,719	1,894	100%	1,894
BÉTHANIE - SAINT-SERVAIS	2005	4,780	520	100%	520
DAMIAAN - TREMELO	2003 (2014)	20,274	2,673	100%	2,673
DE PASTORIJ - DENDERHOUTEM*	2013	8,088	819	100%	819
LA CAMBRE - WATERMAEL-BOITSFORT/WATERMAAL-BOSVOORDE (BRUSSELS)	1982	13,023	2,007	100%	2,007
NOOTELAER - KEERBERGEN	1998 (2011)	2,467	355	100%	355
PALOKE - MOLENBEEK-SAINT-JEAN/SINT-JANS-MOLENBEEK (BRUSSELS)	2001	11,262	1,390	100%	1,390
PRINSENPARK - GENK	2006 (2013)	11,035	1,440	100%	1,440
PROGRÈS - LA LOUVIÈRE*	2000	4,852	524	100%	524
ROMANA - LAEKEN (BRUSSELS)	1995	4,375	908	100%	908
SEIGNEURIE DU VAL - MOUSCRON/MOESKROEN	1995 (2008)	6,797	1,194	100%	1,194
TEN PRINS - ANDERLECHT (BRUSSELS)	1972 (2011)	3,342	548	100%	548
VAN ZANDE - MOLENBEEK-SAINT-JEAN/ SINT-JANS-MOLENBEEK (BRUSSELS)	2008	3,463	433	100%	433
VLASHOF - STEKENE*	2016	6,774	952	100%	952
ZONNETIJ - AARTSELAAR	2006 (2013)	7,817	858	100%	858
ZONNEWEELDE - KEERBERGEN	1998 (2012)	6,106	792	100%	792
ZONNEWEELDE - RIJMENAM	2002 (2019)	15,327	2,072	100%	2,072
ZONNEWENDE - AARTSELAAR	1978 (2013)	14,210	1,520	100%	1,520
Operator: 't Hofke		**7,063**	**884**	**100%**	**884**
SAUVEGARDE - RUISBROEK*	2016	7,063	884	100%	884
Operator: Vivalto		**8,033**	**1,374**	**100%**	**1,374**
VIVALYS - BRUSSELS	1983 (2017)	8,033	1,374	100%	1,374

Property	Year of construction (last renovation/ extension)	Surface area (in m²)	A Contractual, rents, (x,1,000,EUR)	C=A/B Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
Operator: Vlietoever		**3,435**	**623**	**100%**	**623**
VLIETOEVER - BORNEM*	2012	3,435	623	100%	623
Operator: Vulpia		**18,841**	**2,352**	**100%**	**2,352**
CHARTREUSE - LIÈGE/LUIK*	2015	11,013	1,257	100%	1,257
CLOS BIZET - ANDERLECHT*	2017	7,828	1,095	100%	1,095
Operator: Zwaluw		**4,494**	**581**	**100%**	**581**
ZWALUW - GALMAARDEN	2002	4,494	581	100%	581
France		**214,035**	**27,724**	**99%**	**27,874**
Operator: Colisée Patrimoine Groupe		**3,230**	**420**	**100%**	**420**
CAUX DU LITTORAL - NEVILLE*	1950 (2016)	3,230	420	100%	420
Operator: Inicéa		**17,194**	**1,889**	**93%**	**2,039**
CHAMPGAULT - ESVRES-SUR-INDRE*	1972 (1982)	2,200	-	0%	150
DOMAINES DE VONTES - ESVRES-SUR-INDRE*	1967 (2019)	8,498	661	100%	661
PAYS DE SEINE - BOIS-LE-ROY*	2004 (2010)	6,496	1,228	100%	1,228
Operator: Korian		**148,365**	**18,295**	**100%**	**18,295**
ASTRÉE - SAINT-ETIENNE*	2006	3,936	438	100%	438
AUTOMNE - REIMS*	1990	3,552	647	100%	647
AUTOMNE - SARZEAU*	1994	2,482	443	100%	443
AUTOMNE - VILLARS-LES-DOMBES*	1992	2,889	409	100%	409
BROCÉLIANDE - CAEN*	2003	4,914	715	100%	715
BRUYÈRES - LETRA*	2009	5,374	747	100%	747
CANAL DE L'OURCQ - PARIS*	2004	4,550	923	100%	923
CENTRE DE SOINS DE SUITE - SARTROUVILLE*	1960	3,546	378	100%	378
CHÂTEAU DE LA VERNEDE - CONQUES-SUR-ORBIEL*	1992 (1998)	3,789	523	100%	523
DEBUSSY - CARNOUX-EN-PROVENCE*	1996	3,591	369	100%	369
ESTRAIN - SIOUVILLE-HAGUE*	1976 (2004)	8,750	694	100%	694
FRONTENAC - BRAM*	1990 (2014)	3,388	307	100%	307
GLETEINS - JASSANS-RIOTTIER*	1990 (1994)	2,500	271	100%	271
GRAND MAISON - L'UNION*	1992 (2009)	6,338	780	100%	780
L'ERMITAGE - LOUVIER*	2007	4,013	483	100%	483
LE CLOS DU MURIER - FONDETTES*	2008	4,510	587	100%	587
LE JARDIN DES PLANTES - ROUEN*	2004	3,000	273	100%	273
LES AMARANTES - TOURS*	1996	4,208	485	100%	485
LES HAUTS D'ANDILLY - ANDILLY*	2008	3,069	501	100%	501
LES HAUTS DE JARDY - VAUCRESSON*	2008	4,373	728	100%	728
LES HAUTS DE L'ABBAYE - MONTIVILLIERS*	2008	4,572	531	100%	531
LES JARDINS DE L'ANDELLE - PERRIERS-SUR-ANDELLE*	2009	3,348	451	100%	451
LES LUBÉRONS - LE PUY-SAINTE-RÉPARADE*	1990 (2016)	6,414	689	100%	689
LES OLIVIERS - LE PUY-SAINTE-RÉPARADE*	1990	4,130	479	100%	479
MEUNIÈRES - LUNEL*	1988	4,275	728	100%	728
MONTPRIBAT - MONFORT-EN-CHALOSSE*	1972 (1999)	5,364	630	100%	630
OLIVIERS - CANNES LA BOCCA*	2004	3,114	423	100%	423
POMPIGNANE - MONTPELLIER*	1972	6,201	870	100%	870
PONT - BEZONS*	1988 (1999)	2,500	218	100%	218
ROUGEMONT - LE MANS*	2006	5,986	420	100%	420
SAINT GABRIEL - GRADIGNAN*	2008	6,274	776	100%	776
VILLA EYRAS - HYÈRES*	1991	7,636	679	100%	679
WILLIAM HARVEY - SAINT-MARTIN-D'AUBIGNY*	1989(2016)	5,779	702	100%	702
Operator: Mutualité de la Vienne		**1,286**	**119**	**100%**	**119**
LAC - MONCONTOUR*	1991	1,286	119	100%	119
Operator: Philogeris		**4,698**	**374**	**100%**	**374**
CUXAC - CUXAC-CABARDES*	1989	2,803	212	100%	212
LAS PEYRERES - SIMORRE*	1969	1,895	161	100%	161

Property	Year of construction (last renovation/ extension)	Surface area (in m^2)	A Contractual, rents, (x,1,000,EUR)	C=A/B Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
Operator: Orpea France		**39,262**	**6,627**	**100%**	**6,627**
BELLOY - BELLOY*	1991 (2009)	2,559	466	100%	466
HAUT CLUZEAU - CHASSENEUIL*	2007	2,512	413	100%	413
HÉLIO-MARIN - HYÈRES*	1975	12,957	1,804	100%	1,804
LA JONCHÈRE - RUEIL-MALMAISON*	2007	3,731	689	100%	689
LA RAVINE - LOUVIERS*	2000 (2010)	3,600	660	100%	660
LA SALETTE - MARSEILLE*	1956	3,582	625	100%	625
LE CLOS SAINT-SÉBASTIEN - SAINT-SÉBASTIEN-SUR-LOIRE*	2005	3,697	490	100%	490
MUSICIENS - PARIS*	2004 (2020)	4,264	1,346	100%	1,346
VILLA NAPOLI - JURANÇON*	1950	2,360	134	100%	134
The Netherlands		**157,325**	**20,633**	**100%**	**20,710**
Assets directly leased to healthcare professionals		**45,773**	**5,735**	**99%**	**5,812**
BURGEMEESTER MAGNEESTRAAT 12 - BERGEIJK*	1991 (2020)	2,946	474	100%	474
DODEWAARDLAAN 5-15 - TIEL*	2009	3,951	525	100%	525
GANZENHOEF - AMSTERDAM *	2000 (2013)	2,469	401	100%	401
MOERGESTELSEWEG 22-26 - OISTERWIJK - VOORSTE STROOM*	2008	1,561	234	100%	234
MOERGESTELSEWEG 32 - OISTERWIJK*	2007	1,768	299	100%	299
MOERGESTELSEWEG 34 - OISTERWIJK*	2002	1,625	222	77%	290
OOSTERKERKSTRAAT 1 - LEIDEN*	2012	1,813	264	100%	264
OOSTERSTRAAT 1 - BAARN*	1963 (2011)	1,423	210	100%	210
ORANJEPLEIN - GOIRLE*	2013	1,854	344	100%	344
PIUSHAVEN - TILBURG*	2011	2,257	460	100%	460
SIONSBERG - DOKKUM*	1980 (2015)	15,693	841	100%	841
TERGOOI - WEESP*	1991 (2019)	2,569	394	100%	394
TORENZICHT 26 - EEMNES*	2011	1,055	192	100%	192
WATERLINIE - UITHOORN*	2013	3,223	645	100%	645
ZOOMWIJCKPLEIN 9-13-15 - OUD BEIJERLAND*	2018	1,566	231	96%	239
Operator: Bergman Clinics		**14,529**	**2,144**	**100%**	**2,144**
BRAILLELAAN 5 - RIJSWIJK*	2013 (2019)	2,133	259	100%	259
BRAILLELAAN 10 - RIJSWIJK*	2020	3,917	660	100%	660
RIJKSWEG 69 and 69A - NAARDEN*	2010	5,821	935	100%	935
RUBENSSTRAAT 165-173 - EDE*	1991 (2014)	2,658	291	100%	291
Operator: DC Klinieken		**3,152**	**457**	**100%**	**457**
KRIMKADE 20 - VOORSCHOTEN*	1992	1,181	212	100%	212
LOUIS ARMSTRONGWEG 28 - ALMERE*	2000	1,971	245	100%	245
Operator: Domus Magnus		**3,342**	**1,055**	**100%**	**1,055**
LAURIERSGRACHT - AMSTERDAM*	1968 (2010)	3,342	1,055	100%	1,055
Operator: Fundis		**18,159**	**1,526**	**100%**	**1,526**
BRECHTZIJDE 20 - 2725 NS ZOETERMEER*	1997 (2008)	9,059	601	100%	601
VAN BEETHOVENLAAN 60 - ROTTERDAM*	1966 (1999)	9,100	925	100%	925
Operator: Gemiva		**3,967**	**563**	**100%**	**563**
CASTORSTRAAT 1 - ALPHEN AAN DEN RIJN*	2016	3,967	563	100%	563
Operator: Stichting Amphia		**14,700**	**1,957**	**100%**	**1,957**
DE PLATAAN - HEERLEN*	2017	14,700	1,186	100%	1,186
AMPHIA - BREDA*	2016	0	771	100%	771
Operator: Attent Zorg en Behandeling		**1,795**	**217**	**100%**	**217**
KASTANJEHOF 2 - VELP*	2012	1,795	217	100%	217
Operator: Stichting ASVZ		**1,624**	**217**	**100%**	**217**
GANTELWEG - SLIEDRECHT*	2011	1,624	217	100%	217
Operator: Stichting Gezondheidszorg Eindhoven (SGE)		**2,237**	**362**	**100%**	**362**
STRIJP-Z - EINDHOVEN*	2015	2,237	362	100%	362
Operator: Stichting JP van den Bent		**1,576**	**213**	**100%**	**213**
HOF VAN ARKEL - TIEL*	2012	1,576	213	100%	213

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Operator: Stichting Leger des Heils		**1,181**	**99**	**100%**	**99**
NIEUWE STATIONSTRAAT - EDE*	1985 (2008)	1,181	99	100%	99
Operator: Stichting Martha Flora		**2,142**	**370**	**100%**	**370**
KLOOSTERSTRAAT - BAVEL*	2017	2,142	370	100%	370
Operator: Stichting Philadelphia Zorg		**7,250**	**752**	**100%**	**752**
BARONIE 149-197 - ALPHEN AAN DEN RIJN*	2016	2,000	187	100%	187
CHURCHILLAAN - LOPIK*	2015	2,883	257	100%	257
WIJNKOPERSTRAAT 90-94 - GORINCHEM*	2019	2,367	308	100%	308
Operator: Stichting Rijnstate		**3,591**	**440**	**100%**	**440**
MARGA KLOMPELAAN 6 - ARNHEM*	1994	3,591	440	100%	440
Operator: Stichting Saffier		**8,694**	**1,165**	**100%**	**1,165**
NEBO - DEN HAAG*	2004	8,694	1,165	100%	1,165
Operators: Stichting Sozorg & Martha Flora		**3,074**	**506**	**100%**	**506**
DE RIDDERVELDEN - GOUDA*	2014	3,074	506	100%	506
Operator: Stichting tanteLouise		**16,652**	**2,252**	**100%**	**2,252**
VEILINGDREEF 6 - BERGEN OP ZOOM*	**2010**	**16,652**	**2,252**	**100%**	**2,252**
Operator: Stichting Zorggroep Noordwest- Veluwe		**3,887**	**603**	**100%**	**603**
ARCADE NW - ERMELO *	2014	3,887	603	100%	603
Germany		**281,655**	**35,296**	**100%**	**35,296**
Operator: Alloheim		**13,003**	**1,352**	**100%**	**1,352**
AUF DER ALTEN BAHN 10 - BICKENBACH*	2011	6,714	812	100%	812
BACHSTELZENRING 3 – NIEBÜLL*	1997	6,289	540	100%	540
Operator: Aspria		**18,836**	**4,888**	**100%**	**4,888**
MASCHSEE CLUB - HANOVRE*	2009	11,036	2,526	100%	2,526
UHLENHORST CLUB - HAMBOURG*	2012	7,800	2,362	100%	2,362
Operator: Azurit Rohr		**32,621**	**3,284**	**100%**	**3,284**
DR. SCHEIDERSTRAßE 29 – RIESA*	2018	6,538	856	100%	856
GAUßSTRAßE 5 – CHEMNITZ*	2004	7,751	765	100%	765
JOSEPH-KEHREIN-STRAßE 1-3 – MONTABAUR*	2003 (2015)	11,615	1,137	100%	1,137
SENIORENZENTRUM BRÜHL - CHEMNITZ*	2007	6,717	526	100%	526
Operator: Celenus (Orpéa group)		**4,706**	**855**	**100%**	**855**
NEXUS - BADEN-BADEN*	1896 (2005)	4,706	855	100%	855
Operator: Convivo		**7,294**	**890**	**100%**	**890**
AM STEIN 20 - NEUSTADT/WESTERWALD*	2012	2,940	378	100%	378
LANGE STRAßE 5-7 - LANGELSHEIM*	2004	4,354	512	100%	512
Operator: Curanum (Korian group)		**6,641**	**704**	**100%**	**704**
TRINENKAMP 17 - GELSENKIRCHEN*	1998	6,641	704	100%	704
Operator: Curata		**32,050**	**3,112**	**100%**	**3,112**
BURG BINSFELD – NOERVENICH*	1533 (1993)	8,146	860	100%	860
HAEHNER WEG 5 - REICHSHOF – DENKLINGEN*	1900 (1998)	7,604	870	100%	870
HERZOG-JULIUS-STRASSE 93 - BAD HARZBURG*	1870 (2010)	12,459	1,320	100%	1,320
SCHLOSSFREIHEIT 3 - NEUSTADT-GLEWE*	1997	3,841	62	100%	62
Operator: Domus Cura		**9,604**	**1,655**	**100%**	**1,655**
OSTLICHE RINGSTRASSE 12 - INGOLSTADT*	1991	6,518	875	100%	875
SCHONE AUSSISCHT 2 - NEUNKIRCHEN*	2009	3,086	780	100%	780
Operator: Kaiser Karl Klinik (Groupe Eifelhöhen- Klinik)		**11,881**	**2,264**	**100%**	**2,264**
KAISER KARL KLINIK - BONN*	1995 (2013)	11,881	2,264	100%	2,264
Operator: M.E.D. Gesellschaft für Altenpflege		**4,602**	**588**	**100%**	**588**
SENIORENRESIDENZ CALAU - CALAU*	2015	4,602	588	100%	588
Operator: Mohring Gruppe		**9,913**	**911**	**100%**	**911**
WESTSTRAßE 12-20 - BAD SASSENDORF*	1968 (2013)	9,913	911	100%	911
Operator: Oberberg		**8,093**	**1,380**	**100%**	**1,380**
AM SANDFELD 34 - KAARST*	2020	8,093	1,380	100%	1,380

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Operator: Orpea Germany		**28,280**	**2,960**	**100%**	**2,960**
AM KASTANIENPARK 2&24 - WIESMOOR*	1997 (2020)	4,926	572	100%	572
FOCKENBOLLWERKSTRASSE 31 -AURICH*	1994 (2020)	4,858	538	100%	538
PROF. KURT SAUER STRASSE 4 - BAD SCHÖNBORN*	1997 (2020)	18,496	1,850	100%	1,850
Operator: Sozialkonzept (Korian group)		**6,100**	**655**	**100%**	**655**
AUF DER HUDE 60 - LÜNEBURG*	2004	6,100	655	100%	655
Operator: Stella Vitalis		**88,031**	**9,797**	**100%**	**9,797**
AM TANNENWALD 6 - SWISTTAL*	2018	5,081	594	100%	594
BAHNHOFSTRASSE 10 - HAAN*	2010	5,656	740	100%	740
BIRKSTRASSE 41 - LECK*	1999 (2000)	4,407	340	100%	340
BRESLAUER STRASSE 2 - WEIL AM RHEIN*	2015	5,789	602	100%	602
BRUNNENSTRASSE 6A - LUNDEN*	1999 (2002)	8,153	485	100%	485
BUCHAUWEG 22 - SCHAFFLUND*	1998 (2004)	3,881	435	100%	435
DORSTENER STRASSE 12 - BOCHUM*	2010	5,120	760	100%	760
EPPMANNSWEG 76 - GELSENKIRCHEN*	2017	5,074	550	100%	550
ESCHWEILER STRASSE 2 - ALSDORF*	2010	5,302	690	100%	690
FÖRSTEREIWEG 6 - ASCHEFFEL*	1991 (1997)	4,925	351	100%	351
JUPITERSTRASSE 28 - DUISBURG-WALSUM*	2007	4,420	641	100%	641
KÖLNER STRASSE 54-56 - WEILERWIST*	2016	4,205	594	100%	594
OSTERENDE 5 - VIÖL*	2002	3,099	261	100%	261
OSTERFELD 3 - GOSLAR*	2014 (2015)	5,880	498	100%	498
OSTRING 100 - BOTTROP*	2008	4,377	590	100%	590
SEESTRASSE 28/30 - ERFSTADT*	2008	7,072	1,066	100%	1,066
STAPELHOLMER PLATZ - FRIEDRICHSTADT*	2017	5,590	600	100%	600
Spain		**21,065**	**1,434**	**100%**	**1,434**
Operator: Orpea Spain		**6,100**	**431**	**100%**	**431**
CAPUCHINOS 85 - CASTELLÓN*	2020	6,100	431	100%	431
Operator: Grupo Reifs		**14,965**	**1,003**	**100%**	**1,003**
CONSTELACIÓN CORONA AUSTRAL 1 - UTRERA*	2004	7,095	553	100%	553
MARTIN DE GAINZA 12 - ALCALÁ DE GUARDAÍRA*	2006	7,870	450	100%	450
OFFICES		481,062	76,424	92%	83,124
Brussels CBD		**135,474**	**28,844**	**94%**	**30,530**
ARTS/KUNST 27*	1977 (2009)	3,734	936	97%	960
ARTS/KUNST 46	1966 (1998)	11,516	2,276	95%	2,402
AUDERGHEM 22-28	2004	5,853	1,034	78%	1,322
BELLIARD 40	2018	20,323	5,164	99%	5,200
GUIMARD 10-12	1980 (2015)	10,410	2,588	100%	2,591
LIGNE 13*	2007	3,693	744	95%	787
LOI/WET 34*	2001	6,882	1,215	100%	1,217
LOI/WET 57	2001	10,279	1,911	100%	1,911
LOI/WET 227	1976 (2009)	5,915	1,427	99%	1,443
MEEÛS 23	2010	8,807	2,207	98%	2,242
MONTOYER 10	1976	6,205	790	100%	790
PORT/HAVEN 86C*	2014	16,725	3,951	100%	3,951
QUARTZ	2020	9,186	2,114	100%	2,114
SCIENCE/WETENSCHAP 41	1960 (2001)	2,932	616	99%	625
TRÔNE/TROON 98	1986	5,757	1,099	94%	1,174
TRÔNE/TROON 100	2020	7,258	773	43%	1,802
Brussels Decentralised		**167,346**	**25,406**	**92%**	**27,591**
BOURGET 40*	1998 (2020)	14,262	1,949	100%	1,950
BOURGET 42	2001	25,746	4,021	95%	4,249
BOURGET 44	2001	14,049	2,182	90%	2,421

Property	Year of con-struction (last renovation/ extension)	Surface area (in m²)	A Contractual, rents, (x,1,000,EUR)	C=A/B Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
BRAND WHITLOCK 87-93	1991	6,216	916	92%	991
COCKX 8-10 (Omega Court)*	2008	16,472	2,133	81%	2,621
GEORGIN 2	2007	17,681	3,391	100%	3,391
HERMANN-DEBROUX 44-46	1992	9,666	1,595	95%	1,674
PAEPSEM BUSINESS PARK	1992	26,520	2,013	80%	2,528
SOUVERAIN/VORST 36	1998	8,310	818	63%	1,306
SOUVERAIN/VORST 280*	1989 (2005)	7,074	1,190	97%	1,224
THE GRADIENT	1976 (2013)	19,580	3,908	99%	3,942
WOLUWE 58 (+ parking Saint-Lambert/Sint- Lambertus)	1986 (2001)	3,868	784	100%	784
WOLUWE 62	1988 (1997)	3,285	505	99%	509
Brussels Periphery		**78,674**	**7,944**	**76%**	**10,385**
MERCURIUS 30	2001	6,124	571	100%	571
NOORDKUSTLAAN 16 A-B-C (West-End)	2009	10,022	1,494	87%	1,711
PARK LANE	2000	36,636	3,553	71%	5,003
PARK HILL*	2000	16,676	1,511	68%	2,238
WOLUWELAAN 151	1997	9,216	815	94%	863
Antwerp Periphery		**36,636**	**5,366**	**94%**	**5,714**
AMCA - AVENUE BUILDING	2010	9,403	1,610	97%	1,663
AMCA - LONDON TOWER	2010	3,530	546	88%	620
GARDEN SQUARE	1989	7,464	1,006	100%	1,009
NOORDERPLAATS (AMCA)*	2010	61	8	100%	8
PRINS BOUDEWIJNLAAN 41	1989	6,014	735	85%	866
PRINS BOUDEWIJNLAAN 43	1980	6,007	892	94%	952
VELDKANT 35	1998	4,157	569	95%	596
Other regions		**57,549**	**8,864**	**100%**	**8,904**
ALBERT Ier 4 - CHARLEROI	1967 (2005)	19,189	2,943	100%	2,943
KROONVELDLAAN 30 - DENDERMONDE	2012	9,645	1,382	100%	1,382
MECHELEN STATION - MALINES/MECHELEN	2002	28,715	4,539	99%	4,579
OFFICE BUIDLINGS WITH SOLD LEASE RECEIVABLES		49,847	9,564	100%	9,566
Brussels Decentralised		**20,199**	**3,087**	**100%**	**3,087**
COLONEL BOURG/KOLONEL BOURG 124*	1988 (2009)	4,137	399	100%	399
EVEREGREEN	1992 (2006)	16,062	2,687	100%	2,687
Brussels CBD		**26,188**	**5,508**	**100%**	**5,510**
LOI/WET 56	2008	9,484	2,143	100%	2,143
LUXEMBOURG/LUXEMBURG 40	2007	7,522	1,169	100%	1,169
NERVIENS/NERVIËRS 105	1980 (2008)	9,182	2,077	100%	2,077
MEEÛS 23 (+ parking)	2010	0	119	98%	121
Other regions		**3,460**	**969**	**100%**	**969**
MAIRE 19 - TOURNAI/DOORNIK*	1997	3,460	969	100%	969
PROPERTY OF DISTRIBUTION NETWORKS		375,325	37,475	99%	38,036
Pubstone		**318,003**	**29,706**	**100%**	**29,805**
Pubstone Belgium (696 buildings)*		**275,870**	**19,567**	**100%**	**19,634**
Brussels		40,258	3,914	100%	3,914
Flanders		172,776	11,627	100%	11,656
Wallonia		62,835	4,026	99%	4,064
Pubstone Netherlands (214 buildings)*		**42,133**	**10,139**	**100%**	**10,170**
MAAF (266 buildings)*		**57,322**	**7,769**	**94%**	**8,231**
TOTAL INVESTMENT PROPERTIES AND WRITEBACK OF SOLD AND DISCOUNTED LEASE PAYMENTS		2,144,753	285,629	97%	293,118

Property	Year of construction (last renovation/ extension)	Surface area (in m²)	A Contractual, rents, (x1,000,EUR)	C=A/B Occupancy rate	B Rents + ERV on unlet premises (x 1,000 EUR)
ASSETS HELD FOR SALE		4,129	-	-	
Belgium		4,129	-	-	
COLONEL BOURG/KOLONEL BOURG 122	1988 (2006)	4,129	-	-	
HEALTHCARE RENOVATION PROJECTS		5,377	-	-	
Spain					
BARCELONA 11 - CASTELLÓN*			-	-	
EMILIA PARDO BAZAN 116 – VIGO*			-	-	
ERNESTO CHE GUEVARA – OLEIROS*			-	-	
JAUME II 57 - LÉRIDA*			-	-	
MARIANO SANZ 39 - CARTAGENA*			-	-	
MATERNITAT D'ELNA 1 - TARRAGONA*			-	-	
SAN LUCAR 20 - PUERTO SANTA MARIA*			-	-	
Finland					
VAASANPUISTIKKO 22 - VAASA*			-	-	
The Netherlands		5,377	-	-	
CHRISTOFFEL PLANTIJNSTRAAT 3 - THE HAGUE*		5,377	-	-	
OFFICES RENOVATION PROJECTS		15,528	-	-	
ARTS/KUNST 47-49		6,915	-	-	
BOURGET 50		4,878	-	-	
LOI/WET 85*		3,735	-	-	
TENREUKEN			-	-	
LAND RESERVE HEALTHCARE REAL ESTATE			40	-	40
ISLAS CANARIAS 98 - SANTA CRUZ DE TENERIFE*			-	-	-
ORÉE DU BOIS - WARNETON			24	-	24
OSTLICHE RINGSTRASSE 11 - INGOLSTADT			16	-	16
PAU ALIAMAR 10 - TOMARES*			-	-	-
LAND RESERVE OFFICES			35	-	35
Brussels CBD			26	-	26
DE LIGNE			3	-	3
EGMONT I			14	-	14
EGMONT II			6	-	6
LOUISE/LOUISA 140			-	-	-
MEIBOOM 16-18			-	-	-
MONTOYER 14			2	-	2
MONTOYER 40			-	-	-
Brussels Decentralised			5	-	5
TWIN HOUSE			3	-	3
WOLUWE 34			2	-	2
Brussels Periphery			-	-	-
KEIBERG PARK			-	-	-
WOUWE GARDEN 26-30			-	-	-
Antwerp Periphery			3	-	3
PRINS BOUDEWIJNLAAN 24A			3	-	3
Antwerp Singel			1	-	1
QUINTEN			-	-	-
REGENT			-	-	-
ROYAL HOUSE			-	-	-
UITBREIDINGSTRAAT 2-8			-	-	-
UITBREIDINGSTRAAT 10-16			1	-	1
PORTFOLIO GRAND TOTAL		2,169,787	285,704		293,194

MARKET COMMENTARY

Healthcare real estate

The value of Cofinimmo's consolidated healthcare real estate portfolio accounted for 59% of the company's consolidated real estate portfolio in 2020. In this sector, Cofinimmo owns properties worth nearly 2,882 million EUR in six countries: Belgium, France, Germany, the Netherlands, Spain and Finland. In total, Cofinimmo owns 220 nursing homes and nearly 20,600 beds.

THE BELGIAN HEALTHCARE MARKET[1]

2020 was an unusual year for nursing homes, with the appearance of COVID-19 at the end of the winter in Europe and the many deaths resulting from it. As well as other economic sectors impacted by the crisis, the relevant authorities in Belgium – and in this instance the Regions – acted to offset the financial losses caused, among other things, by the deaths and the falls in the occupancy rates of these nursing homes. While the occupancy rate of Belgian nursing homes was 95% in 2019, we do not have the final, verified figures for 2020, but they are estimated at around 10%. However, we believe that this impact will be temporary and that the occupancy rate should return to around 95% in the months and years to come. Nevertheless, the arrival of several vaccines as of 1st January 2021 means that the outlook is encouraging for the future. Indeed, the vaccination programme beginning in Belgium in 2021 will be aimed in the first instance at nursing homes and the elderly, and the excess mortality rate recorded in 2020 should not be repeated in 2021.

According to Statbel, on 1st January 2020, Belgium had a population of 11,493,000, which was a slight rise compared with 2019. This increase follows the pattern of recent years. It should be noted that the growth in population is higher in the Brussels Capital Region and in Flanders than in Wallonia. It is also important to highlight that in ten years' time, the number of people aged over 65 has risen significantly compared to the overall Belgian population. However, the population is younger in Brussels than in the country's two other regions.

Indeed, the proportion of people aged 67 and over in the working population (18-66 years), called the dependence coefficient, is currently around 32% and is likely to be 40% by 2040 according to the latest population forecasts. This ratio is just below the European average. This ageing of the population can be explained, among other factors, by the fact that the baby-boomer generation is gradually leaving the working age population. The ageing of the Belgian population is forecast to stabilise by 2040.

Benefiting from one of the best healthcare systems in Europe, Belgians remain in good health for longer. As a result, Belgian life expectancy continues to rise. Currently, it is 81.5 years, which also increases the number of potential candidates for nursing homes.

The regionalisation of healthcare – and particularly healthcare for the elderly – makes it difficult to track statistics, especially in terms of the number of beds available and in the pipeline, the rates charged and the overall policy of assistance for the elderly. This makes it difficult to collect, compile and analyse information. With this in mind, the figures that follow should be taken as estimates.

According to the latest statistics available, Belgium has about 1,500 nursing homes and approximately 110,000 beds in the nursing and care home sector. The total market of nursing homes managed by operators was estimated at 5.8 billion EUR in 2018.

Taking these population prospects into account, Femarbel estimates an overall capacity need of around 178,500 accommodation units by 2030 and 287,000 units in 2050. This will represent an average annual growth of 4,500 accommodation units between now and 2050.

Assuming no changes to policy, the ageing population will generate a need for 87,300 FTEs in 2030, which represents the creation of jobs for 15,000 FTEs or 24,000 jobs in a little over 10 years. Looking forward to 2050, 140,500 FTEs would be required, or 226,600 jobs. This means that the sector will create more than 100,000 direct jobs over a period of 30 years. These are jobs that are accessible to various levels of qualification. They are also jobs that are stable, long-term and cannot be relocated.

According to the latest figures available, the respective market shares (in number of beds) of the three different categories of Belgian players remain relatively stable at a national level. The public providers (PSAC) have approximately 30% of beds, with private operators at around 35% and non-commercial private operators (non-for-profit) also at about 35%. Among the main private providers operating in Belgium are Armonea, Senior Living Group (Korian), Orpea, Vulpia, Vivalto and Anima Care, which have between 20 and 25% of all of the beds available in Belgium. The three Belgian leaders alone, Armonea, Senior Living Group and Orpea, have approximately 17% of beds between them.

However, it should be noted that the occupancy rates vary from one region to another and from one type of operator to another. The Brussels Capital Region, which is younger in age on average, appears to have a lower occupancy rate than the country's two other regions.

The profitability of the nursing home market depends on these occupancy rates, but this profitability can also be expected to be impacted by certain issues in 2020-2025. Among these challenges, we should mention new government regulations. These new regulations relate to care quality accreditations, as well as to staff turnover. The market is therefore highly regulated by the authorities, creating a strong barrier to entry, which discourages new entrants.

According to a study by ING, Belgians are among those willing to pay more for their stay in a nursing home. It should be noted that the rates per day have risen constantly in recent years. In 2017, rates varied on average between 1,390 EUR per month (public structure), 1,450 EUR per month (private structure) and 1,520 EUR per month (associative structure). Prices can, of course, soar quickly depending on the location and the quality of the infrastructure.

The total volume of investment in the nursing home sector exceeded 400 million EUR in 2020 in the wake of numerous acquisitions, in particular by Cofinimmo and several other Belgian investors.

Like almost all branches of real estate, prime yield continues to compress (some transactions taking place at rates below 4.30%), making nursing homes an attractive asset to hold in the portfolio. However, it should also be noted that the health crisis may cause this compression to slow in the months ahead. Having said that, in the long term, the ageing population and the use of nursing homes should continue, making this type of investment a secure one.

THE DUTCH HEALTHCARE MARKET[2]

In 2020, the interest shown in this real estate market increased among both Dutch and foreign investors. Foreign investors such as Cofinimmo were already active in this market. In 2020, foreign investors, combined

1. Written by C&W and PwC Belgium and integrated as agreed upon with them in this annual financial report.
2. Written by PwC The Netherlands and integrated as agreed upon with them in this annual financial report.

with Dutch institutional investors and real estate funds stood out for a growing number of acquisitions in the Netherlands. Local Dutch investors keep purchasing healthcare real estate.

Major change in the Dutch real estate sector is the increase of real estate transfer tax rates ('RETT') per 1st January 2021. Per 1st January 2021 the RETT rate for residential assets has increased from 2% to 8% (for non-natural persons) and the RETT rate for non-residential assets has increased from 6% to 8%. This change in RETT rates resulted in a significant increase in transaction volume before year-end 2020.

The Care sector

The investment volume of the first half year of 2020 showed a declining number of transactions in the care sector from (re)development perspective as well as from investment perspective, due to COVID-19. Several deals that were done were initiated preCOVID-19, other deals have been put on hold but have recently been reinitiated.

The investment volume of the second half year of 2020 showed an increase in transactions compared to the first half year of 2020. Partly because of the sector getting familiar with the COVID-19 situation and partly because of the increase of the Dutch real estate transfer tax (RETT) per 1 January 2021.

During 2020 healthcare operators have been heavily faced with the effects of COVID-19. Nursing homes have been temporarily closed for visitors as the care staff and residents were fighting the COVID-19 virus. The focus was primarily on COVID-19, decisions on real estate (strategy) were mainly postponed. As parties are getting used to the new reality of COVID-19, it is expected that the other matters, such as real estate (strategy) will also receive more attention. This resulted in, for example, disposal of assets by several healthcare operators at the end of 2020.

Because of the double phenomenon of healthcare needs that are changing and old nursing homes that are being closed down (for no longer meeting current standards), in the Netherlands, demand for new nursing homes is on the up. This is reflected by an even longer waiting list in 2020 than in 2019 for a place in a rest and nursing home and by the insufficient number of available service flats. Furthermore, the usual residential market is suffering from a shortage of suitable properties, while returns are under pressure. Therefore, nursing home real estate is considered an interesting alternative. This is shown by the fact that institutional investors are stepping up investments in this sector.

The Cure sector (healthcare centres/first-line care)

Like the care sector the first half of 2020 a declining number of transactions in the medical sector has been observed. During the second half of 2020 this turned, partly because of the sector getting familiar with the COVID-19 situation and partly because of the increase of the Dutch real estate transfer tax (RETT) per 1 January 2021.

Over 60% of care centres are held by private investors and by residential property companies. In line with the trends described above, housing companies and healthcare institutions (including various hospitals) are selling their medical centres. This is because keeping these centres leads to a freezing of funds and does not or not sufficiently help achieve key objectives.

These medical centres are a most attractive investment opportunity, as, on top of their location in the relevant 'catchment areas', they house a relatively high number of essential medical care functions like those performed by general practitioners, pharmacists, dentists and physiotherapists. The on-site availability of services provided by specialists and polyclinics further enhances the position of these centres.

The demand for care in the primary sector continues to increase whilst offerings in certain regions are reaching their limits. In the medium term, general practitioners are expected to expand organisationally by linking up with more physicians and more specialists in broader domains. Today, 'duo practices' are still the most common form in this respect. The number of one-person medical practices is decreasing. One expects an increase in medical group practices cooperating with sector partners such as pharmacists, physiotherapists and specialist physicians. Given that the elderly continue living in their homes until reaching a higher age, cooperation with home care service providers is being intensified.

THE GERMAN HEALTHCARE MARKET[1]

Demographic evolution in Germany

The percentage of persons aged 67 and over in Germany is increasing and will peak at 28% of the population in 2060, representing 21.1 million people. The proportion of persons aged 80 and over was 5.4% in 2013 and, according to Verband der Ersatzkassen (Association of substitute health insurance funds) and Statista, will gradually rise to reach 8.9% in 2035.

Irrespective of the existing offering, an increase in the number of nursing homes is required to meet the growing demand triggered by the ageing trend.

Care dependency

Considering the growing proportion of the elderly in the German population, the total number of persons who need care will increase from 2.6 million in 2013 to 3.5 million by 2030, which is an increase of 32.5%. Of course, the proportion of persons dependent on the provision of care goes up with age.

Market description

The Federal Republic of Germany is made up of 16 federal states, each having their own legislation regarding care for the elderly. The German nursing home market is highly fragmented and is dominated by non-profit organisations as well as by public and private institutions.

Demand for nursing homes will strongly increase in the coming years. Between now and 2030, there will be a need for over 177,000 additional places. Assuming 100 places per institution, 1,770 nursing homes would need to be built extra by that time.

The healthcare investment market shows steady growth. The transaction volume over the first three quarters of 2020 totalled almost 2 billion EUR, which is an increase of 45% compared to the first three quarters in the previous year. Approximately 70% of the investment volumes refers to care homes. International investors, particularly Europe-based investors, have dominated this market (one third allocable to investors from the Benelux countries and approximately 15% to France), with an even larger foreign investment expansion being expected.

The prime yield decreased to 4.25%, which was an all-time low, but which is still significantly higher than investments returns generated by other asset classes (e.g. office).

Outlook

The Corona pandemic has heightened the interest of investors in properties with secure streams of rental and lease payments, as offered by healthcare properties; so far, none of the large portfolio holders has reported rental losses. Therefore, the cumulated investment volume in 2020 is expected to significantly exceed the 2.1 billion EUR mark achieved in 2019.

1. Written by PwC Germany and integrated as agreed upon with them in this annual financial report.

Due to the Corona pandemic, nursing homes have been faced with a heavy workload, closures of the properties and, unfortunately, increasing deaths. As since mid of December instant COVID-19 testing for staff and visitors was established and vaccinations started end of 2020 in nursing homes, a prospect of rapid improvement and recovery is given.

THE SPANISH HEALTHCARE MARKET[1]

Spain has a high average life expectancy and a strongly ageing population. It is estimated to be the oldest country in Europe by 2050. Combined with a lack of beds, an obsolete stock and a fragmented market, this market offers a lot of opportunities for a potential consolidation. In 2020, the top 10 operators hold 20% of the total beds.

During 2020 the Spanish market has continued to be a target for European nursing home leaders: Korian continued with their expansion strategy in Spain acquiring 6 assets in Mallorca (696 beds), now holding a portfolio of over 2,000 beds. Another operator recently entering the Spanish market is Vivalto, which acquired the regional operator Solimar. Nursing homes with more than 100 beds in Spain represent 51.3% of the total market. Most of these centres are managed by private operators. A large number of transactions took place in 2019 and 2020. This increasing trend is expected to continue in 2021.

The investment volume has significantly increased over recent years with the arrival of new national and international capital. The investment volume increased over 50% in 2020 vs 2019. Investment activity was higher in 2020 than in previous years with mergers and acquisitions being the dominant type of deals in the market. We estimate that around 550 million EUR of care homes were traded in 2020 based on RCA and in-house data. The number of partnerships between investors and operators has increased in recent years and this is expected to continue in the future, leading to further increased investment volumes.

Increasing investor demand in recent years has sharpened yields to 4.75% for prime assets.

THE FINNISH HEALTHCARE MARKET[2]

The COVID-19 pandemic slowed down the transaction market in Finland during 2020 on the back of the increased uncertainty from the global pandemic. The Finnish transaction volume was 5.87 billion EUR in 2020, down 17% from 2019. The Finnish real estate market reflected the uncertainty from the global pandemic, especially in the second and third quarter of 2020, while the activity resumed in the last quarter of the year. The second and third quarter of the year saw significant declines in investment volumes, 79% and 58% (year-over-year) respectively, as vendors were postponing asset disposals and foreign investors were unable to visit sites and asset locations due to the government-imposed travel restrictions.

The investment volumes in the last quarter of the year were on the same level as in the year before and there was a spill of pent up demand coming through in the last weeks of 2020. Finland is known to have the largest share of foreign capital in the Nordics (58% in 2020) and the tight travel restrictions and government guidelines had an impact on this cross-border deal activity in 2020. The largest sector in 2020 was offices with a 31% share of the total transaction volume followed by care and residential, 22% and 17% respectively. The Helsinki Metropolitan Area continues to receive a large share of the total transaction activity in Finland with 63% of the total investment volume in 2020 coming from the capital city region.

The impact of the pandemic has varied on different real estate sectors. Logistics and residential as well as care have been the most sought-after sectors as investors were looking for alternatives for the traditional retail and office sectors, which have seen the effect of COVID-19 movement restrictions and guidelines. Logistics saw a boost in demand after the pandemic increased the shift to online and further intensified the growth of e-commerce. The residential and care sectors are considered to be safe havens during this time with a solid investor demand and steady long-dated income profiles.

The office market[3]

All the information below, which covers Belgium and Luxembourg, was obtained from the databases, analyses and market reports of Cushman & Wakefield.

The value of Cofinimmo's portfolio in the office sector amounts to 30% of the total consolidated portfolio.

The office market in Belgium ended 2020 with a total take-up of 630,000 m² (including leases, extensions and purchases for own occupancy), which was a reduction of some 30% compared with the level of activity observed in 2019 (900,000 m²). The global health crisis sparked by COVID-19 has had a significant impact on all the economic activity and real estate is no exception. Brussels and Flanders performed disappointingly, whereas Wallonia saw a sharp rise in take-up, under the impetus of the public authorities.

The office market in Brussels (including the periphery) recorded the lowest take-up for more than 20 years, with a level of 264,000 m². This represents a fall of nearly 50% compared with 2019, which was an exceptional year for Brussels. There were some 265 deals transacted, more than 100 fewer than in the previous year.

Unlike 2019, the public sector was not very active in 2020, with the exception of the 30,000 m² leased by the European Commission at The One building in the Leopold District. Demand from the private sector was also down, driven no doubt by the effect of COVID-19. Regarding coworking, it came to an almost complete standstill in Brussels, with only 4 transactions recorded in 2020 and financial difficulties encountered by numerous operators.

In 2020, approximately 220,000 m² of new office buildings were completed and handed over during the course of the year, the main ones being the Gare Maritime (45,000 m²), the Manhattan Centre (41,000 m²) and the Mobius Tower, occupied by Allianz (26,000 m²). Furthermore, the pipeline for 2021 and 2022 is significant, with the handover scheduled of almost 450,000 m² of new offices in Brussels, 200,000 m² of which was still available at the end of 2020.

Despite the low level of activity, the vacancy rate again fell in 2020 to reach its lowest level in more than 10 years, at 7.2% at year-end. Major differences continue to appear, depending on the district: the CBD (Léopold, Centre, North, South and Louise) saw a vacancy rate of below 4%, whereas the Decentralised and Periphery recorded rates of 11.6% and 16.5% respectively. The vacancy rate is likely to continue rising to some extent in the years ahead. Indeed, working from home increased significantly in 2020 following the requirement to work from home imposed in numerous sectors. The hybridisation of the workplace will continue in the years to come. This hybridisation will inevitably lead to the whole idea of office space being reconsidered and could result in some spaces being released. Some companies have already launched on this thought process and are subletting space. Combined with the speculative pipeline currently under construction, the vacancy rate could exceed 8.5% and perhaps even 9% by the end of 2022.

1. Written by C&W Spain and integrated as agreed upon with them in this annual financial report.
2. Written by CBRE Finland and integrated as agreed upon with them in this annual financial report.
3. Written by C&W Belgium and integrated as agreed upon with them in this annual financial report.

Prime office rents in Brussels remained stable at 320 EUR/m²/year throughout 2020. The low level of availability of quality space and the confidence of certain owners regarding the achievable level of rent also contributed to a rise in prime rents in the Louise district (275 EUR/m²/year) and in the North district (250 EUR/m²/year). Conversely, they fell to 175 EUR/m²/year in the Decentralised zone, which continued its lacklustre performance. Taking account of high-quality buildings placed recently on the market, or which are scheduled to be released in the coming months, prime rents could increase further to reach 325 EUR/m²/year by the end of 2021.

All sectors combined, the volume of investment in Belgium in 2020 was in excess of 6 billion EUR – an absolutely record for commercial real estate in Belgium. This volume was boosted by a number of major transactions in the offices sector (in particular the sale of the Tour des Finances for over 1.2 billion EUR) and the industrial sector as well, whereas the retail sector recorded another fall, to reach a total volume of 684 million EUR for 2020.

The Belgian office market recorded an investment volume of 4.23 billion EUR, 3.5 billion EUR of which was to be found in the Brussels' office market. Indeed, in addition to the large number of transactions (76 over the whole year), volumes in Brussels reached new records in the wake of a number of significant deals. In total, 8 transactions of more than 100 million EUR were recorded in the offices market in Brussels. The most notable of these was the acquisition of the Tour des Finances for more than 1.2 billion EUR, ahead of the sale of the IRIS Tower (over 210 million EUR) and the acquisition of the Euroclear office for more than 170 million EUR. Foreign investors still account for the majority of buyers. International investors tend to focus on LT-Core, Core and Core + products, whereas "add-value" and redevelopment products are reserved more for Belgian investors, with the exception of "non-market" transactions, such as the acquisition of the Toaster by Cofinimmo.

Despite the health crisis, prime yield rates on the Brussels office market are still at historic lows, mainly on account of the accommodating interest rates policy pursued by the European Central Bank and competition between investors for the best assets. Preferential yields from buildings with 6/9-year leases fell to 4% in 2020, which was a further fall from the 4.10% recorded at the end of 2019, reflecting the strong demand for investments in the offices sector. Long-term prime yield rates also contracted to 3.50% following the sale of several assets, compared with 3.55% in 2019. With interest rates bound to remain at very low levels throughout 2021, prime yield rates should remain stable or even compress again to reach a historic new low record during the year.

Distribution network real estate markets (Pubstone and Cofinimur)[1]

Cofinimmo's share in distribution network real estate was estimated at 11% as at 31 December 2020. The subsidiaries (Pubstone for the restaurant/café sector in Belgium and the Netherlands, and Cofinimur I for the local agencies/shops sectors in France) have a highly diversified risk profile geographically as well as through their particular nature between commercial real estate and investment properties with possible redevelopment potential. The fair value of the properties held in the distribution network real estate segments is 548 million EUR.

The global health crisis encountered in 2020 has had significant effects on the country's economic activity. Indeed, the GDP growth rate fell at -6.7%, while unemployment rose slightly and is set to increase further in 2021, plus consumer morale is sluggish. In terms of private consumption, the concern of households regarding their ability to save is growing and this is having an impact on retail spending.

As it has been observed everywhere in Europe (and across the world), the retail landscape is undergoing structural movements and is currently changing fast. COVID-19 has brought change at a faster pace than previously seen. There has been a major rise in online retail. However, bricks-and-mortar retail is not dead, although it is undergoing rapid and seismic changes.

Across Europe, there is growing divergence between primary and secondary retail locations, with secondary sites seeing a greater easing in demand and more significant reductions in rent. The same trend can be seen in Belgium, with secondary sites suffering the most from the increase in vacancy rates and a fall in the number of visitors. This is having a negative impact on movements in rent levels. It should also be pointed out that the dichotomy between primary and secondary sites not only applies between cities, but also within a city itself, where central areas may remain relatively stable, while secondary locations / zones experience negative developments. The health crisis, the various periods of lockdown and the prolonged closure of bars and restaurants have all inevitably weighed heavily on retail – and mainly in the Food & Beverage sector, although this sector has succeeded in reinventing itself and has found new ways of reaching customers.

However, while secondary retail has been hit harder overall, we cannot categorically say that certain sectors / cities are more vulnerable than others – the risk of obsolescence will vary from one asset to another and from one location to another, etc. As such, it is becoming increasingly difficult to accurately assess how specific locations will perform without having a good understanding of all of the factors behind these developments.

The Hospitality sector is even more specific and may benefit from the rapid growth of trends in the Food & Beverage sector, despite the successive closures seen in 2020. Indeed, the F&B market has grown healthily over the past ten years and that also continued in 2020. As a result, the proportion of businesses such as clothes, shoes, etc. as a percentage of total retail is falling and has been partly replaced by offerings from F&B, leisure and entertainment in different streets, shopping centres, out-of-town retail parks and the main shopping streets. This is explained in particular by the change in consumer buying habits and the growth of the "retail experience", reflecting the desire of shoppers to enhance their bricks-and-mortar buying experience with an overall social / leisure experience. The COVID-19 crisis has also reinforced consumer willingness to buy more "locally".

As a result, and despite the health-related issues at stake, new retail developments, renovations and extensions are being designed more and more to include lifestyle and F&B zones, including self-contained food stands, street food outlets and kiosks. Establishing and / or expanding the F&B footprint in retail projects, offers owners the opportunity to increase the number of visitors, the amount of time shoppers stay on-site and, finally, how much they spend. This is particularly important given the challenges facing established retailers due to the growth of online retail in recent years in certain markets.

1. Written by C&W Belgium and integrated as agreed upon with them in this annual financial report.

INDEPENDENT REAL ESTATE VALUER'S REPORT

Brussels, 23 February 2021

To the Board of Cofinimmo SA/NV

Re: Valuation as of 31 December 2020

Context

We have been engaged by Cofinimmo to value its consolidated real estate portfolio as of 31 December 2020 with a view to finalising its financial statements at that date.

Cushman & Wakefield (C&W), Jones Lang Lasalle (JLL), PricewaterhouseCoopers (PwC) and CBRE have each separately valued a part of Cofinimmo SA consolidated portfolio.

C&W, PwC, JLL have each separately valued a part of the offices portfolio.

C&W and PwC have each separately valued part of the healthcare portfolio in Belgium.

C&W and JLL France have each separately valued part of the healthcare portfolio in France.

The healthcare portfolio in The Netherlands has been valued by PwC Netherlands.

PwC and C&W Germany have each separately valued part of the healthcare portfolio in Germany.

The healthcare portfolio in Spain has been valued by C&W Spain.

The healthcare portfolio in Finland has been valued by CBRE Finland.

The portfolios of Pubstone in Belgium and the Netherlands have been valued by C&W.

The portfolio of distribution networks in France has been valued by C&W.

C&W, PwC, JLL and CBRE have in-depth knowledge of the real estate markets in which Cofinimmo is active and have the necessary, recognised professional qualifications to perform this assessment. In conducting this assessment, they have acted with complete independence.

As is customary, our assignment has been carried out on the basis of information provided by Cofinimmo regarding tenancy schedules, charges and taxes borne by the landlord, works to be carried out and all other factors that could affect property values. We assume that the information provided is complete and accurate. Our valuation reports do not in any way constitute an assessment of the structural or technical quality of the buildings or an in-depth analysis of their energy efficiency or of the potential presence of harmful substances. This information is well known to Cofinimmo, which manages its properties in a professional way and performs technical and legal due diligence before acquiring each property.

Opinion

We confirm that our valuation has been done in accordance with national and international market practices and standards (International Valuation Standards issued by the International Valuation Standards Council and included in RICS Valuation – Professional Standards January 2020, the Red Book of the Royal Institute of Chartered Surveyors.

The Investment value (in the context of this valuation) is defined as the amount most likely to be obtained at normal conditions of sale between willing and well-informed parties, inclusive of transactions costs (mainly transfer taxes) to be paid by the acquirer. It does not reflect the costs of future investments that could improve the property or the benefits associated with such costs.

Valuation methodology

The valuation methodology adopted is mainly based on the following methods:

Method of estimated rental value capitalisation (ERV capitalisation)

This method consists in capitalising the estimated rental value of the property by using a capitalisation rate ('yield') in line with the investment market. The choice of the capitalisation rate used is linked to the capitalisation rates applied in the real estate investment market, which takes into account the property location, the quality of the buildings and that of the tenant, and the quality and duration of the lease at the valuation date. The rate corresponds to the rate anticipated by potential investors at the valuation date. To determine the estimated rental value, one takes into account the market data, the location of the property and the quality of the building.

The resulting value must be adjusted if the passing rent generates operational income higher or lower than the estimated market value used for capitalisation. The valuation takes into consideration the charges that will need to be incurred in the near future.

Discounted cash flow method (DCF)

Under this method, it is required to assess the net rental income generated by the property on a yearly basis for a specific period and discounted at today's value. The projection period generally varies between 10 and 18 years. At the end of the period a terminal value is calculated using either a residual value, either a capitalisation rate is applied onto the estimated rental value that takes into account the anticipated condition of the building at the end of the projection period, discounted at today's value.

Residual value method

The value of a project is determined by defining the development potential on site. This implies that the intended use of the project is known or foreseeable in a qualitative (planning) and quantitative manner (number of square metres that can be developed, future rents, etc.). The value is obtained by deducting the costs upon completion of the project from its anticipated value.

Approach by market comparables

This method is based on the principle that a potential purchaser will not pay more for the acquisition of a property than the price recently paid on the market for similar properties.

Transaction Costs

In theory, the disposal of properties is subject to a transfer tax charged by the Government and paid by the acquirer, which represent substantially all transaction costs. For properties situated in Belgium, the amount of this tax mainly depends on the mode of transfer, the capacity in which the acquirer acts and the property's location. The first two variables, and therefore the amount of tax payable, are only known once the sale is contracted. Based on a study from independent real estate experts dated 8 February 2006 and reviewed on 30 June 2016, the 'average' transaction cost for properties over 2,500,000 EUR is assessed at 2.5%.

The fair value (as defined under IFRS 13 and by the BEAMA's (Belgian Asset Managers Association) press release of 8 February 2006 and reviewed on 30 June 2016) for properties over 2,500,000 EUR can therefore be obtained by deducting 2.5% of 'average' transaction cost from their investment value. This 2.5% figure will be reviewed periodically and adjusted if on the institutional investment transaction market a change of at least +/- 0.5% in the effectively 'average' transaction cost is observed.

For properties with an investment value under 2,500,000 EUR transfer taxes of 10% or 12.5% have been subtracted, depending on the region of Belgium where they are situated.

The transfer taxes on properties in France, Germany, the Netherlands, Spain and Finland have been deducted in full from their investment values to obtain their fair values.

Assets subject to a sale of receivables

Cofinimmo is owner of several buildings of which the rents have been sold in the past to a third party. The valuers have valued those properties as freehold (before sale of receivables). At the request of Cofinimmo , the values mentioned below represent for these buildings the freehold value net of the rents still due (residual value), as calculated by Cofinimmo. This calculation by Cofinimmo has not been analysed in depth by the valuers. In the forthcoming quarters, the residual value will evolve in such a way as to be, at the maturity of the sale of the receivables, equivalent to the freehold value.

Market conditions explanatory note: Novel Coronavirus (COVID-19)

The outbreak of COVID-19, declared by the World Health Organisation as a 'Global Pandemic' on the 11 March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and 'lockdowns' applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks or a 'second wave' is possible.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards, except as identified below.

Material valuation uncertainty

In respect of healthcare in Spain, healthcare in Germany (partially), sport & wellness centres in Belgium and Germany and the portfolio of Pubstone Belgium and Pubstone Netherlands, whose aggregate value represents less than 23% of the consolidated portfolio, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt; this explanatory note, including the 'material valuation uncertainty' declaration, does not mean that the valuation(s) cannot be relied upon. This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

Investment Value and Fair Value

Taking into account the above opinions, the investment value (transaction costs not deducted) of Cofinimmo's consolidated real estate portfolio as at 31 December 2020 is estimated at 5,082,060,000 EUR.

Taking into account the above opinions, the fair value, after the deduction of the transaction costs, of Cofinimmo's consolidated real estate portfolio as at 31 December 2020, corresponding to the fair value under IAS/IFRS, is estimated at 4,868,901,000 EUR.

On this basis, the yield on rent, received or contracted, including from assets that form the object of an assignment of receivables, but excluding projects, assets held for sale, land and buildings undergoing refurbishment, and after the application of imputed rent to the premises occupied by Cofinimmo, amounts to 5.8% of the investment value. If the properties were to be let in full, the yield would increase to 5.9%. Investment properties have an occupancy rate of 97.4%.

The contractually passing rent and the estimated rental value on the empty spaces (excluding development projects, assets held for sale and assets subject to a sale of receivables) for let space plus the estimated rental value for vacant space is 2.90% above the estimated rental value for the whole portfolio at this date. This difference results mainly from the inflation indexation of contractual rents since the inception of the in-place leases.

The consolidated real estate portfolio is broken down by segment as follows:

	Investment Value	Fair Value	% Fair Value
Healthcare real estate	3,007,884,300	2,882,091,000	59%
Offices	1,474,834,300	1,438,863,000	30%
Distribution networks	599,341,000	547,947,000	11%
TOTAL	5,082,060,000*	4,868,901,000*	100%

The consolidated real estate portfolio is broken down by expert as follows:

Expert	Investment Value	Fair Value
C&W Belgium	2,016,643,000	1,943,070,000
C&W France	460,014,000	430,100,000
C&W The Netherlands	150,092,000	138,974,000
C&W Germany	40,248,000	38,000,000
C&W Spain	80,440,000	77,788,000
Total C&W	**2,747,437,000**	**2,627,932,000**
CBRE Finland	12,500,000	12,000,000
Total CBRE	**12,500,000**	**12,000,000**
JLL Belgium	389,895,000	380,386,000
JLL France	81,470,000	76,140,000
Total JLL	**471,365,000**	**456,526,000**
PwC Belgium	888,043,000	866,383,000
PwC The Netherlands	371,105,000	346,220,000
PwC Germany	591,610,000	559,840,000
Total PwC	**1,850,758,000**	**1,772,443,000**
Grand Total	5,082,060,000*	4,868,901,000*

* Rounded to the thousand.

C&W opinion

With respect to the Belgian part of the portfolio valued by C&W, C&W Belgium confirmed an investment value of 2,016,643,000 EUR and a fair value of 1,943,070,000 EUR.

- Christophe Ackermans[1], MRICS
  C&W Partner, Head of Valuation

With respect to the French part of the portfolio valued by C&W, C&W France confirmed an investment value of 460,014,000 EUR and a fair value of 430,100,000 EUR.

- Jean-Philippe Carmarans, MRICS
  C&W International Partner
  Head of Valuation France
- Jérôme Salomon, MRICS
  RICS Registered Valuer
  C&W, Partner

With respect to the Dutch part of the portfolio valued by C&W, C&W The Netherlands confirmed an investment value of 150,092,000 EUR and a fair value of 138,974,000 EUR.

- Frank Adema LLM MSRE MRICS RT – CIS HypZert (MLV)
  C&W International Partner
  Head of Valuation Netherlands

With respect to the German part of the portfolio valued by C&W, C&W Germany confirmed an investment value of 40,248,000 EUR and a fair value of 38,000,000 EUR.

- Martin Belik, MRICS
  C&W International Partner
  Head of Valuation & Advisory Germany

With respect to the Spain part of the portfolio valued by C&W, C&W Spain confirmed an investment value of 80,440,000 EUR and a fair value of 77,788,000 EUR.

- Tony Loughran, MRICS
  C&W Partner
  Head of Valuation & Advisory Spain

CBRE opinion

The investment value of the part of Cofinimmo's consolidated real estate portfolio valued by CBRE Finland is estimated as at 31 December 2020 at 12,500,000 EUR and the fair value (after the deduction of transaction costs) is estimated at 12,000,000 EUR.

- Olli Kantanen
  Head of Valuation & Research
  CBRE Finland OY

JLL opinion

With respect to the Belgian part of the portfolio valued by JLL, JLL Belgium confirmed an investment value of 389,895,000 EUR and a fair value of 380,386,000 EUR.

- Greet Hex, MRICS
  JLL Director Belgium

With respect to the French part of the portfolio valued by JLL, JLL France confirmed an investment value of 81,470,000 EUR and a fair value of 76,140,000 EUR.

- Pierre-Jean Poli
  Represented by Jones Lang LaSalle Expertises
  Directeur expertises Grand Lyon

PwC opinion

With respect to the Belgian part of the portfolio valued by PwC, PwC Enterprise Advisory bv confirmed an investment value of EUR 888,043,000 and a fair value of 866,383,000 EUR.

- PwC Enterprise Advisory SRL / BV
  Represented by Geoffroy Jonckheere*, MRICS Partner
  (*) Geoffroy Jonckheere SRL, Partner,
  represented by its permanent representative, Geoffroy Jonckheere

With respect to the Dutch part of the portfolio valued by PwC, PwC Netherlands confirmed an investment value of EUR 371,105,000 and a fair value of 346,220,000 EUR.

- Bart Kruijssen, MSc MRE
  Partner, PwC Netherland

With respect to the German part of the portfolio valued by PwC, PwC Germany confirmed an investment value of 591,610,000 EUR and a fair value of 559,840,000 EUR.

- Dirk Kadel, MRICS
  Partner, PwC Germany

1. SRL / BV.

Cofinimmo on the stock market

— Cofinimmo offers three types of instruments listed on the stock market, each of which provides different risk, liquidity and yield profiles

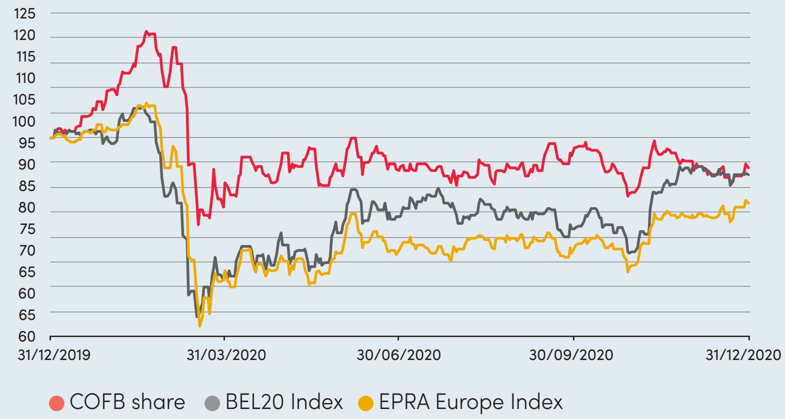
Cofinimmo's share

Cofinimmo's share has been listed on Euronext Brussels (ticker: COFB) since 1994. Cofinimmo's share is included in the BEL20 and Euronext 150 indexes, as well as in the EPRA Europe and GPR 250 real estate indexes. As at 31.12.2020, Cofinimmo's market capitalisation was 3.3 billion EUR.

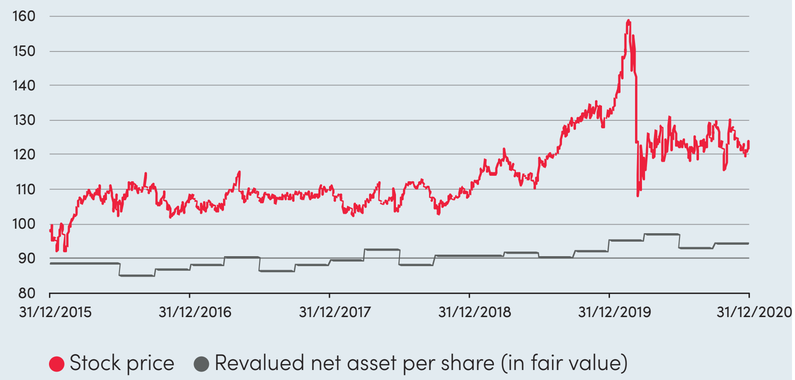
STOCK MARKET CONTEXT

In contrast to 2019, 2020 was marked by a significant downturn in the equity markets. Several events had a negative effect on the markets, whether it be the COVID-19 pandemic, which plunged the world into uncertainty as early as the first quarter and led to an impressive drop (-30 %) in the equity markets coupled with an unprecedented slowdown in economic activity, or the fall in bond yields of the main countries to historic lows, as the 10-year Bund, whose yield fell to -0.90 % compared with -0.20 % at the beginning of the year. To counter the effects of the pandemic, central banks have quickly adjusted their monetary policy and several governments have adopted support and economic recovery plans to deal with their growing deficits. The US Federal Reserve thus made several cuts in its Fed Funds rate, which is now between 0 % and 0.25 %, the lowest level since 2015. The European Central Bank did not change its policy rates, but increased its Quantitative Easing programme and granted new TLTRO loans to support the banking system. It should be noted, however, that the economic activity rebounded during the second quarter and that the second wave of COVID-19 contaminations had a more limited impact on the financial markets than the first. This is due in particular to the liquidity provided by governments and central banks, the announcement of the

MARKET PERFORMANCE (basis 100 as at 31.12.2019)



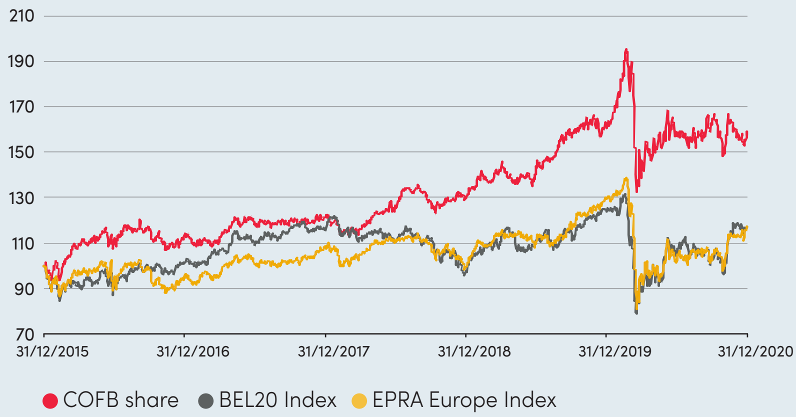
COMPARISON OF THE SHARE MARKET PRICE AND THE REVALUED NET ASSET PER SHARE (in EUR)



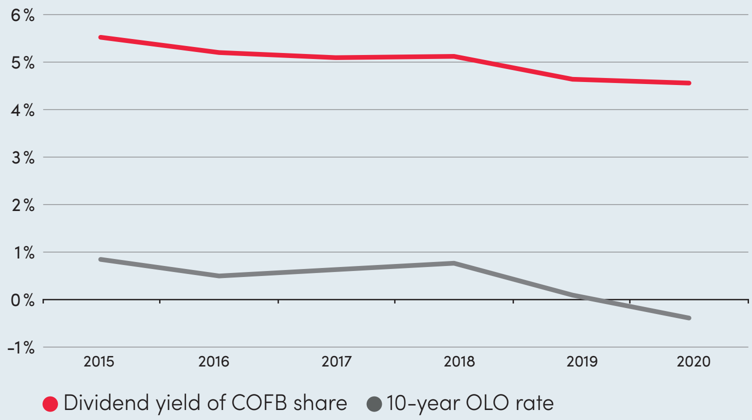
34.0 %

AVERAGE PREMIUM OF THE SHARE ON THE NET ASSET VALUE (IFRS)

TOTAL RETURN FOR THE SHAREHOLDER (base 100 as at 31.12.2015)



COMPARISON BETWEEN COFINIMMO'S DIVIDEND YIELD AND THE 10-YEAR OLO RATE



3.3 billion EUR

MARKET CAPITALISATION AS AT 31.12.2020

availability of several vaccines, the victory of Democrat Jo Biden in the American presidential elections and, finally, the signature, in December 2020, of an agreement on Brexit between the United Kingdom and the European Union. As a result, 2020 was marked by a significant decline in the majority of the world's financial markets. For instance, the BEL20 index posted a negative performance of 8 % over the year while the EPRA Europe index contracted by 13 %.

SHARE TREND

The first graph on the previous page shows Cofinimmo's share performance in 2020 compared to the BEL20 and EPRA Europe indexes. The Cofinimmo share price fluctuated between 108.00 EUR and 159.00 EUR, with an annual average of 127.04 EUR. The closing price as at 31.12.2020 was 121.80 EUR, which corresponds to a decrease of 7 % in the share price compared to the closing price of the previous year.

The second graph shows the Cofinimmo share price in relation to its net asset value (IFRS) over the past five years. The share traded at an average premium of 25.9 % over five years and at an average premium of 34.0 % in 2020. If we compare the share price to the EPRA NAV, the average premium is 18.4 % over five years or 25.4 % in 2020.

COFINIMMO SHARE LIQUIDITY

In 2020, Cofinimmo continued its efforts to enhance the liquidity of its share. Throughout the year, the company participated in around twenty roadshows, conferences and other events bringing the company and investors together. Cofinimmo also invested in promotional campaigns to raise its visibility both among institutional and retail investors.

With a market capitalisation of 3.3 billion EUR as at 31.12.2020 and an average daily volume of 6.7 million EUR, or approximately 52,700 shares, Cofinimmo's liquidity level is sufficient to stay on the radar of major institutional investors.

TOTAL RETURN FOR SHAREHOLDERS (IN %)

The total return for shareholders is measured on the basis of the change in the share price and includes the distribution of the dividend or any other distribution carried out or paid. Assuming the reinvestment of the 2019 dividend made available for payment in May 2020, the Cofinimmo share achieved a total return of -2.8% over 2020. The first graph on the previous page illustrates the performance of the Cofinimmo share compared to the BEL20 and EPRA Europe indexes over the past five years, dividend yield included. During this period, the Cofinimmo share generated a total return of +56.2%, corresponding to an average annual return of +11.2%. The BEL20 and EPRA indexes recorded total variations of +15.4% and +16.7%, respectively, which corresponds to average annual yields of +3.1% and +3.3%.

SHAREHOLDERS/INVESTOR PROFILE

Cofinimmo has a large number of investors with diversified profiles. They include, on the one hand, a broad base of institutional investors located primarily in Belgium, Germany, France, Luxembourg, the Netherlands, the United Kingdom, Switzerland, and North America, and on the other hand, retail investors, mainly located in Belgium.

As at 31.12.2020, only one shareholder exceeds the 5% ownership threshold which required a transparency declaration: the American BlackRock investment fund, which holds 5.20% of Cofinimmo's capital.

DIVIDEND

At the ordinary general meeting of 12.05.2021, the board of directors will propose a dividend in line with the forecast published in the 2019 annual financial report, being 5.80 EUR gross per share. This dividend corresponds to a gross yield of 4.6% compared to the average price of the share during the 2020 financial year (stable compared to 2019).

The second graph on the previous page shows the dividend yield of Cofinimmo's share compared to the 10-year OLO over the past five years. Over this period, Cofinimmo's share provided an average yield on the dividend of +5.1%, compared to an average 10-year OLO rate of +0.3%.

WITHHOLDING TAX

Since 01.01.2017, the applicable withholding tax on distributed dividends has been 30%.

However, Belgian Law provides exemptions. In order to benefit from them, the dividend recipients must first meet certain conditions. Moreover, agreements to prevent double taxation provide for reductions of the withholding tax on dividends.

Reference should also be made to the section 'Portfolio mix and outlook regarding the withholding tax' in chapter '2021 Outlook' of this document, for current considerations regarding the prospects for reduced withholding tax.

ISIN BE0003593044	2020	2019	2018
Share price (in EUR)			
Highest	159.00	135.40	113.00
Lowest	108.00	108.50	101.75
At close	121.80	131.00	108.50
Average	127.04	120.81	107.27
Dividend yield[1]	**4.6%**	**4.6%**	**5.1%**
Gross yield[2] (over 12 months)	**-2.8%**	**7.9%**	**7.5%**
Dividend[3]			
Gross	5.80[4]	5.60	5.50
Net	4.06[4]	3.92	3.85
Volume			
Average daily volume	52,687	40,860	37,867
Annual volume	13,540,479	10,419,399	9,618,185
Number of shares	**27,061,917**	**25,849,283**	**22,311,112**
Market capitalisation at close (x 1,000 EUR)	**3,296,141**	**3,386,256**	**2,420,756**
Free Float[5]	**100%**	**95%**	**100%**
Velocity[5]	**50.0%**	**42.4%**	**43.1%**
Payout ratio	**84.7%**	**82.2%**	**83.9%**

1. Gross dividend on the average annual share price.
2. Increase in the share price + dividend yield.
3. Dividends are subject to a 30% withholding tax.
4. Subject to approval by the ordinary general meeting of 12.05.2021.
5. According to the Euronext definition.

Convertible bond

Cofinimmo has issued only one convertible bond (see chapter 'Management of financial resources' in this document).

ISIN BE0002259282 (Cofinimmo SA/NV 2016-2021)	2020	2019	2018
Share price (in EUR)			
At close	147.21	151.69	143.42
Average	150.75	148.24	143.62
Average yield through maturity (annual average)	-1.0%	-2.0%	0.7%
Effective yield at issue	0.2%	0.2%	0.2%
Interest coupon (in %)			
Gross (per tranche of 146.00 EUR)	0.1875	0.1875	0.1875
Net (per tranche of 146.00 EUR)	0.1313	0.1313	0.1313
Number of shares	1,502,196	1,502,196	1,502,196
Conversion price (in EUR)	133.4121	135.8237	140.1072

Psychiatric clinic –
Kaarst (DE)

Straight bonds

Cofinimmo issued four straight bonds, including one green and social bond in 2016 and a benchmark-sized sustainable bond issued in 2020 (see chapter 'Management of financial resources' in this document).

ISIN BE6241505401 (Cofinimmo SA/NV 2012-2022)	2020	2019	2018
Share price (in EUR)			
At close	-	100.18	102.33
Average	-	101.28	103.51
Average yield to maturity (annual average)	**-**	**1.8%**	**1.4%**
Effective yield at issue	**-**	**3.6%**	**3.6%**
Interest coupon (in %)			
Gross (per tranche of 100,000 EUR)	-	3.55	3.55
Net (per tranche of 100,000 EUR)	-	2.49	2.49
Number of shares	**-**	**1,400**	**1,400**

ISIN BE0002224906 (Cofinimmo SA/NV 2015-2022)	2020	2019	2018
Share price (in EUR)			
At close	101.64	101.91	101.24
Average	100.52	101.71	101.08
Average yield to maturity (annual average)	**0.6%**	**1.0%**	**1.5%**
Effective yield at issue	**1.9%**	**1.9%**	**1.9%**
Interest coupon (in %)			
Gross (per tranche of 100,000 EUR)	1.92	1.92	1.92
Net (per tranche of 100,000 EUR)	1.34	1.34	1.34
Number of shares	**1,900**	**1,900**	**1,900**

ISIN BE0002267368 (Cofinimmo SA/NV 2016-2026)	2020	2019	2018
Share price (in EUR)			
At close	100.05	99.63	97.42
Average	99.76	100.13	95.45
Average yield to maturity (annual average)	**1.7%**	**1.8%**	**2.1%**
Effective yield at issue	**1.7%**	**1.7%**	**1.7%**
Interest coupon (in %)			
Gross (per tranche of 100,000 EUR)	1.70	1.70	1.70
Net (per tranche of 100,000 EUR)	1.19	1.19	1.19
Number of shares	**700**	**700**	**700**

ISIN BE0002269380 (Cofinimmo SA/NV 2016-2024)	2020	2019	2018
Share price (in EUR)			
At close	102.16	99.80	98.75
Average	97.85	100.33	98.20
Average yield to maturity (annual average)	**1.5%**	**2.0%**	**2.0%**
Effective yield at issue	**2.0%**	**2.0%**	**2.0%**
Interest coupon (in %)			
Gross (per tranche of 100,000 EUR)	2.00	2.00	2.00
Net (per tranche of 100,000 EUR)	1.40	1.40	1.40
Number of shares	**550**	**550**	**550**

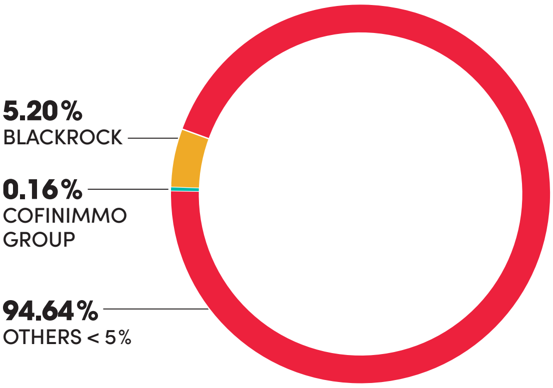
ISIN BE6325493268 (Cofinimmo SA/NV 2020-2030)	2020	2019	2018
Share price (in EUR)			
At close	101.73	-	-
Average	101.75	-	-
Average yield to maturity (annual average)	**0.694%**	**-**	**-**
Effective yield at issue	**0.957%**	**-**	**-**
Interest coupon (in %)			
Gross (per tranche of 100,000 EUR)	0.875	-	-
Net (per tranche of 100,000 EUR)	0.613	-	-
Number of shares	**5,000**	**-**	**-**

Shareholding structure as at 31.12.2020

The table below shows the shareholders of Cofinimmo holding more than 5 % of the capital. Transparency notifications and control chains are available on the website. At the closing date of this document, Cofinimmo has not received any transparency notification presenting a situation subsequent to that of 06.07.2020. According to the Euronext definition, the free float is 100 %.

Company	%
BlackRock	5.20
Cofinimmo group	0.16
Others <5 %	94.64
TOTAL	100.00

SHAREHOLDING



'Bruxelles Environnement/Leefmilieu Brussel' office building (Port/Haven 86C) – Brussels CBD (BE)

Shareholder's calendar

Event	Date
Publication of the 2020 universal registration document – including the annual financial report and the ESG report	09.04.2021
Quarterly information: results as at 31.03.2021	28.04.2021
2020 ordinary general meeting	12.05.2021
Payment of the dividend for the 2020 financial year[1]	
Coupon	N° 36
Ex-date[2]	17.05.2021
Record date[3]	18.05.2021
Dividend payment date	As from 19.05.2021
Half-year financial report: results as at 30.06.2021	28.07.2021
Quarterly information: results as at 30.09.2021	27.10.2021
Annual press release: results as at 31.12.2021	24.02.2022

1. Subject to approval by the ordinary general meeting of 12.05.2021.
2. Date from which the stock exchange trading takes place without any entitlement to the future dividend payment.
3. Date on which positions are recorded in order to identify shareholders entitled to the dividend.

Data according to the EPRA principle[1]

EPRA PERFORMANCE INDICATORS

Definition		31.12.2020		31.12.2019	
		(x 1,000 EUR)	EUR/share	(x 1,000 EUR)	EUR/share
1 EPRA earnings	Current result from strategic operational activities	181,457	6.85	166,498	6.81
EPRA diluted earnings	Current result from strategic operational activities taking into account financial instruments with a potential dilutive impact at the closing date.	181,457	6.85	166,498	6.80
2 EPRA NRV	The EPRA Net Reinstatement Value (NRV) assumes that the company will never sell its assets, and provides an estimate of the amount required to reconstitute the company.	2,976,658	110.11	2,780,245	107.67
3 EPRA NTA	The EPRA Net Tangible Assets (NTA) assumes that the company acquires and disposes assets, of which would result in the materialisation of certain deferred taxes that cannot be avoided.	2,750,288	101.74	2,585,604	100.13
4 EPRA NDV	The EPRA Net Disposal Value (NDV) represents the value accruing to the company's shareholders in a scenario of disposal of its assets, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, all net of taxes.	2,595,527	96.01	2,462,420	95.36
5 EPRA NAV	Net Asset Value (NAV) adjusted to include investment properties at their fair value and to exclude certain items not expected to fit into a long-term investment property business model.	2,763,505	102.22	2,599,971	100.69
6 EPRA NNNAV	EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debt and (iii) deferred taxes	2,642,354	97.74	2,519,367	97.56

Definition		31.12.2020	31.12.2019
7 (i) EPRA net initial yield (NIY)	Annualised gross rental income based on the passing rents at the closing date, less property charges, divided by the market value of the portfolio, increased with estimated transaction costs resulting from the hypothetical disposal of investment properties.	5.5%	5.6%
(ii) EPRA 'topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods and other incentives.	5.5%	5.6%
8 EPRA vacancy rate	Estimated Rental Value (ERV) of vacant space divided by the ERV of the total portfolio.	2.6%	3.0%
9 EPRA cost ratio (direct vacancy costs included)	Administrative/operational expenses per the IFRS income statement, including the direct costs of vacant buildings, divided by the gross rental income, less ground rent costs.	20.7%	22.2%
10 EPRA cost ratio (direct vacancy costs excluded)	Administrative/operational expenses per the IFRS income statement, less the direct costs of vacant buildings, divided by the gross rental income, less ground rent costs.	18.4%	18.0%

1. These data are not compulsory according to the RREC regulation and are not subject to verification by public authorities. The auditor verified whether the EPRA earnings, EPRA NAV, EPRA NNNAV and EPRA cost ratios are calculated according to the definitions included in the 'EPRA Best Practice Recommendations' and whether the financial data used in the calculation of these figures comply with the accounting data included in the audited consolidated financial statements.

EPRA EARNINGS & EPRA EARNINGS PER SHARE[1]

(x 1,000 EUR)	2020	2019
Net earnings per the financial statements	**119,222**	**204,615**
Adjustments to calculate EPRA earnings, to exclude:	**62,235**	**-38,117**
(i) Changes in fair value of investment properties and assets held for sale	37,342	-65,294
Changes in fair value of investment properties	13,696	-79,069
Writeback of rents earned but not expired (other results on portfolio)	13,226	3,935
Others (other results on portfolio)	10,420	9,840
(ii) Gains or losses on disposal of investment properties and other non-financial assets	-4,583	-12,394
(v) Goodwill impairment (other result on the portfolio)	10,120	14,609
(vi) Changes in fair value of financial instruments	22,756	23,765
(vii) Costs & interest on acquisitions and joint ventures	0	0
(viii) Deferred taxes in respect of EPRA adjustments (other result on the portfolio)	2,365	744
(ix) Adjustments related to joint ventures	2,688	-143
(x) Minority interests in respect of the above adjustments	-8,452	595
EPRA earnings	**181,457**	**166,498**
Number of shares	26,478,781	24,456,099
EPRA earnings per share (in EUR/share)	**6.85**	**6.81**
EPRA diluted earnings[2]	**181,457**	**166,498**
Diluted number of shares	26,495,581	24,480,169
EPRA diluted earnings per share (in EUR/share)	**6.85**	**6.80**

1. The summary and the comments on the consolidated income statements are on page 75 to 79 of the current document.
2. In accordance with 'EPRA Best Practices Recommendations', given the MCB issued in 2011 and the convertible bonds issued in 2016 were not dilutive as at 31.12.2020 and 31.12.2019, they were not taken into account for the calculation of the EPRA diluted result on both these dates.

EPRA NET ASSET VALUE (NAV)[1]

(x 1,000 EUR)	2020				
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
IFRS equity attributable to the parent company shareholders	2,574,775	2,574,775	2,574,775	2,574,775	2,574,775
Includes/Excludes:					
i) Hybrid instruments	0	0	0	0	0
Diluted net asset value (NAV)	**2,574,775**	**2,574,775**	**2,574,775**	**2,574,775**	**2,574,775**
Includes:					
ii.a) Revaluation of investment properties available for rent (if the IAS 40 cost model is applied)	0	0	0	0	0
ii.b) Revaluation of investment properties (if the IAS 40 cost model is applied)	0	0	0	0	0
ii.c) Revaluation of other non-current investments	0	0	0	0	0
iii) Revaluation of finance lease receivables	90,967	90,967	90,967	90,967	90,967
iv) Revaluation of assets held for sale	0	0	0	0	0
Diluted NAV at fair value	**2,665,742**	**2,665,742**	**2,665,742**	**2,665,742**	**2,665,742**
Excludes:					
v) Deferred taxes relating to revaluations of investment properties at fair value	43,675	43,675	0	43,675	0
vi) Fair value of financial instruments	89,870	89,870	0	89,870	0
vii) Goodwill resulting from deferred taxes	-35,782	-35,782	-35,782	-35,782	0
viii.a) Goodwill according to IFRS balance sheet	0	-11,045	-11,045	0	0
viii.b) Intaglible assets according to IFRS balance sheet	0	-2,172	0	0	0
Includes:					
ix) Fair value of fixed interest rate debt	0	0	-23,388	0	-23,388
x) Revaluation of intangible assets at fair value	0	0	0	0	0
xi) Real estate transfer taxes	213,154	0	0	0	0
NAV	**2,976,658**	**2,750,288**	**2,595,527**	**2,763,505**	**2,642,354**
Diluted number of shares	27,033,633	27,033,633	27,033,633	27,033,633	27,033,633
NAV per share (in EUR/share)	110.11	101.74	96.01	102.22	97.74

EPRA NET INITIAL YIELD (NIY)[2] AND EPRA 'TOPPED-UP' NIY[2]

(x 1,000,000 EUR)	2020										
	Healthcare real estate						Offices	Property of distribution networks			TOTAL
	BE	FR	NL	DE	ES	FI		BE	NL	FR	
Investment properties at fair value	1,455.6	392.7	346.2	597.8	77.8	12.0	1,438.9	295.4	139.0	113.6	4,868.9
Assets held for sale	-	-	-	-	-	-	-3.3	-	-	-	-3.3
Development projects	-0.9	-	-7.2	-0.7	-54.9	-12.0	-57.1	-	-	-	-132.8
Assets available for lease	**1,454.7**	**392.7**	**339.0**	**597.2**	**22.9**	**-**	**1,378.4**	**295.4**	**139.0**	**113.6**	**4,732.8**
Estimated transfer fees and taxes at the hypothetical disposal of investment properties	36.4	27.3	24.3	34.0	0.8	-	34.5	32.4	11.1	7.9	208.7
Investment value (including notarial and registration charges) of assets available for lease	**1,491.1**	**420.0**	**363.3**	**631.1**	**23.7**	**-**	**1,412.9**	**327.8**	**150.1**	**121.4**	**4,941.4**
Annualised gross rental income	77.1	27.7	20.6	35.3	1.4	-	86.0	19.6	10.1	7.8	285.6
Property charges	-0.3	-0.2	-1.8	-1.4	-	-	-7.9	-0.9	-0.4	-0.5	-13.4
Annualised net rental income	**76.8**	**27.5**	**18.9**	**33.9**	**1.4**	**-**	**78.1**	**18.7**	**9.7**	**7.3**	**272.2**
Rent-free periods expiring within 12 months and other lease incentives	-	-	-	-	-	-	-	-	-	-	-
Topped-up annualised net rental incomes	**76.8**	**27.5**	**18.9**	**33.9**	**1.4**	**-**	**78.1**	**18.7**	**9.7**	**7.3**	**272.2**
EPRA NIY	5.1%	6.5%	5.2%	5.4%	6.0%	-	5.5%	5.7%	6.5%	6.0%	5.5%
EPRA 'topped-up' NIY	5.1%	6.5%	5.2%	5.4%	6.0%	-	5.5%	5.7%	6.5%	6.0%	5.5%

Belgium (BE) - France (FR) - The Netherlands (NL) - Germany (DE) - Spain (ES) - Finland (FI).

1. In accordance with 'EPRA Best Practices Recommendations', given the MCB issued in 2011 and the convertible bonds issued in 2016 were not dilutive as at 31.12.2020 and 31.12.2019, they were not taken into account for the calculation of the NET ASSET VALUE on both these dates.
2. For more segment information (see Note 5).

	2019				
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
	2,451,335	2,451,335	2,451,335	2,451,335	2,451,335
	0	0	0	0	0
	2,451,335	**2,451,335**	**2,451,335**	**2,451,335**	**2,451,335**
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	78,349	78,349	78,349	78,349	78,349
	0	0	0	0	0
	2,529,684	**2,529,684**	**2,529,684**	**2,529,684**	**2,529,684**
	42,807	42,807	0	42,807	0
	70,995	70,995	0	70,995	0
	-43,515	-43,515	-43,515	-43,515	0
	0	-13,432	-13,432	0	0
	0	-935	0	0	0
	0	0	-10,317	0	-10,317
	0	0	0	0	0
	180,274	0	0	0	0
	2,780,245	**2,585,604**	**2,462,420**	**2,599,971**	**2,519,367**
	25,822,662	25,822,662	25,822,662	25,822,662	25,822,662
	107.67	**100.13**	**95.36**	**100.69**	**97.56**

	2019									
	Healthcare real estate					Offices	Property of distribution networks			TOTAL
	BE	FR	NL	DE	ES		BE	NL	FR	
	1,213.6	380.4	289.8	492.6	11.2	1,297.8	294.9	141.1	126.0	4,247.3
	-	-	-	-	-	-28.8	-	-	-	-28.8
	-1.0	-	-16.9	-0.7	-11.2	-91.9	-	-	-	-121.6
	1,212.5	**380.4**	**272.9**	**491.9**	**-**	**1,177.2**	**294.9**	**141.1**	**126.0**	**4,096.9**
	30.3	26.1	13.4	27.6	-	29.4	32.3	8.5	8.7	176.4
	1,242.9	**406.5**	**286.2**	**519.5**	**-**	**1,206.7**	**327.2**	**149.5**	**134.7**	**4,273.3**
	66.5	25.9	16.9	29.8	-	78.7	19.8	10.0	8.1	255.7
	-	-0.2	-1.4	-1.7	-	-10.3	-0.8	-0.5	-0.2	-15.0
	66.5	**25.8**	**15.5**	**28.2**	**-**	**68.4**	**18.9**	**9.6**	**7.9**	**240.8**
	-	-	-	-	-	-	-	-	-	-
	66.5	**25.8**	**15.5**	**28.2**	**-**	**68.4**	**18.9**	**9.6**	**7.9**	**240.8**
	5.3%	6.3%	5.4%	5.4%	-	5.7%	5.8%	6.4%	5.9%	5.6%
	5.3%	6.3%	5.4%	5.4%	-	5.7%	5.8%	6.4%	5.9%	5.6%

Belgium (BE) - France (FR) - The Netherlands (NL) - Germany (DE) - Spain (ES).

EPRA VACANCY RATE[1]

(x 1,000 EUR)	2020										
	Healthcare real estate						Offices	Property of distribution networks			TOTAL
	BE	FR	NL	DE	ES	FI		BE	NL	FR	
Rental space (in m²)	564,439	214,035	157,325	281,655	21,065	–	530,909	275,870	42,133	57,322	2,144,753
ERV[2] of the vacant space	–	150	77	–	–	–	6,702	67	31	462	7,490
ERV[2] of the total portfolio	74,139	30,858	19,995	35,296	1,492	–	87,640	19,576	8,340	7,959	285,296
EPRA vacancy rate	0.0%	0.5%	0.4%	0.0%	0.0%	0.0%	7.6%	0.3%	0.4%	5.8%	2.6%

Belgium (BE) - France (FR) - The Netherlands (NL) - Germany (DE) - Spain (ES) - Finland (FI).

EPRA EVOLUTION OF GROSS RENTAL INCOME[3]

(x 1,000 EUR)	2020					
	Gross rental income – at comparable scope vs. 2019	Acquisitions	Disposals	Other	Regularisation of rental income related to previous periods	Gross rental income[4] – at current scope
Healthcare real estate	**130,157**	**18,685**	**-567**	**-**	**-**	**148,276**
Healthcare real estate Belgium	60,536	9,433	-26	–	–	69,943
Healthcare real estate France	26,562	767	-346	–	–	26,982
Healthcare real estate Netherlands	15,713	3,728	-195	–	–	19,246
Healthcare real estate Germany	27,346	4,338	–	–	–	31,684
Healthcare real estate Spain	–	420	–	–	–	420
Healthcare real estate Finland	–	–	–	–	–	–
Offices	**82,036**	**2,865**	**-2,809**	**-868**	**-**	**81,223**
Property of distribution networks	**38,172**	**3**	**-518**	**-**	**-**	**37,658**
Pubstone Belgium	19,915	3	-362	–	–	19,556
Pubstone Netherlands	10,166	–	-133	–	–	10,033
Cofinimur I France	8,092	–	-23	–	–	8,069
TOTAL PORTFOLIO	250,365	21,554	-3,894	-868	-	267,157

1. For more details on the rental vacancy rate, see page 64 of this document.
2. ERV = Estimated Rental Value.
3. It concerns the year-to-year variations (indexations, new locations, departures and renegotiations) of gross rental income, excluding the variations linked to changes in scope (major renovations, acquisitions and sales) occurred during the financial period.
4. Including writeback of lease payments sold and discounted.

2019									
Healthcare real estate					Offices	Property of distribution networks			TOTAL
BE	FR	NL	DE	ES		BE	NL	FR	
487,912	209,771	133,882	241,902	-	505,564	284,979	42,866	57,909	1,964,785
-	150	72	-	-	7,359	121	31	171	7,904
65,508	29,545	16,690	29,847	-	82,121	19,637	8,386	8,005	259,739
0.0%	0.5%	0.4%	0.0%	0.0%	9.0%	0.6%	0.4%	2.1%	3.0%

Belgium (BE) - France (FR) - The Netherlands (NL) - Germany (DE) - Spain (ES).

2019
Gross Rental income[4]
128,765
59,909
26,434
15,276
27,147
-
-
79,818
37,709
19,840
9,949
7,919
246,292

Nursing and care home Gormanston Wood – Meath (Greater Dublin) (IE) – © DomusVi

INVESTMENT PROPERTIES - RENTAL DATA[1]

(x 1,000 EUR)	2020					
Segment	Gross rental income for the period[2]	Net rental income for the period	Available rental space (in m^2)	Passing rent at the end of the period	ERV[3] at the end of the period	Vacancy rate at the end of the period
Healthcare real estate	**148,276**	**145,809**	**1,238,519**	**162,166**	**161,781**	**0.1%**
Healthcare real estate Belgium	69,943	68,855	564,439	77,080	74,139	0.0%
Healthcare real estate France	26,982	26,982	214,035	27,724	30,858	0.5%
Healthcare real estate Netherlands	19,246	19,169	157,325	20,633	19,995	0.4%
Healthcare real estate Germany	31,684	30,382	281,655	35,296	35,296	0.0%
Healthcare real estate Spain	420	420	21,065	1,434	1,492	0.0%
Healthcare real estate Finland	-	-	-	-	-	0.0%
Offices	**81,223**	**75,863**	**530,909**	**85,988**	**87,640**	**7.6%**
Property of distribution networks	**37,658**	**37,263**	**375,325**	**37,475**	**35,875**	**1.6%**
Pubstone Belgium	19,556	19,266	275,870	19,567	19,576	0.3%
Pubstone Netherlands	10,033	9,897	42,133	10,139	8,340	0.4%
Cofinimur I France	8,069	8,100	57,322	7,769	7,959	5.8%
TOTAL PORTFOLIO	267,157	258,935	2,144,753	285,629	285,296	2.6%

INVESTMENT PROPERTIES - VALUATION DATA[4]

(x 1,000 EUR)	2020			
Segment	Fair value of the portfolio	Changes in fair value over the period	EPRA Net Initial Yield	Changes in fair value over the period
Healthcare real estate	**2,806,419**	**-14,991**	**5.4%**	**-0.5%**
Healthcare real estate Belgium	1,454,699	7,295	5.1%	0.5%
Healthcare real estate France	392,690	-12,041	6.5%	-3.0%
Healthcare real estate Netherlands	339,030	-8,397	5.2%	-2.4%
Healthcare real estate Germany	597,150	-1,075	5.4%	-0.2%
Healthcare real estate Spain	22,850	-773	6.0%	-3.3%
Healthcare real estate Finland	-	-	0.0%	0.0%
Offices	**1,378,394**	**15,139**	**5.5%**	**1.1%**
Property of distribution networks	**547,947**	**-11,690**	**6.0%**	**-2.1%**
Pubstone Belgium	295,424	2,103	5.7%	0.7%
Pubstone Netherlands	138,974	-1,948	6.5%	-1.4%
Cofinimur I France	113,550	-11,845	6.0%	-9.4%
TOTAL PORTFOLIO	4,732,761	-11,542	5.5%	-0.2%

RECONCILIATION WITH IFRS CONSOLIDATED INCOME STATEMENT

Investment properties under development	132,820	-2,120		
Assets held for sale	3,320	-34		
TOTAL	4,868,901	-13,696		

1. For more details on the rental data, refer to the property report (pages 138 to 155).
2. Including writeback of lease payments sold and discounted.
3. ERV = Estimated Rental Value.
4. For more details on the valuation data, see the property report at sections 'Healthcare real estate' (page 30 to 45), 'Offices' (pages 52 to 59) and 'Property of distribution networks' (page 46 to 49).

2019					
Gross rental income for the period[2]	Net rental income for the period	Available rental space (in m^2)	Passing rent at the end of the period	ERV[3] at the end of the period	Vacancy rate at the end of the period
128,765	**129,051**	**1,073,466**	**139,141**	**141,590**	**0.2%**
59,909	59,739	487,912	66,471	65,508	0.0%
26,434	26,434	209,771	25,931	29,545	0.5%
15,276	15,783	133,882	16,891	16,690	0.4%
27,147	27,095	241,902	29,847	29,847	0.0%
-	-	-	-	-	0.0%
79,818	**74,960**	**505,564**	**78,713**	**82,121**	**9.0%**
37,709	**37,997**	**385,754**	**37,895**	**36,028**	**0.9%**
19,840	19,954	284,979	19,760	19,637	0.6%
9,949	9,949	42,866	10,043	8,386	0.4%
7,919	8,093	57,909	8,093	8,005	2.1%
246,292	**242,008**	**1,964,785**	**255,749**	**259,739**	**3.0%**

2019			
Fair value of the portfolio	Changes in fair value over the period	EPRA Net Initial Yield	Changes in fair value over the period
2,357,723	**46,357**	**5.5%**	**2.0%**
1,212,543	46,770	5.3%	4.0%
380,410	-11,691	6.3%	-3.0%
272,870	11,619	5.4%	4.4%
491,900	-342	5.4%	-0.1%
-	-	0.0%	0.0%
1,177,227	**9,152**	**5.7%**	**0.8%**
561,932	**2,617**	**6.0%**	**0.5%**
294,899	1,941	5.8%	0.7%
141,073	755	6.4%	0.5%
125,960	-79	5.9%	-0.1%
4,096,882	**58,126**	**5.6%**	**1.4%**

121,640	20,944
28,764	-
4,247,287	**79,069**

• DATA ACCORDING TO THE EPRA PRINCIPLE

INVESTMENT PROPERTIES - RENTAL DATA

(x 1,000 EUR)	Lease figures according to their end date							
	Average lease length (in years)		Passing rents of the leases maturing in			ERV[1] of the leases maturing in		
	Until the break[2]	Until the end of the lease	Year 1	Year 2	Years 3-5	Year 1	Year 2	Years 3-5
Healthcare real estate	**15.9**	**16.1**	**13,533**	**3,705**	**6,511**	**12,610**	**3,393**	**6,775**
Healthcare real estate Belgium	19.0	19.0	-	15	13	-	8	8
Healthcare real estate France	2.5	3.1	13,185	1,858	5,475	12,315	1,780	5,833
Healthcare real estate Netherlands	10.5	11.1	342	1,774	1,022	289	1,548	934
Healthcare real estate Germany	22.6	22.6	6	57	-	6	57	-
Healthcare real estate Spain	25.2	25.2	-	-	-	-	-	-
Healthcare real estate Finland	-	-	-	-	-	-	-	-
Offices	**4.6**	**5.7**	**5,373**	**14,589**	**25,724**	**5,114**	**13,332**	**22,669**
Property of distribution networks	**12.5**	**12.8**	**60**	**95**	**4,791**	**83**	**87**	**4,692**
Pubstone Belgium	14.8	14.8	-	-	-	-	-	-
Pubstone Netherlands	14.8	14.8	-	-	-	-	-	-
Cofinimur I France	3.7	5.2	60	95	4,791	83	87	4,692
TOTAL PORTFOLIO	12.1	12.6	18,966	18,389	37,025	17,807	16,812	34,137

(x 1,000 EUR)	Lease figures according to their revision date (break)					
	Passing rents of the leases subject to revision in			ERV[1] of the leases subject to revision in		
	Year 1	Year 2	Years 3-5	Year 1	Year 2	Years 3-5
Healthcare real estate	**15,353**	**3,899**	**7,283**	**17,054**	**3,584**	**7,418**
Healthcare real estate Belgium	-	15	13	-	8	8
Healthcare real estate France	14,989	1,992	5,941	16,745	1,910	6,133
Healthcare real estate Netherlands	357	1,834	1,328	303	1,609	1,277
Healthcare real estate Germany	6	57	-	6	57	-
Healthcare real estate Spain	-	-	-	-	-	-
Healthcare real estate Finland	-	-	-	-	-	-
Offices	**9,384**	**22,789**	**27,309**	**8,757**	**20,145**	**25,343**
Property of distribution networks	**400**	**95**	**6,016**	**410**	**87**	**5,847**
Pubstone Belgium	-	-	-	-	-	-
Pubstone Netherlands	-	-	-	-	-	-
Cofinimur I France	400	95	6,016	410	87	5,847
TOTAL PORTFOLIO	25,137	26,783	40,607	26,222	23,816	38,608

1. ERV = Estimated Rental Value.
2. First break option for the tenant..

EPRA COST RATIOS

(x 1,000 EUR)		2020	2019
(i)	Administrative/operational expenses per income statement	-53,283	-52,663
	Cost of rent-free periods	-5,460	-4,483
	Charges and taxes not recovered from the tenant on let properties	-3,221	-6,392
	Net redecoration expenses	243	-1,001
	Technical costs	-6,051	-5,939
	Commercial costs	-2,344	-1,808
	Taxes and charges on unlet properties	-2,765	-3,579
	Corporate management costs	-33,684	-29,460
(v)	Share of joint venture expenses	-17	-37
	EPRA COST RATIO (DIRECT VACANCY COSTS INCLUDED) (A)	-53,300	-52,699
(ix)	Direct vacancy costs	5,987	9,971
	EPRA COSTS (DIRECT VACANCY COSTS EXCLUDED) (B)	-47,313	-42,729
(x)	Gross rental income less ground rent costs	256,981	237,084
(xii)	Share of joint venture gross rental income	295	713
	Gross rental income (C)	257,276	237,797
	EPRA cost ratio (direct vacancy costs included) (A/C)	20.7%	22.2%
	EPRA cost ratio (direct vacancy costs excluded) (B/C)	18.4%	18.0%
	Overhead and operational expenses capitalised (including share of joint ventures)	1,190	1,380

Cofinimmo capitalises the overhead costs and operational expenses (legal fees, project management fees, capitalised interests, etc.) directly linked to development projects.

Nursing and care home (project) –
Genappe (BE)

Development projects

In the course of 2020, Cofinimmo carried out multiple redevelopment projects. For more information on ongoing and future works, see page 35 of chapter 'Healthcare real estate'.

Medical office building De Waterlinie – Uithoorn (NL)

EPRA CAPEX

(x 1,000 EUR)
Acquisitions
Development
External costs capitalised
Overhead and other expenses capitalised
Investment properties
Major projects already (partially) income-generating
No incremental lettable space
Overhead and other expenses capitalised
Total CapEx
Conversion from accual to cash basis
Total CapEx on cash basis

(x 1,000 EUR)
Acquisitions
Development
External costs capitalised
Overhead and other expenses capitalised
Investment properties
Major projects already (partially) income-generating
No incremental lettable space
Overhead and other expenses capitalised
Total CapEx
Conversion from accrual to cash basis
Total CapEx on cash basis

31.12.2020												
Group (excl. Joint Ventures)	Healthcare real estate						Offices	Property of distribution networks			Joint Ventures (proportionate share)	Total group
	BE	FR	NL	DE	ES	FI		BE	NL	FR		
607,723	233,280	26,130	49,428	99,351	47,855	10,546	141,132	0	0	0		607,723
31,458	19	0	5,872	0	19,507	1,471	4,590	0	0	0		31,458
31,095	0	0	5,850	0	19,507	1,471	4,267	0	0	0		31,095
364	19	0	22	0	0	0	323	0	0	0		364
27,132	1,581	11	10,401	6,974	9	0	4,240	3,071	844	0		27,132
22,547	1,417	0	10,145	6,713	0	0	3,778	494	0	0		22,547
3,758	132	11	257	260	9	0	121	2,124	844	0		3,758
827	32	0	0	0	0	0	341	454	0	0		827
666,313	234,880	26,141	65,701	106,325	67,371	12,017	149,962	3,071	844	0	0	666,313
8,820	83	-10	4,125	228	-3,545	-1,471	8,277	1,061	72	0		8,820
675,133	234,963	26,131	69,825	106,553	63,826	10,546	158,240	4,132	917	0	0	675,133

31.12.2019												
Group (excl. Joint Ventures)	Healthcare real estate						Offices	Property of distribution networks			Joint Ventures (proportionate share)	Total group
	BE	FR	NL	DE	ES	FI		BE	NL	FR		
484,594	300,649	0	62,614	92,050	7,011	0	22,018	252	0	0		484,594
34,652	277	1,078	9,391	0	4,194	0	19,711	0	0	0		34,652
34,166	244	1,078	9,391	0	4,194	0	19,259	0	0	0		34,166
485	34	0	0	0	0	0	451	0	0	0		485
15,990	1,118	1	4,009	4,492	0	0	1,877	3,698	726	69		15,990
10,838	952	0	3,900	4,193	0	0	1,475	318	0	0		10,838
4,257	109	1	109	299	0	0	92	2,852	726	69		4,257
895	57	0	0	0	0	0	310	527	0	0		895
535,236	302,044	1,080	76,015	96,542	11,205	0	43,606	3,950	726	69	0	535,236
-8,617	1,800	1,460	-5,195	-313	-287	0	-6,160	233	-154	0		-8,617
526,619	303,844	2,540	70,820	96,229	10,919	0	37,445	4,183	571	69	0	526,619

Belgium (BE) - France (FR) - The Netherlands (NL) - Germany (DE) - Spain (ES) - Finland (FI).

Corporate governance statement[1]

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

Reference code and corporate governance charter

This corporate governance statement is included in the provisions of the 2020 Belgian Corporate Governance Code ('2020 Code'). This Code is available on the website www.corporategovernancecommittee.be.

On 31.12.2020, the board of directors has stated that, to its knowledge, its corporate governance practice is compliant with the 2020 Code. However, it is recalled that the ordinary general meeting of 13.05.2020 renewed the mandate of Mr Xavier de Walque as independent director in accordance with article 7:87 §1 of the Code of Companies and Associations (CCA). The board of directors considered it appropriate to depart from one of the independence criteria provided for in provision 3.5 of the 2020 Code, since the term of office of Mr Xavier de Walque, which exceeds 12 years, in no way impedes his independence. In fact, Mr Xavier de Walque does not have any relationship with the company nor with any of its major shareholders which could jeopardise his independence. Moreover, Mr Xavier de Walque has always demonstrated during the exercise of his mandate that he has a free, independent, and critical mind while putting the company's sake at the centre of his concerns. The corporate governance charter, which provides thorough information on the governance rules applicable within the company, is available on Cofinimmo's website (www.cofinimmo.com). It was adapted in 2020 to take into account the entry into force on 01.01.2020 of the CCA and the 2020 Code, the ordinary general meeting of 13.05.2020, the extraordinary general meeting of 25.08.2020 and the appointment of a new internal auditor.

As a reminder, on 15.01.2020, the extraordinary general meeting of Cofinimmo approved statutory amendments following the entry into force on 01.01.2020 of the Belgian CCA, which replaces the Company Code. In particular, Cofinimmo has opted for a one-tier governance structure, as provided for in articles 7:85 et seq. of the CCA. Following the abolition of the management committee (within the meaning of article 524bis of the Company Code), the board of directors has delegated certain special powers to an executive committee, consisting of members who may or may not be directors. The members of this executive committee are currently the same as those of the former management committee. In addition, the board of directors has entrusted the day-to-day management of the company to each of the members of this executive committee, acting together, and whose creation and existence is provided for in article 13 of the new articles of association.

Arts/Kunst 27 office building – Brussels CBD (BE)

1. This chapter forms an integral part of the statutory and consolidated management report.

Internal control and risk management

Cofinimmo has implemented a risk management and internal control process in accordance with the rules of corporate governance and the various laws applicable to public regulated real estate companies.

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

The ERM model consists of the following components:
- internal environment;
- identification of objectives and risk appetite;
- identification, analysis and risk management;
- control activities;
- information and internal communication;
- surveillance and monitoring.

INTERNAL ENVIRONMENT

The concept of internal environment includes the vision, integrity, ethical values, personal skills and the way in which the executive committee assigns authority and responsibilities and organises and trains its staff, all under the control of the board of directors.

The business culture of the company incorporates risk management at various levels based on:
- corporate governance rules and the existence of an audit committee, a nomination, remuneration and corporate governance committee consisting entirely of independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code, an internal auditor, a risk manager, a management controller and a compliance officer;
- the integration within the executive committee of the notion of risk for any investment, transaction and commitment which may have a significant impact on the company's objectives;
- the existence of a code of conduct dealing with conflicts of interest, professional secrecy, rules governing the purchase and disposal of shares, prevention of corporate funds misuse, acceptance of business gifts, communication, respect for individuals and a whistleblowing procedure, that are part of the corporate governance charter;
- respect of the task separation principles and the application of rules regarding the delegation of powers clearly established at all levels of the group;
- the application of strict criteria for human resources management, particularly with respect to selection, staff recruitment rules, training policy, performance review process and identification of annual targets;
- the existence of an ESG policy addressing the vision and obligations in terms of sustainability as meant by the United Nations sustainable development goals;
- the monitoring of procedures and the formalisation of processes;
- monitoring the integrity of data and information systems: the executive committee deals with strategic issues on cybersecurity, which are themselves controlled by the audit committee. The company reinforced its controls over information systems and the measures implemented to prevent and meet the occurrence of a cybersecurity incident that could disrupt its business. A post-disaster recovery plan defines the measures to be implemented in the event of a crisis. There are gradations in the implementation of these measures depending on the type and gravity of the incident that has occurred. This recovery plan also contains the order in which services must be restored, according to their priority, in order to allow the company to operate in a degraded mode, in other words, a mode of operation without its usual resources, in order to react quickly, provide essential services, and resume its normal business operations as quickly as possible. Backup copies of data are organised according to the 3-2-1 strategy, i.e. three copies of the same file on two different media, one of which is an off-site backup. Measures are also being taken to secure access to the company data, particularly that relating to the IT tool supporting the financial process (SAP). In addition, this tool is subject to an annual audit by the external auditor. In terms of risk coverage, the company is insured for the consequences of a cybersecurity incident. Finally, in addition to the regular training sessions, awareness campaigns on cybersecurity risks are regularly carried out among staff members. To date, the company is not aware of any incident that occurred during the financial year which resulted in a breach of the integrity of its information systems, whether in the form of a loss or leakage of data.

External players are also involved in this risk control environment. They include, in particular, the Financial Services and Markets Authority (FSMA), company auditors, legal consultants, independent real estate valuers, financial institutions, rating agencies, financial analysts and shareholders.

IDENTIFICATION OF OBJECTIVES AND RISK APPETITE

Cofinimmo's strategy is defined by the board of directors on the basis of a proposal from the executive committee, including the risks and opportunities associated with climate change. The strategy is then translated into operational, compliance, and reporting objectives which apply to all of the company's operating levels, from the most global level to their implementation in the functional units.

A budget, which translates the company's objectives into figures, is established annually and reviewed every quarter. It includes forecast revenue items such as rents for the year as well as costs linked to the management and development of the property portfolio and financial costs linked to the business financing structure. The budget is validated by the executive committee, and then submitted to the board of directors for approval.

IDENTIFICATION, ANALYSIS AND MANAGEMENT OF RISKS

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

An overall in-depth risk analysis of the company is carried out periodically in collaboration with all the hierarchic levels of the company, each for its respective area of competence. The analysis is carried out on the basis of the strategic choices, legal constraints and the environment within which the company operates, including risks related to sustainability, such as the impact of climate change on the company's activities. It starts with the identification of potential risks, their probability of occurrence and their impact on objectives viewed from different angles: risks relating to Cofinimmo's activities and its business segments, risks relating to Cofinimmo's financial situation, legal and regulatory risks, risks relating to internal control, environmental, social and governance risks. The analysis is then formalised in a document which is presented and discussed at an executive committee meeting. It is updated throughout the year according to the evolution of business activities and new commitments, taking into account the lessons from the past. Moreover, as part of the major risks analysis, this document is presented once a year to the audit committee, which will use it, among other things, to decide on the audit assignments entrusted to the internal auditor.

Furthermore, each major project undergoes a specific risk analysis based on an organised framework to improve the quality of information used in the decision-making process. This framework includes transition risks associated with climate change such as energy performance projects, as well as physical risks associated with climate change such as flood risk.

CONTROL ACTIVITIES

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

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

INFORMATION AND INTERNAL COMMUNICATION

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

- the management report, established quarterly by the Control department, details the situation of the income statement and the balance sheet, the key performance indicators, the acquisitions/sales situation, and their impact on the results. It also includes an inventory of assets, project progress, and cash-flow positions. It is discussed by the executive committee, the audit committee, and the board of directors;
- each department also periodically prepares specific reports about its own activities;
- the executive committee meets weekly to systematically review important issues dealing with the company's operations and business, and to discuss in more detail property investments and divestments, construction, and rental matters. A report is created for each meeting with, if necessary, an action plan for the implementation of the decisions taken at the meeting.

SURVEILLANCE AND MONITORING

A closing is prepared each quarter using the same procedures as for the end of the financial year. On this occasion, consolidated accounts are established. Key indicators are calculated and analysed. This data is collected in the management report referred to in the point above. All this data is discussed and analysed by the executive committee, the audit committee, and the board of directors.

Each department also collects relevant information at its own level which is analysed quarterly and compared to the objectives set for the year. The executive committee regularly invites heads of departments to present an update on the evolution of their specific business activities.

Additionally, the assignments of the internal auditor cover various procedures. The results of the audits are submitted to the audit committee, which ensures the implementation of the recommendations, and to the board of directors.

Shareholding structure

The table below shows the Cofinimmo shareholders who own more than 5% of the capital. The transparency notifications and the control chains are available on the website. At the closing date of this document, Cofinimmo has not received any transparency notification presenting a situation subsequent to that of 06.07.2020. According to the Euronext definition, the free float is 100%.

This table presents the situation based on the transparency notifications received under the law of 02.05.2007. Any changes notified since 31.12.2020 have been published according to the provisions of the above-mentioned law and are available on the company's website www.cofinimmo.com.

The board of directors declares that the shareholders listed do not have different voting rights.

Company	%
BlackRock	5.20
Cofinimmo group[1]	0.16
Others < 5%	94.64
TOTAL	100.00

1. Voting rights attached to the treasury shares are suspended.

Governance structure

BOARD OF DIRECTORS
- Decides the company's strategic directions
- Actively oversees the quality of management and its compliance with the strategy
- Examines the quality of the information given to investors and the public
- Incorporates the risks and opportunities associated with climate change into the global strategy
- Provides the company's entrepreneurial leadership

COMPLIANCE OFFICER
- Ensures compliance with the code of conduct: conflicts of interest, incompatible mandates, compliance with company values, market abuse and manipulations
- Ensures compliance with all the legal and regulatory provisions in force

AUDIT COMMITTEE
- Assists the board of directors with respect to the independence of the auditor and regarding:
  - the process of preparing financial and non-financial information
  - the effectiveness of the company's internal control and risk management mechanisms
  - the internal audit and its effectiveness
  - the legal audit of the annual and consolidated accounts

EXECUTIVE COMMITTEE
- Handles the company's day-to day management, under the chairmanship of the CEO
- Proposes the company's strategy to the board of directors
- Executes the strategy approved by the board of directors
- Monitors the risks and opportunities associated with climate change

NOMINATION, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE
- Advises and assists the board of directors for all questions relating to:
  - the composition of the board of directors, its committees and the executive committee
  - the selection, evaluation and appointment of the members of the board of directors and the executive committee
  - the remuneration policy for the members of the board of directors and the executive committee
  - corporate governance

INTERNAL AUDITOR
- Carries out all verification tasks based on the audit committee's directives
- Reviews the reliability, consistency, and integrity of information and operational procedures
- Reviews the systems implemented to ensure that the organisation complies with the rules, plans, procedures, laws and regulations which may have a significant impact on its operations

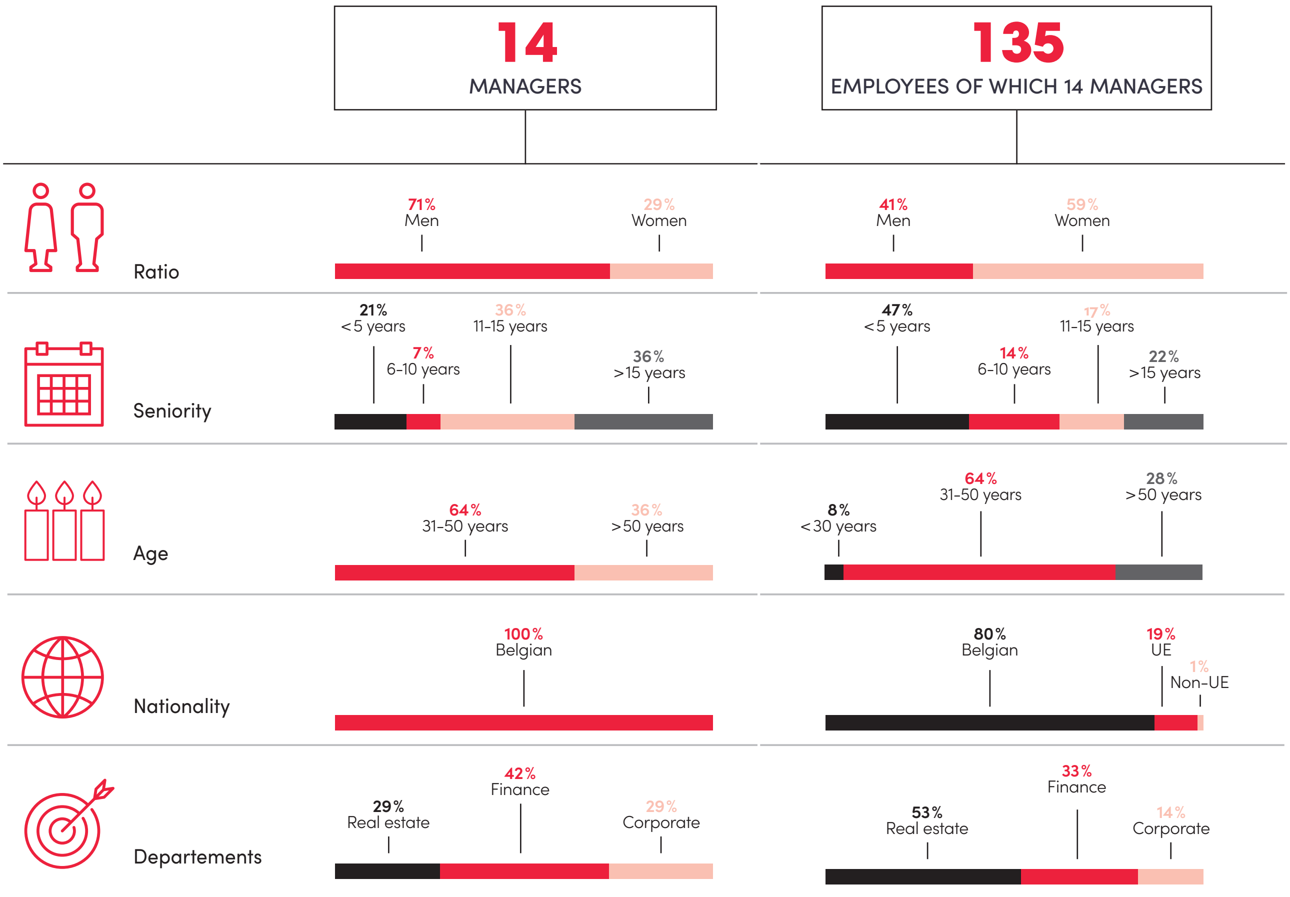
HEAD OF ESG
- Evaluates and manages the risks and opportunities associated with climate change by:
  - suggesting specific and economically reasonable measures to improve the environmental performance of the company, its portfolio and, by extension, the spaces occupied by its tenants
  - ensuring that the group complies with legal, national, and international environmental requirements
  - following, in collaboration with the operational teams, the implementation in the field of the group's environmental strategy in all business segments
  - promoting dialogue with all stakeholders in order to determine where efforts must be made and to develop long-term partnerships which will increase the positive impact of the actions implemented

Our commitment is to continue to measure progress in the field of equity. Our aim is not to promote employees on the basis of gender or age, but to recruit the best talent.

It is important that employees understand that departments stand to gain from greater diversity.

Our ultimate goal is nothing less than equity.

	Independent members/total	Ratio		Age		Internationalisation rate	Background			Average term of office
		Men	Women	31-50 year	>50 year		Financial	Real estate	Industry	
Board of Directors	9/12 (75%)	58%	42%	8%	92%	25%	42%	25%	33%	5 years
Executive Committee	-	60%	40%	60%	40%	-	20%	40%	40%	4 years
Audit Committee	3/3 (100%)	67%	33%	-	100%	33%	100%	-	-	6 years
Nomination, remuneration and corporate governance committee	4/4 (100%)	75%	25%	-	100%	50%	-	50%	50%	4 years



Diversity policy

RESPECT FOR DIFFERENCES AND CULTURAL DIVERSITY

Cofinimmo is convinced by the appeal of diversity (cultural, generational, linguistic, gender, etc.) for both the company and the community, and promotes equal opportunities, which is a fundamental value of democracies.

In 2010, Cofinimmo was one of the first five companies to be awarded the diversity label, granted by the Minister of Employment of the Brussels-Capital Region where Cofinimmo has its head office. This label rewards initiatives in the field of recruitment, staff management and external positioning of the company. The details of the recruitment and selection principles are detailed in chapter 'Human capital' of the ESG report (see page 113).

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

DIVERSITY IN THE BOARD OF DIRECTORS AND ITS COMMITTEES

Diversity in the board of directors is not only demonstrated by the high proportion of women, but also by the presence of three different nationalities and a variety of backgrounds. This selection within the board of directors and its committees enables the company to broaden its knowledge of the different countries and market segments in which it operates. Furthermore, the significant presence of women at Cofinimmo has been confirmed by several studies on gender diversity in the governance bodies of Belgian companies. By way of example, the study carried out on gender diversity in corporate governance bodies by the organisation European Women On Board indicates that Cofinimmo ranks 52nd among 668 companies and 2nd among Belgian companies in its 'Gender Diversity Index'.

DIVERSITY WITHIN MANAGEMENT

For many years, the majority of the group's employees have been female and many of them have a management role. In total, 29 % of managers are women. All the female managers perform this role in several teams of the Finance and Corporate departments.

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

DIVERSITY AMONG EMPLOYEES

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

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

Recruitment

In 2020, Cofinimmo recruited 25 new colleagues of which 6 were outside Belgium. Among them, four people are older than 50 and four people are younger than 25 years. The company's outlook on talent aims to be diverse and open to all types of profiles. The company's performance in terms of sensitive ratios (age, origin, etc.) continues to be a focus for the human resources department.

Staff management

On arrival, each new employee is presented with the corporate governance charter which is an integral part of the welcome pack and ensures that he/she expresses his/her adherence to it before joining Cofinimmo.

Communication

Today, the company's external communication regarding its commitment to diversity occurs mainly through documents such as the universal registration document and the website.

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

DECISION-MAKING BODIES

Since 15.01.2020, Cofinimmo has opted for a one-tier governance structure, as provided for in articles 7:85 et seq. of the CCA. Moreover, the board of directors has delegated certain special powers to a statutory executive committee, consisting of members who may or may not be directors, each of whose members, acting jointly with another committee member, is responsible for the day-to-day management of the company.

Board of directors

CURRENT COMPOSITION

According to the general principles governing the composition of the board of directors, as adopted on a proposal by the nomination, remuneration, and corporate governance committee, the board currently comprises 12 directors, including eight non executive and independent as meant by article 7:87 §1 of the CCA and the 2020 Code, one non executive and independant as meant by article 7:87 §1 of the CCA and 3 executive directors (members of the executive committee). At the end of the ordinary general meeting of 12.05.2021, the board of directors will be composed of 11 directors following the non-renewal of the term of office of Mrs Cécile Scalais.

Directors are appointed for a maximum term of four years by the general meeting and may be dismissed in the same way at any time, effective immediately and without cause. They are re-electable.

Eight independent directors comply with the independence criteria as set out in article 7:87 §1 of the CCA and the 2020 Code. Mr Xavier de Walque is an independent director as meant by article 7:87 §1 of the CCA and the 2020 Code. His mandate has been renewed at the ordinary general meeting of 13.05.2020. The board of directors considered appropriate to depart from one of the independence criteria provided for in provision 3.5 of the 2020 Code, since the term of office of Mr Xavier de Walque, which exceeds 12 years, in no way impedes his independence. In fact, Mr Xavier de Walque does not have any relationship with the company nor with a major shareholder of the latter that could jeopardise his independence. Moreover, Mr Xavier de Walque has always demonstrated during the exercise of his mandate that he has a free, independent and critical mind while putting the company's sake at the centre of his concerns. The operating rules of the board of directors are stated in the corporate governance charter.

The objective to achieve a ratio of at least one third of the members of the board whose gender is different from that of the other members, in accordance with article 7:86 of the CCA with regard to gender diversity on the board of directors, has been met since 2016. In fact, the board of directors consists of five women and seven men, i.e. a mix ratio of 42%, above of the one third set by law. Cofinimmo also sponsors the activities of the non-profit association Women on Board, which aims at promoting the presence of women on boards of directors. Mrs Françoise Roels, director and member of the executive committee, is one of the founding members of this non-profit organisation and has been its chair since May 2016. In this respect, Cofinimmo is among the bests in class at European and global level (see section 'Diversity on the board of directors and its committees').

Mr Jacques Van Rijckevorsel

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, chairman of the board of directors and chairman of the nomination, remuneration, and corporate governance committee

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1950
- **Start of term:** 10.05.2017
- **Last renewal:** -/-
- **End of term:** 12.05.2021
- **Current position:** chairman of the board of directors of Cliniques Universitaires Saint-Luc (UCL) (Avenue Hippocrate/Hippocrateslaan 10, 1200 Brussels)
- **Current mandates:** Cliniques Universitaires Saint-Luc, Fondation Saint-Luc, Duve Institute, N-Side, Fondation Médicale Reine Elisabeth, Comité de Gestion des Amis de l'Abbaye de la Cambre, Fondation Louvain, Louvain School of Management, Consultative Committee of ING Brussels, Capricorn Sustainable Chemistry Fund, Guberna
- **Previous mandates:** Solvay and several subsidiaries, CEFIC, Plastics Europe, Belgian-Luxembourg Chamber of Commerce for Russia and Belarus, Synergia Medical

Mr Jean-Pierre Hanin

Managing director

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1966
- **Start of term:** 09.05.2018
- **Last renewal:** -/-
- **End of term:** 11.05.2022
- **Current position:** Chief Executive Officer of Cofinimmo SA/NV (Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels)
- **Current mandates:** various mandates in Cofinimmo group subsidiaries, United Fund for Belgium
- **Previous mandates:** Etex group

Mr Jean Kotarakos

Executive director

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1973
- **Start of term:** 09.05.2018
- **Last renewal:** -/-

- **End of term:** 11.05.2022
- **Current position:** Chief Financial Officer of Cofinimmo SA/NV (Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels)
- **Current mandates:** various mandates in Cofinimmo group subsidiaries
- **Previous mandates:** Aedifica and various mandates in Aedifica group subsidiaries

Mrs Françoise Roels

Executive director

- **Gender:** F
- **Nationality:** Belgian
- **Year of birth:** 1961
- **Start of term:** 27.04.2007
- **Last renewal:** 10.05.2017
- **End of term:** 12.05.2021
- **Current position:** Chief Corporate Affairs & Secretary General of Cofinimmo SA/NV (Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels)
- **Current mandates:** several mandates in Cofinimmo group subsidiaries, Guberna, Women on Board ASBL/VZW, Aspria Holdings BV, PMH SA/NV, Domicilia NV, Les Petits Riens ASBL/Spullenhulp VZW
- **Previous mandates:** Euroclear Pension Fund

Mrs Inès Archer-Toper

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, member of the audit committee

- **Gender:** F
- **Nationality:** French
- **Year of birth:** 1957
- **Start of term:** 08.05.2013
- **Last renewal:** 10.05.2017
- **End of term:** 12.05.2021
- **Current position:** Company director
- **Current mandates:** Aina Investment Fund (Luxembourg - an entity of Edmond de Rothschild group), Gecina SA (France), Lapillus OPCI (France), Nimanimmo SAS (France)
- **Previous mandates:** Segro PLC SA (United Kingdom), Axcior Immo and Axcior Corporate Finance SA (France), Orox Asset Management SA (Switzerland)

Mr Olivier Chapelle

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, member of the nomination, remuneration and corporate governance committee

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1964
- **Start of term:** 11.05.2016
- **Last renewal:** 13.05.2020
- **End of term:** 08.05.2024
- **Current position:** Chief Executive Officer (CEO) of Recticel SA/NV (Avenue du Bourget/Bourgetlaan 42, 1130 Brussels)
- **Current mandates:** Fédération des Entreprises Belges/Verbond van Belgische Ondernemingen (FEB/VBO), Calyos SA/NV, Sofindev
- **Previous mandates:** Guberna, Amcham, essenscia

Mr Xavier De Walque

Independent director as meant by article 7:87 §1 of the CCA, member of the audit committee

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1965
- **Start of term:** 24.04.2009
- **Last renewal:** 13.05.2020
- **End of term:** 08.05.2024
- **Current position:** member of the executive committee and Chief Financial Officer of Cobepa SA/NV (Rue de la Chancellerie/Kanselarijstraat 2/1, 1000 Brussels)
- **Current mandates:** several mandates in Cobepa group subsidiaries (Cobepa North America, Cosylva, Financière Cronos, Ibel, Mascagna, Mosane, Sophielux 1, Sophinvest, Ulran), JF Hillebrand AG, AG Insurance, Degroof Equity, DSDC
- **Previous mandates:** Cobepa Nederland, Guimard Finance, Cobib, Cobic, Cobsos, Groupement Financier Liégeois, Kanelium Invest, SGG Holdings, Sapec, Sophielux 2, Sofireal (now Cobid), BrunchCo 21 (19.05.2020 until 10.07.2020), Puccini Partners, Lunch Time

Mr Maurice Gauchot

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, member of the nomination, remuneration and corporate governance committee

- **Gender:** M
- **Nationality:** French
- **Year of birth:** 1952
- **Start of term:** 11.05.2016
- **Last renewal:** 13.05.2020
- **End of term:** 08.05.2024
- **Current position:** Company director (Avenue Pierre I[er] de Serbie 16, 75116 Paris, France)
- **Current mandates:** Stone Estate (Zurich), Codic SA/NV, La Foncière Numérique, Interconstruction SCI Foncière CRF
- **Previous mandates:** CBRE Holding France

Mr Benoit Graulich

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, presiding member of the audit committee

- **Gender:** M
- **Nationality:** Belgian
- **Year of birth:** 1965
- **Start of term:** cooptation on 25.04.2019, appointment on 05.05.2019
- **Last renewal:** -/-
- **End of term:** 10.05.2023
- **Current position:** Managing Partner of Bencis Capital Partners, Belgium, Netherlands, Germany (Culliganlaan 2E, 1831 Diegem)
- **Current mandates:** Lotus Bakeries NV, Bencis Capital Partners and its subsidiaries
- **Previous mandates:** Van de Velde NV

Mrs Diana Monissen

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, member of the nomination, remuneration and corporate governance committee

- **Gender:** F
- **Nationality:** Dutch
- **Year of birth:** 1955
- **Start of term:** 11.05.2016
- **Last renewal:** 13.05.2020
- **End of term:** 08.05.2024
- **Current position:** Chief Executive Officer (CEO) of Prinses Maxima Centrum voor Kinderoncologie (Lundlaan 6, 3584 EA Utrecht, the Netherlands)
- **Current mandates:** Vz RvT Reinier de Graaf Groep, Vz RvC Regionale Ontwikkelingsmaatschappij Utrecht, Vz RvT Hivos
- **Previous mandates:** MC Slotervaart

Mrs Cécile Scalais

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code

- **Gender:** F
- **Nationality:** Belgian
- **Year of birth:** 1955
- **Start of term:** 10.05.2017
- **Last renewal:** -/-
- **End of term:** 12.05.2021
- **Current position:** Legal director of Belfius Insurance SA/NV (Place Charles Rogierplein 11, 1210 Brussels)
- **Current mandates:** Capline SA/NV (formerly Auxiliary of Participation SA/NV), Jane SA/NV, Jaimy Co SA/NV, and several mandates in real estate companies
- **Previous mandates:** Eurco Ireland Ltd, AIS Consulting SA/NV, International Wealth Insurer SA/NV, North Light SA/NV, Pole Star SA/NV and several mandates in real estate companies

Mrs Kathleen Van Den Eynde

Independent director as meant by article 7:87 §1 of the CCA and the 2020 Code

- **Gender:** F
- **Nationality:** Belgian
- **Year of birth:** 1962
- **Start of term:** 13.05.2015
- **Last renewal:** 08.05.2019
- **End of term:** 10.05.2023
- **Current position:** Chief Executive Officer Belgium and Chief Life, Health & Investment Management of Allianz Benelux (Boulevard du Roi Albert II/ Koning Albert II-laan 32, 1000 Brussels)
- **Current mandates:** Allianz Benelux SA/NV, Allianz Life Luxembourg SA, Allianz Nederland Groep NV, SCOB SA, Climmolux Holding SA/NV, Sofiholding SA/NV
- **Previous mandates:** Assurcard, Allianz Nederland Asset Management BV, Allianz Nederland Group NV, UP36 SA/NV

DIRECTOR RENEWALS AND APPOINTMENTS

The ordinary general meeting of 13.05.2020 approved the renewal of the term of office of Mr Olivier Chapelle, Mr Xavier de Walque, Mr Maurice Gauchot and Mrs Diana Monissen as independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code. Their term of office will expire on 08.05.2024.

Subject to approval by the FSMA and by the general shareholders meeting of 12.05.2021, the board of directors will propose the renewal of the term of office of Mr Jacques van Rijckevorsel and Mrs Inès Archer-Toper as independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code, and the renewal of the term of office of Mrs Françoise Roels as executive director. In case of approval by the general meeting, the board of directors has decided that Mr Jacques van Rijckevorsel will remain chairman of the board of directors and chairman of the nomination, remuneration, and corporate governance committee, Mrs Inès Archer-Toper will remain member of the audit committee and Mrs Françoise Roels will remain Chief Corporate Affairs Officer & Secretary General. Their term of office will expire at the general shareholders meeting of 2025.

The term of office of Mrs Cécile Scalais, representing the shareholder Belfius Insurance, will expire at the end of the ordinary general meeting of 12.05.2021. In accordance with the governance rules, only one shareholder with a stake of 3 % or more can nominate a candidate for a seat on the board of directors. However, Belfius Insurance did not wish to maintain that threshold. The board of directors acknowledged this decision and will not propose the renewal of Mrs Cécile Scalais' term of office at the ordinary general meeting of 12.05.2021. The board extended warm thanks to Mrs. Cécile Scalais for her contribution to the board's discussions over the past four years. The number of board members is therefore temporarily reduced to 11.

BOARD OF DIRECTORS' ACTIVITY REPORT

In 2020, the board of directors met nine times. Each member of the board of directors receives before each meeting the documents enabling him/her to study the proposals made by the executive committee on which he/she will have to take a decision. When voting, decisions are passed by a simple majority of votes. In the event of equality of votes, the chairman's vote is decisive.

In addition to recurrent subjects, the board of directors also took decisions on various matters in 2020, more specifically in the following fields:

Strategy:

- monitoring of Cofinimmo's strategy and development, including the ESG (environmental, social and governance) strategy.

Real estate:

- analysis and approval of investment, divestment, and (re)development projects, among which the acquisition of healthcare real estate assets in Finland;
- acquisition of a portfolio of healthcare real estate assets in development in Germany and exclusive partnership with a project management office;
- stakes in real estate companies in Belgium, France, Spain, the Netherlands and Germany, and in particular partnerships in Belgium with the Aldea group and in France with the French Red Cross;
- analysis of the impact of COVID-19 on the company's activities;
- a capital increase through contribution in kind of the shares of real estate companies within the framework of the authorised capital;
- approval of the proposed merger of Bolivar Properties in the context of an operation similar to a merger by absorption.

Financial:

- monitoring of the company's financing, and in particular the issue of a public sustainable bond;
- proposal to renew the mandate of the statutory auditor, Deloitte CVBA, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Mr Rik Neckebroeck;
- a capital increase through contribution in kind of an optional dividend within the framework of the authorised capital.

Internal control:

- internal control plans and reports of the compliance officer, the risk manager and the internal auditor;
- annual report and core document of the actual management of internal control.

Governance:

- monitoring of the well-being and safety of employees during the COVID-19 health crisis;
- amendment of the internal regulations of the board of directors as part of a review of the corporate governance charter;
- in-depth reflection on the governance model to adopt;
- amendments to the articles of association and to the corporate goverance charter following the entry into force of the CCA and the 2020 Code;
- evaluation of the executive committee, setting its objectives, and the fixed and variable remuneration;
- reduction of the fixed monthly remuneration of the executive committee members and of the non-executive directors' attendance fees by 15 % from April 2020 to the end of 2020, non-payment of the non-executive directors' attendance fees for the board of directors meetings dedicated to the management of the health crisis related to COVID-19;
- self-assessment of the board of directors and its committees.

Composition of the board:

- proposal to the ordinary general meeting of 13.05.2020 to renew the term of office of Mr Olivier Chapelle, Mr Maurice Gauchot and Mrs Diana Monissen as independent director as meant by article 7:87 §1 of the CCA and the 2020 Code, and of Mr Xavier de Walque, as independent director as meant by article 7:87 §1 of the CCA;
- proposal to the ordinary general meeting of 12.05.2021 to renew the term of office of Mr Jacques van Rijckevorsel and Mrs Inès Archer-Toper as independent director as meant by article 7:87 §1 of the CCA and the 2020 Code.

Staff:

- internal organisation of the company;
- results of the employee engagement survey.

Audit committee

CURRENT COMPOSITION

The audit committee consists of three directors. They are Mr Benoit Graulich (chairman), Mrs Inès Archer-Toper as independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code, and Mr Xavier de Walque as independent director as meant by article 7:87 §1 of the CCA.

The chairman of the board of directors and the members of the executive committee are not members of the audit committee. They are invited to attend the meetings, but are not entitled to vote.

The chairman of the audit committee is appointed by the members of the committee. The members of the audit committee have a collective expertise in the company's field of activities. At least one member has accounting and auditing expertise.

The current composition of the audit committee and the tasks it has been assigned, meet the requirements of the law of 17.12.2008 relating to the creation of an audit committee in listed and financial companies and by the law of 07.12.2016 on the organisation of the profession and the public supervision of auditors. The audit committee's procedural rules are detailed in the corporate governance charter.

AUDIT COMMITTEE ACTIVITY REPORT

The audit committee met on five occasions during 2020.

It addressed matters that fall within the framework of its mission, which is to guarantee the accuracy and truthfulness of the reporting of Cofinimmo's annual, half-yearly and quarterly accounts, the quality of internal and external control, and of the information provided to the shareholders.

The audit committee also addressed the following topics:

- renewal of the mandate of the statutory auditor, Deloitte CVBA, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Mr. Rik Neckebroeck;
- presidency of the audit committee;
- new organisation of internal audit and appointment of Mr Christophe Pleeck to replace Ms Sophie Wattiaux;
- review of the recommendations made by the auditor concerning internal control and IT procedures;
- review of the list of recommendations made by the internal auditor;
- review of the major risks;
- review of the list of incidents;
- review of the internal valuation of assets;
- review of the achievement of the objectives of the executive committee members;
- review of the annual report and core document of the actual management of internal control;
- review of new legislation;
- amendment of the procedural rules of the audit committee as provided for in the corporate governance charter;
- its own assessment.

Nomination, remuneration and corporate governance committee

CURRENT COMPOSITION

The nomination, remuneration and corporate governance committee (NRC) consists of four independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code. They are Mr Jacques van Rijckevorsel (chairman), Mr Olivier Chapelle, Mr Maurice Gauchot and Mrs Diana Monissen. The members of the executive committee are not members of the NRC.

The current composition of the NRC and the tasks it has been assigned fulfil the conditions of article 7:100 of the CCA. The NRC's procedural rules are stated in the corporate governance charter.

NOMINATION, REMUNERATION, AND CORPORATE GOVERNANCE COMMITTEE ACTIVITY REPORT

In 2020, the Committee convened five times.

The main topics covered were as follows:

- renewal of the term of office of two non-executive and independent directors as meant by article 7:87 §1 of the CCA and the 2020 Code, Mr Jacques van Rijckevorsel and Ms Inès Archer-Toper;
- renewal of the term of office of one executive director, Mrs Françoise Roels;
- launch of an evaluation and self-assessment of the two non-executive directors whose term of office expires at the ordinary general meeting of 12.05.2021 and who are candidates for the renewal of their mandate;
- evaluation of the executive committee members and their remuneration as well as the criteria for granting variable remuneration;
- preparation of the 2021 objectives of the executive committee members;
- preparation of a remuneration policy in line with the new CCA and the 2020 Code;
- amendments to the management contracts of the executive committee members pursuant to the remuneration policy;
- preparation of a remuneration report;
- review of the new legislation;
- reflexion on the composition of the board of direcors;
- its own assessment.

Executive committee

CURRENT COMPOSITION

Note that on 15.01.2020, the extraordinary general meeting of Cofinimmo approved statutory amendments following the entry into force on 01.01.2020 of the CCA, which replaces the Company Code. In particular, Cofinimmo has opted for a one-tier governance structure, as provided for in articles 7:85 et seq. of the CCA. The board of directors has delegated certain special powers to an executive committee, consisting of members who may or may not be directors, and entrusted the day-to-day management of the company to each of the members of this executive committee, whose creation and existence is provided for in article 13 of the Articles of Association.

The executive committee consists of five members. In addition to its chairman, Mr Jean-Pierre Hanin (Chief Executive Officer), it includes the following other members: Mr Jean Kotarakos (Chief Financial Officer), Mrs Françoise Roels (Chief Corporate Affairs & Secretary General), Mr Sébastien Berden (Chief Operating Officer Healthcare), and Mrs Yeliz Bicici (Chief Operating Officer Offices & Real Estate Development).

Each member of the executive committee has a specific area of responsibility. The committee meets weekly. In accordance with article 14 of the law of 12.05.2014 on regulated real estate companies, the members of the executive committee are directors as meant by this article and are also responsible for the day-to-day management of the company.

The executive committee's procedural rules are stated in the corporate governance charter.

Courthouse – Antwerp (BE)

Jean-Pierre Hanin

Chief Executive Officer

Jean-Pierre Hanin joined Cofinimmo in February 2018 and holds several offices in subsidiaries of Cofinimmo group. He has a Law degree from the KUL (Catholic University of Leuven). He also holds a Master's degree in Tax Management from the Solvay Business School and a LL.M from Georgetown University. He started his career as a business attorney. He then joined various international groups where he took up financial and management positions, among which Chief Financial Officer and Chief Executive Officer of Lhoist group, global leader in lime and dolomite. More recently, he was Chief Financial Officer then manager of the 'Building Performance' division of the construction materials group Etex. His functions led him to operate in various regions all over the world for over 20 years, and to carry out both consolidation and development activities.

Jean Kotarakos

Chief Financial Officer

Jean Kotarakos joined Cofinimmo in June 2018 as CFO. He holds a degree in Commercial Engineering from the Solvay Brussels School of Economics and Management (ULB), where he has been teaching in the Executive Programme in Real Estate since 2010. He also holds several offices in subsidiaries of the Cofinimmo group. Jean Kotarakos supervises the Accounting, Communication & IR, Control, IT, Mergers and Acquisitions, and Treasury & Project Finance departments. He has held numerous financial positions during his career in various companies. After working for approximately ten years for KPMG and D'Ieteren, he joined Aedifica, where he was Chief Financial Officer from 2007 to May 2018.

Françoise Roels

Chief Corporate Affairs and Secretary General

Françoise Roels joined Cofinimmo in August 2004. She is a Law graduate (RUG 1984), candidate in Philosophy (RUG 1984) and holds a Master's degree in Taxation (École Supérieure des Sciences Fiscales 1986). She is in charge of the company's general secretariat and the compliance and risk management functions. She is also responsible for matters involving shareholders and relations with the Belgian financial supervisory authorities. Besides, she supervises the company's ESG, Taxation, Governance, Information management, Legal and Human Ressources departments. She also holds several offices in subsidiaries of the Cofinimmo group. Before joining Cofinimmo, Françoise Roels worked for the Loyens law firm, for Euroclear/JP Morgan and for the Belgacom group. She was responsible for tax affairs and corporate governance.

Sébastien Berden

Chief Operating Officer Healthcare

Sébastien Berden joined Cofinimmo in 2004, first as Investor Relations Officer, then as Development Manager Healthcare, and Head of Healthcare, a position he held from 2011 to 2018. Since July 2018, he is Chief Operating Officer Healthcare and supervises the Healthcare department. He holds several offices in subsidiaries of the Cofinimmo group. He is also a director in Aldea Group SA/NV and SCI Foncière CRF. He holds a Master's degree in Applied Economics from the University of Antwerp. He also followed a post-graduate training in financial analysis and completed a Leadership Development Programme at Harvard Business School. Moreover, he holds a post-graduate degree in Hospital and Care Management from the UCL. He started his career in 1998 at KPMG successively as financial auditor and Corporate Finance Consultant.

Yeliz Bicici

Chief Operating Officer Offices & Real Estate Development

Yeliz Bicici joined Cofinimmo in 2008, first as Property Manager, then Area Manager and finally Development Manager, before becoming Head of Development in 2014. Since July 2018, she has been Chief Operating Officer Offices & Real Estate Development. She supervises the Development, Project Management, Offices and Distribution networks departments and also holds several offices in subsidiaries of the Cofinimmo group. She holds a double Master's degree in Real Estate (Antwerp Management School 2012 and KUL 2009) and completed a post-graduate training in energy engineering (UGent) and financial analysis. Before joining Cofinimmo, she worked for Robelco from 2001 to 2008 and for Uniway until 2001.

Healthcare centre – Alphen aan den Rijn (NL)

Evaluation of the performance of the board of directors and its committees

Under the direction of its chairman, the board of directors conducts regular evaluations, at least every two or three years, of its size, composition and performance and of those of its committees as well as its interaction with the executive committee. The four objectives of this analysis are to:

- appraise the functioning of the board of directors or the committee concerned;
- verify that important matters are being prepared and discussed adequately;
- evaluate the actual contribution of each director by their presence at the board of directors and committees meetings, and their constructive involvement in the discussions and decision-making process;
- validate the current composition of the board of directors or the committees.

When a director's term of office is up for renewal, the board proceeds with an evaluation of the director under the guidance and with the contribution of the NRC.

In 2020, the board of directors decided to launch an evaluation of the two directors whose renewal of term of office will be proposed to the general meeting of 12.05.2021, namely, Mrs Inès Archer-Toper and Mr Jacques van Rijckevorsel. In fact, at the end of each term of office, the board of directors, with the assistance of an external consultant, launches an evaluation and a self-assessment of the director standing for the renewal of his/her mandate. The board evaluates his/her attendance at the board or committees meetings, his/her commitment and constructive involvement in the discussions and decision-making process. On this occasion, the NRC also reviews the board members' skills/experience grid and ensures that the board's composition continues to be appropriate. The NRC then makes recommendations regarding the renewal of terms of office that are about to expire to the board of directors which decides to submit them to the general meeting.

In 2020, the evaluation of the board and its committees was carried out as part of an internal process established by the chairman of the board, the secretary general and the NRC. The evaluation was carried out around the following topics: the functioning of the board of directors, its information, culture, tasks, the relationship with the executive committee and the relationship with the committees and the chairman of the board of directors. The results of this evaluation highlighted the topics to build on as well as those to be improved.

The non-executive directors carry out annual assessment of their interaction with the executive committee. The evaluation is put on the agenda of a restricted board of directors meeting from which the members of the executive committee are absent.

Management

The executive committee is assisted by a team of departmental head and other managers. Each person reports directly to one departmental head or one of the members of the executive committee and assumes specific managerial responsibility.

RULES AND PROCEDURES

Prevention of conflict of interest

With regard to the prevention of conflicts of interest, the company is subject to the provisions of the CCA (articles 7:96 and 7:97) and to the specific provisions of the RREC regulations regarding integrity policy and concerning certain transactions referred to in article 37 of the RREC act.

The directors and the members of the executive committee have at duty to avoid any act which would be, or appear to be in conflict with the interests of the company and its shareholders. They immediately inform the chairman of the board of directors or the chairman of the executive committee of any such possible conflict of interest.

Directors and members of the executive committee undertake not to solicit and to refuse any remuneration, in cash or in kind, or any personal benefit offered because of their professional ties with the company. This includes, but is not limited to, consulting fees, sales, rental, investment and success fees, etc. In addition, they do not use business opportunities intended for the company for their own benefit.

The rules regarding the prevention of conflicts of interest are described more extensively in the corporate governance charter.

During the 2020 financial year, one decision resulted in the application of article 7:96 of the CCA. During the session of 13.02.2020, the board of directors deliberated on the following topics relating to the members of the executive committee: achievement of the 2019 objectives, the variable remuneration for 2019, the fixed remuneration for 2020, the modification of the Long-term Incentive Plan (LTI), and the ownership of shares.

EXTRACT OF THE MINUTES OF THE BOARD OF DIRECTORS MEETING OF 13.02.2020

"In application of article 7:96 of the CCA, the executive directors, Messrs Hanin, Kotarakos and Mrs Roels announce that they have an interest of a proprietary nature that is contrary to that of the company, of which the auditor has been informed, and leave the meeting together with Mr Berden and Mrs Bicici.

Achievement of the 2019 objectives

*The chairman reports to the board members on the NRC deliberations of 12.02.2020 and the pre-board consultations of 13.02.2020. After a broad overview, the board sets the overall percentage of achievement of the KPIs relating to the STI at 110%, and the KPIs relating to the LTI at 100%. The percentage of the variable STI remuneration applied to the fixed annual remuneration is therefore 44% (110% * 40%) for all members of the executive committee.*

*In order to align all members of the executive committee, the board of directors decides to modify the remuneration policy and therefore, starting from the calculation of the long-term variable remuneration for the 2019 financial year, the long-term variable LTI remuneration of the members of the executive committee who are not directors is allocated for an amount of up to 40% of the annual fixed remuneration instead of 20%. The percentage of the LTI variable remuneration applied to the annual fixed remuneration is therefore 40% (100% * 40%) for all members of the executive committee.*

The detailed percentages of the 2019 STI and LTI achievements are set out in appendix 5.

The board meeting to be held in March will decide on the part of their respective STI variable remuneration that will be converted into individual pension promises.

Note that the amount of the variable remuneration allocated within the framework of the LTI, after deduction of the withholding tax on professional income, must be allocated to the acquisition of Cofinimmo shares which the members of the executive committee undertake to enter in the register of registered shares and to hold for a period of at least 3 years.

Fixed remuneration 2020

On recommendation of the NRC, the board decides to increase the annual fixed remunerations as follows:

- *Jean-Pierre Hanin: + 40,000 EUR (i.e. 540,000 EUR)*
- *Yeliz Bicici: + 50,000 EUR (i.e. 275,000 EUR)*
- *Sébastien Berden: + 50,000 EUR (i.e. 275,000 EUR)*

On recommendation of the NRC, the board decides to increase the company's annual contribution to the savings and pension plan as follows:

- *Yeliz Bicici: + 22,000 EUR (i.e. 62,000 EUR)*
- *Sébastien Berden: + 22,000 EUR (i.e. 62,000 EUR)*

Modification of the LTI

On recommendation of the NRC, the board decides to modify the remuneration policy regarding the long-term variable remuneration of the members of the executive committee by allocating, as of the 2020 financial year, an amount ranging from 0% to 60% (instead of 0% to 40% currently) of the annual fixed remuneration with a target of 40%.

The achievement of the KPIs will be assessed by the board of directors in a multiannual perspective.

If this achievement is at least 80%, the members of the executive committee will have the possibility to acquire the shares of the LTI plan at a unit price corresponding to the last known closing stock exchange price either with a discount of 15% or multiplied by a factor of 100/120th, in accordance with comment 36/16 of the income tax code, if acceptable from a regulatory point of view.

This modification of the LTI plan will be mentioned in the remuneration policy to be submitted to the OGM for approval. This possibility to acquire Cofinimmo shares may also apply to the bonus of certain members of staff as defined by the executive committee.

Share ownership by members of the executive committee

On recommendation of the NRC, the board decides that each member of the executive committee shall hold and register in the company's share register a number of shares equivalent to at least 50% of their gross annual fixed remuneration. Each member of the executive committee will have 5 years to reach this threshold. The exact formulation and terms of this obligation will be set out in the 'remuneration policy' document which will be submitted to the general meeting for approval."

Share ownership by non-executive directors

It should be noted that regarding share ownership by non-executive directors, the board decided at its meeting of 13.02.2020 that each non-executive director must purchase and register in the company's share register a number of shares equivalent to at least 20 % of his/her annual remuneration after deduction of withholding tax. These shares must be held by the non-executive director until the date of the first anniversary of the end of his last term of office.

In line with the provisions of the 2020 corporate governance code and the CCA, the board of directors has submitted the remuneration policy covering the non-executive directors and the members of the executive committee to the general meeting of 13.05.2020, who approved it.

During the 2020 financial year, no decision nor operation resulted in the application of article 7:97 of the CCA.

In addition, article 37 of the law of 14.05.2014 on regulated real estate companies provides for special provisions when one of the persons referred to in that article acts as counterparty in a transaction with the RREC or one of the companies within its scope. During the year 2020, the decision of the board of directors to increase the capital through contribution in kind as part of the distribution of an optional dividend has been subject to a disclosure in application of that article. Similarly, the conclusion of agreements enabling the company to acquire the remaining shares of Cofinea I held by Amundi Immobilier Novation Santé has been subject to a notification in application of that article.

Code of conduct

The code of conduct explicitly stipulates that the members of the governing bodies and the personnel must refrain from using third parties, and refuse any remuneration, in cash or in kind, or any personal advantages offered by reason of their professional association with the company.

Whistleblowing policy

A whistleblowing procedure was implemented to report irregularities covering situations in which an employee of the company, and generally, any person working on behalf of the company, reports a concern about an irregularity he/she has observed, which affects or could potentially affect third parties including clients, suppliers, other members of the company, the company itself (its assets, income, or reputation), its subsidiaries or the public interest.

Acquisition and sale of Cofinimmo shares (insider trading)

In accordance with the principles and values of the company, a dealing code containing the rules which must be followed by directors and the designated persons wishing to trade the financial instruments issued is provided for in the corporate governance charter. This dealing code specifically prohibits the purchase and sale of Cofinimmo shares during the period running from the day after each quarter's closing date up to (and including) the publication of the annual, half-yearly or quarterly results. The rules of the dealing code have been aligned with regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16.04.2014 on market abuse, the fair presentation of investment recommendations and the reporting of conflicts of interest.

Judicial and arbitration procedures

The executive committee declares that there are no government interventions, legal proceedings or arbitration procedures that could have a significant impact, or may have had such an impact in the recent past, on the financial position or profitability. In addition, to the knowledge of the executive committee, there are no situations or facts which could give rise to such government interventions, legam proceedings, or arbitration procedures.

Compliance officer and risk management

Mrs Françoise Roels, Chief corporate affairs and secretary general, is the compliance officer. Her duties involve ensuring that the code of conduct as well as, more generally, all prevailing laws and regulations are complied with. She is also the company's risk manager within the executive committee and is responsible for identifying and managing events potentially affecting the organisation.

Internal audit

Until November 2020, Mrs Sophie Wattiaux was responsible for internal audit. This function has since been provided by Mr Christophe Pleeck. His duties involve examining and assessing the smooth running, effectiveness, and relevance of the internal control system.

Research and development

With the exception of the innovation present in the construction and major renovation projects mentioned in the chapter 'Transactions and achievements in 2020', no research and development activities were carried out during the 2020 financial year.

Power of representation

Article 17 of the articles of association stipulates that, except where specially delegated by the board of directors, the company shall be validly represented in all acts, including those involving a public official or a ministerial officer, as well as in legal proceedings, both in claiming and in defending, either by two directors acting jointly, or, within the limits of the powers conferred to the executive committee, by two members of the aforementioned committee acting jointly, or, within the limits of the day-to-day management, by two delegates to such management acting jointly.

The company is also validly represented by special representatives of the company within the limits of the mandate conferred to them for this purpose by the board of directors or the executive committee or, within the limits of the day-to-day management, by two delegates for such management acting jointly. The following persons may, therefore, represent and validly commit the company for all acts and all obligations with regard to all third parties or authorities, public or private, by the joint signature of two of them:

- Mr Jean-Pierre Hanin, managing director, chairman of the executive committee;
- Mr Jean Kotarakos, executive director, member of the executive committee;
- Mrs Françoise Roels, executive director, member of the executive committee;
- Mr Sébastien Berden, member of the executive committee;
- Mrs Yeliz Bicici, member of the executive committee.

The board of directors has delegated certain special powers to the executive committee by virtue of a notarial deed of 15.01.2020, published in the Belgian Official Gazette (Moniteur Belge/Belgisch Staatsblad) of 11.02.2020 and the executive committee has delegated certain specific powers by virtue of a notarial deed of 15.01.2020, published in the Belgian Official Gazette (Moniteur Belge/Belgisch Staatsblad) of 11.02.2020, for certain types of deeds such as leases and endorsements, works, loans, borrowings, credits, securities and hedging operations, information and communication technologies, human resources, legal affairs, tax management, money transfer operations, and insurance operations.

Cofinimmo's articles of association

Extracts from the articles of association are published on pages 346 to 354 of this document. The company's articles of association were updated on 15.01.2020, 09.06.2020, 10.06.2020 and on 25.08.2020.

INFORMATION REQUIRED UNDER ARTICLE 34 OF THE ROYAL DECREE OF 14.11.2007

— In accordance with article 34 of the royal decree of 14.11.2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market, the company discloses and, where appropriate, explains the factors likely to have an impact in the event of a takeover bid

Capital structure

At this document's cut-off date, the capital of the company is set at 1.529,928,939.83 EUR and is divided into 28,549,520 fully paid-up shares, each representing an equal share.

On 15.09.2016, the company issued a bond convertible into ordinary shares with a maturity date of 15.06.2021. The issue concerns 1,502,196 convertible bonds with a nominal value of 146.00 EUR, i.e. a total amount of 219,320,616.00 EUR. The convertible bonds give their holders the possibility to receive Cofinimmo shares at a ratio of one share per bond. However, at the time of conversion, the company will have the choice to deliver new and/or existing shares, to pay a cash amount, or a combination of both. Above a certain threshold, the exchange parity will be partially adjusted according to the level of the dividend and in accordance with the usual anti-dilution provisions for this type of issue. The conversion period is open at any time from 26.10.2016 until 06.09.2021.

A bondholder may exercise his conversion right in respect of a convertible bond by submitting a conversion notification in accordance with the procedure set out in the securities note issued for this purpose. This note is available on the company's website www.cofinimmo.com.

There are currently 1,502,196 outstanding bonds convertible into shares and issued on 15.09.2016. If all of the outstanding bonds were to be converted, a maximum of 1,643,933 shares with the same number of voting rights would be created.

Legal, statutory limits to the transfer of securities

The transfer of company shares is not subject to any specific legal or statutory limits. In accordance with principle 7 of the 2020 Code and the remuneration policy, non-executive directors must invest 20 % of their net annual remuneration in company shares. These shares are held for at least one year after the non-executive director has left the board, and for at least three years after their allocation. Members of the executive committee must allocate their entire net long-term variable remuneration to the acquisition of company shares, which they undertake to hold for a minimum period of three years. In accordance with principle 7 of the 2020 Code and the remuneration policy, the CEO and the other members of the executive committee must hold a certain number of company shares throughout their term of office.

All of the company shares are listed on the regulated market of Euronext Brussels.

Special control rights of shareholders

The company does not have any shareholders benefiting from special control rights.

Control mechanism provided for in case of an employee shareholding system where the control rights are not exercised by the latter

No employee shareholding system has been put in place.

Legal or statutory limits to voting rights

In accordance with articles 7:217 and 7:221 of the CCA, the voting rights of the treasury shares of the company and its subsidiary are suspended. As at 31.12.2020, the company held 45,084 treasury shares.

Agreements between shareholders, known by the company, which could limit the transfer of shares and/or voting rights

To the company's knowledge, there are no agreements between shareholders that could limit the transfer of shares and/or the exercise of voting rights.

Rules for the nomination and replacement of members of the board of directors and for any modification in the articles of association

In accordance with article 10 of the articles of association, the members of the board of directors are appointed for four years by the general meeting and are always revocable by it. The directors are re-eligible. The term of office of the director who is not re-elected ends immediately after the general meeting which decides on the re-election.

In the event of one or more terms being vacant, the remaining directors of the board shall have the power to provisionally fill the vacancy until the next general meeting which will proceed with the final election.

Regarding the amendment of the company's articles of association, there is no regulation other than that determined by the CCA and the RREC act.

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Powers of the board of directors regarding the issuance or repurchase of shares

On 25.08.2020, the extraordinary general meeting granted the board of directors a new authorisation for a period of five years from the date of publication of the minutes of this meeting in the appendices to the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad).

The board of directors is therefore authorised to increase the capital on one or more occasions by a maximum amount of:

1. 725,000,000 EUR, i.e. 50% of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for capital increases through contributions in cash, providing for the possibility for the company's shareholders to exercise their preferential right or irreducible allocation right;
2. 290,000,000 EUR, i.e. 20% of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for capital increases in the context of the distribution of an optional dividend;
3. 145,000,000 EUR, i.e. 10% of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for:
   a) capital increases through contributions in kind,
   b) capital increases through contributions in cash without the possibility for the company's shareholders to exercise their preferential right or irreducible allocation right, or
   c) any other form of capital increase,

it being understood that the capital, within the framework of this authorisation, may under no circumstances be increased by an amount exceeding 1,160,000,000 EUR, being the cumulative amount of the various authorisations with regard to authorised capital.

On this document's cut-off date, the board of directors has not yet made use of this authorisation.

The board of directors is specifically authorised, for a period of five years from the publication of the minutes of the extraordinary general meeting of 15.01.2020, to acquire, pledge, and alienate (even off-market) the company's treasury shares for the account of Cofinimmo, at a unit price which cannot be inferior to 85% of the closing market price of the day preceding the transaction date (acquisition, sale, and pledge) and which cannot be superior to 115% of the closing market price of the day preceding the date of the transaction (acquisition, pledge), without Cofinimmo being able at any time to hold more than 10% of the total number of shares issued. At 31.12.2020, and on this document's cut-off date, Cofinimmo held 45,084 treasury shares.

Important agreements, to which the issuer is a stakeholder and which take effect, are modified or terminated in the event of a change of control following a takeover bid

It is customary to include a so-called 'Change-of-Control' clause in financing contracts that allows the lender to demand repayment of the loan in the event of a change of control of the company. The history of the important agreements, in which the issuer is a stakeholder and which take effect, are modified or terminated in the event of a change of control following a takeover bid prior to 2020 is available in the 2019 annual financial report and that of previous years, section 'Corporate governance statement', 'Change in control'. These documents are available on the company's website www.cofinimmo.com.

The following credit agreements concluded in 2020 contain such a change-of-control clause:

- credit agreement dated 06.01.2020 between the company and SMBC,
- credit agreement dated 23.03.2020 between the company and ABN AMRO,
- credit agreement dated 01.04.2020 between the company and BELFIUS,
- credit agreement dated 23.04.2020 between the company and ING,
- credit agreement dated 09.06.2020 between the company and KBC,
- credit agreement dated 01.07.2020 between the company and BNP,
- credit agreement dated 01.07.2020 between the company and ABN AMRO,
- credit agreement dated 02.10.2020 between the company and BELFIUS,
- agreement dated 02.12.2020 relating to the issuance of a benchmark-sized sustainable bond,
- credit agreement dated 18.12.2020 between the company and BECM.

The change-of-control clauses included in the agreements concluded until 23.04.2020 have been approved by the ordinary general meeting of 13.05.2020, the other change-of-control clauses will be submitted to the approval of the general meeting of 12.05.2021.

Agreements between the issuer and the members of the board of directors which provide for indemnities if the members of the board of directors resign or have to leave office without good reason or if the employment of staff terminates due to a takeover bid

The contractual terms of the directors who are members of the executive committee are described on page 194 of this document.

REMUNERATION POLICY

Introduction

In accordance with provision 7.3 of the 2020 Code, the remuneration policy was approved by the ordinary general meeting of 13.05.2020 with the following proportions of votes: 9,195,749 'in favour', i.e. 88.11 % of the votes cast, 977,064 'against', i.e. 9.36 % of the vos cast, and 264,363 'abstentions'. The approved remuneration policy is applicable as from 01.01.2020 and applies in principle until the end of the financial year ending in 2024. It will be submitted to the general meeting for approval, by separate vote, on each important modification and, in any event, at least once every four years. The applicable remuneration policy is available on the company's website as part of the documentation made available to shareholders in the context of the ordinary general meeting of 13.05.2021.

Remuneration policy for non-executive directors

PROCEDURE

Any decision relating to the remuneration of non-executive directors falls within the competence of the general meeting. The remuneration of the company's non-executive directors is determined by the general meeting on the proposal of the board of directors, which receives recommendations from the NRC. At least every other year, the NRC carries out a benchmarking exercise with the remuneration of non-executive directors of other Belgian listed companies of similar importance. The objective is to ensure that the remuneration always remains adequate and in line with market practices, taking into account the size of the company, its financial situation, its position within the Belgian economic environment, and the level of responsibilities assumed by the directors. Any proposed modification in the remuneration of the non-executive directors as a result of this benchmarking exercise is subject to the decision of the general meeting.

POLICY

This policy reflects the decisions adopted by the ordinary general meeting of 28.04.2006 on the proposal of the board of directors and the NRC. It has been supplemented in 2016 by measures to 1) compensate foreign non-executive directors attending physical meetings for the additional time they devote to their mandate compared to that devoted by a director residing in Belgium and 2) to compel non-executive directors to hold company shares.

In accordance with the decision of the general meeting of 28.04.2006, the remuneration consists of a fixed annual remuneration, supplemented by attendance fees for the meetings of the board of directors and advisory committees they attend as members or president:

- on the one hand, a basic remuneration of 20,000 EUR for membership of the board of directors, 6,250 EUR for membership of a committee and 12,500 EUR for chairing a committee;
- on the other hand, directors' attendance fees of 2,500 EUR per session for attending meetings of the board of directors, and 700 EUR per session for attending the meetings of committees.

Non-executive directors residing abroad receive a lump sum of 1,000 EUR for travel to attend a board or committee, as a compensation for the additional time they devote to their mandate compared to that devoted by a director residing in Belgium.

The remuneration of the chairman of the board is set at 100,000 EUR per annum for all his responsibilities, whether at the board of directors or the committee level.

Non-executive directors do not receive performance-related variable remuneration, stock options, saving and provident scheme nor benefits in kind. During its meetings of 13.02.2020 and 19.03.2020, and in order to comply with the 2020 Code, the board of directors decided that each non-executive director must , each year, acquire and have registered in the company's share register, a number of nominative shares equivalent to at least 20 % of his/her annual remuneration after deduction of the withholding tax. These shares must be held until at least one year after the non-executive director leaves the board, and at least three years after they have been allocated. Dividends allocated during the period of unavailability (in respect of the financial year starting on January 1st of the year of the general meeting following entry in the register) will be paid out at the same time as those of the other shareholders. To facilitate the practical implementation of this rule, the number of shares to be acquired for each director will be fixed at the beginning of each year and will take into account the average share price of the previous year. Directors may anticipate this obligation by acquiring a sufficient number of shares covering the remaining period of their term of office.

Directors who represent an institutional shareholder will not be subject to this rule of obligation to reinvest in Cofinimmo shares insofar as they cede their remuneration back to the shareholder they represent.

CONTRACTUAL RELATIONSHIP

There are no business contracts between the company and the non-executive directors, who exercise their mandate under the status of independent director. In accordance with the company's articles of association, their mandate may be revoked by the general meeting at any time, with immediate effect and without reason.

Remuneration policy for the members of the executive committee

PROCEDURE

The remuneration of the members of the executive committee is determined by the board of directors based on the recommendations of the NRC, which annually analyses the remuneration policy applicable to the members of the executive committee, and which verifies whether an adjustment is necessary to attract, retain and motivate them, within reasonable limits given the stakes and the size of the company. It is indeed essential to align Cofinimmo's remuneration policy with these ambitions.

This remuneration is analysed both overall and in terms of the distribution of its various components, and of the conditions under which it is obtained. This analysis is accompanied by a benchmarking exercise with the remuneration policy applicable to the members of the executive committee of other listed and unlisted real estate companies, as well as other non-real estate companies of similar size and scope. The findings and conclusions of the benchmarking exercise are, if applicable, mentioned in the remuneration report of the annual report.

The NRC also ensures that the target-setting process determining the level of variable remuneration remains in line with the ambitious strategy and risk appetite of the company. It submits the result of its analysis and any reasoned recommendations to the board of directors for decision.

The remuneration thus allocated to the members of the executive committee includes all their duties within the Cofinimmo group.

POLICY

In order to ensure the collegiality of the members of the executive committee with regard to the company's strategy, the composition (but not the level) of the remuneration of the members of the executive committee is identical for all its members.

The objectives defined for the determination of the variable remuneration of the members of the executive committee also serve as a general framework for determining the objectives of the employees.

Since 2018, the remuneration package for the members of the executive committee consists of the following elements[1]:

1. Fixed remuneration

The amount of the fixed remuneration of the members of the executive committee is determined according to their individual duties and skills. There is therefore no alignment between the fixed remuneration of the members of the executive committee. It arises from management agreements and is allocated independently of any performance criteria. It is not indexed. For the members of the executive committee who are also members of the board of directors, it covers their services as members of the board of directors and their attendance at the various committee meetings. The fixed remuneration is borne by Cofinimmo and Cofinimmo Investment Services. The fixed annual remuneration borne by Cofinimmo is payable monthly per twelfths and after deduction of withholding tax. The remuneration born by Cofinimmo Investment Services is paid once a year.

2. Variable remuneration

The variable remuneration criteria for the members of the executive committee correspond to high-quality performance which meets expectations in terms of results, professionalism and motivation, and are determined by the board of directors when annual and multiannual budgets are set. They consist of a combination of individual and collective financial and qualitative qualifying objectives to which a weighting is assigned. The criteria set by the board of directors prioritise objectives which have a positive impact on the company both in the short term (STI) and the long term (LTI) and which are in line with the strategy of the company.

The board sets a maximum percentage of variable remuneration that can only be awarded for performance that exceeds the achievement of the objectives. This percentage is 60 % of the annual fixed remuneration.

For both the short-term and long-term variable remuneration, the degree of achievement of the KPIs is audited using accounting and financial data that is analysed by the audit committee. The NRC makes a quantified calculation of what the variable remuneration could be, depending on the degree of achievement of the objectives. This estimation serves as an indication for the final calculation of the variable remuneration. In fact, it will also take into account the specific situation of the company and the market in general.

When determining long-term variable remuneration, the achievement of the objectives is assessed from a multiannual perspective.

The NRC then prepares a proposal for the variable remuneration which is submitted to the board of directors, which in turn assesses the achievements of the executive committee and determines the amount of the variable remuneration to be granted.

In any event, there is no allocation of variable remuneration if the budget is not achieved by at least 80 %.

The allocation of the variable remuneration is in line with the requirements of article 7:91 of the CCA.

Should the variable remuneration have been granted or paid based on inaccurate financial information, the company may defer payment of all or part of the variable remuneration concerned, depending on the amounts unduly granted.

The short-term variable remuneration (STI) is intended to reward the collective and individual contribution of the members of the executive committee. Its amount is determined on the basis of the actual achievement of short-term financial, qualitative and non-financial objectives, set and assessed annually by the board of directors based on a proposal from the NRC.

Financial objectives generally include occupancy rate, growth, EPS, operating margin and special projects. Non-financial criteria may vary from one year to the next depending on the priorities set at the time of budget preparation and typically cover areas that can be categorised as efficiency, leadership and initiative projects.

These objectives are set according to criteria weighted by importance and approved by the board of directors on a proposal from

1. It is reminded that the former remuneration plans in force before the reshuffle of the executive committee in 2018 are no longer applicable to the members of the current executive committee, but remain in force for Mrs Françoise Roels, member of this committee since 2006.

the NRC. Objectives are set at the same time as budget is established and take the latter into account to ensure that the objectives are aligned with the strategy of the company. The degree of achievement of the objectives is determined under the supervision of the audit committee.

The percentage of the short-term variable remuneration may vary from 0% to 60% with a target of 40% of the annual fixed remuneration.

The board of directors may decide to allocate the short-term variable remuneration in the form of an individual pension scheme.

The long-term variable remuneration (LTI) is intended to align the interests of the members of the executive committee with those of the shareholders and encourages the members of the executive committee to adopt a long-term approach.

For the long-term variable remuneration, criteria include in particular the evolution of the EPS and the dividend in a multiannual approach as well as ESG criteria and personal objectives to support this multiannual approach. For the first time and in parallel with the implementation of its investment strategy, Cofinimmo scaled up its ambitions in terms of corporate social responsibility (CSR) by launching, among other ESG measures, the project 30^3, aimed at reducing the energy intensity of its assets by 30% by 2030, to reach 130 kWh/m^2. This objective, which takes the 2017 level as reference, has been established in accordance with the science based targets methodology, which enabled Cofinimmo to objectivise the effort to be made in order to contribute to the global objective of limiting global warming to a maximum of 1.5°C, and is an active part of the Paris Agreement concluded at COP21. The inclusion of ESG objectives as criteria for variable remuneration follows on from the numerous ESG initiatives launched by Cofinimmo over the past ten years.

The LTI plan consists of the allocation of an amount ranging from 0% to 60% of the fixed remuneration for the members of the executive committee with a target of 40% of the fixed annual remuneration. It is mandatory that this amount, after deduction of the withholding tax, be allocated to the acquisition of Cofinimmo shares, which the members of the executive committee undertake to hold – in registered form – for a minimum period of three years.

The members of the executive committee have the possibility to acquire the shares under the LTI plan at a unit price corresponding to the last closing stock market price multiplied by a factor of 100/120th, i.e. with a reduction of 16.67%, in accordance with comment 36/16 of the Income Tax Code, provided that at least 80% of the objectives are globally achieved. This possibility will be available for any shares to be acquired in 2021 following the achievement of the objectives set in 2020.

During its meetings of 13.02.2020 and 19.03.2020, and in order to be in line with the 2020 Code, the board of directors decided that the CEO and the other members of the executive committee must each hold and have registered in the company's register of nominative shares at least 2,200 and 1,200 Cofinimmo shares respectively for the duration of their term of office[1]. This detention threshold must be reached by the end of 2024.

3. The savings and provident scheme

The saving and provident scheme aims to reduce as much as possible the gap between the resources available to the beneficiaries before retirement and those available to them afterwards. The supplementary pensions are financed exclusively from Cofinimmo's contributions. The members of the executive committee benefit from a 'defined contribution' group insurance policy taken out with an insurance company. In addition, the members of the executive committee have access to an 'Individual pension commitment insurance policy' intended exclusively to pay a life insurance or death benefit.

4. Other benefits

Cofinimmo incurs annual costs in terms of medical cover for the members of the executive committee. The company also puts a vehicle at the disposal of the members of the executive committee and reimburses them for all the professional expenses incurred in the course of their duties. The members of the executive committee also receive a laptop and a mobile phone.

CONTRACTUAL TERMS OF THE MEMBERS OF THE EXECUTIVE COMMITTEE

In order to entrust them with their day-to-day management mission, the company signed open-ended contracts with the members of the executive committee. The directors have an independent status and accomplish their duties in the absence of any form of subordination and with full autonomy and independence. However, they are guided in the performance of their duties by the guidelines and strategic decisions adopted by the board of directors and by complying with the rules governing the responsibilities and operation of the executive committee.

Since 2018 and as part of the reorganisation of the executive committee, a new form of contract has been negotiated and implemented for the members of the executive committee appointed since.

The business contracts concluded in 2018 are in line with the CCA. These stipulate that the contract may be terminated subject to compliance with a notice period of 12 months in the event of termination by the company, and of three months in the event of termination by the member, or against the payment of an equivalent indemnity calculated on the basis of the emoluments prevailing at the time of the termination. With regard to the contract concluded in 2007 for the member of the executive committee already appointed in 2004, it may be terminated subject to a notice period of 24 months in the event of termination by the company and of three months in the event of termination by the member of the executive committee, or against payment of an equivalent indemnity calculated on the basis of the emoluments prevailing at the time of the termination.[2]

Should the directors or the members of the executive committee be unable to carry out their duties for reasons of incapacity (illness or accident), Cofinimmo will continue to pay them the fixed portion of their emoluments for a period of two months dating from the first day of incapacity. Thereafter, they will receive an incapacity

1. Based on the average Cofinimmo share price for the year 2019.
2. Article 9 of the law of 06.04.2010 stipulates that this compensation is limited to 12 months or, as the case may be, 18 months. However, the nomination, remuneration and corporate governance committee recalls that these terms and conditions were set out in a management agreement concluded with Françoise Roels in 2007. In accordance with the same article, the approval of the general meeting is therefore not required on this point.

allowance (paid by an insurance company) equal to 70% of their total remuneration.

The contracts with the members of the executive committee include a non-competition clause for a period of 12 months after termination of the contracts. This clause will only be applied if the company chooses to activate it. In this hypothesis, compensation amounting to 12 months of the fixed emoluments will be paid.

The contracts concluded with the members of the executive committee also provide that, should the variable emoluments have been granted or paid based on inaccurate financial information, the company may defer payment of all or part of the variable emoluments concerned, depending on the amounts unduly granted.

Remuneration policy for the next four financial years

The board of directors does not have the intention to change important aspects of the 2020 remuneration policy during the next four financial years. The current remuneration policy is applicable from 01.01.2020, and in principle applies until the end of the financial year ending in 2024. The remuneration policy will, however, be submitted to the general meeting for approval, by separate vote, for each significant change and, in any event, at least once every four years.

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REMUNERATION REPORT

1. Introduction

This remuneration report complies with the provisions of the 2020 corporate governance code ('2020 Code') and of article 3:6 §3, point 2, of the CCA.

The remuneration report provides a complete overview of the remuneration, including all benefits in whatever form, granted or due during the 2020 financial year to each of the non-executive directors and members of the executive committee.

1. TOTAL REMUNERATION

1.1. Remuneration of non-executive directors

The non-executive directors were remunerated in accordance with the remuneration policy adopted by the ordinary general meeting of 13.05.2020.

At its meeting of 13.04.2020, the board of directors decided to reduce the attendance fees of non-executive directors by 15% from April 2020 until the end of 2020, as well as the non-payment of the attendance fees related to the two meetings of the board of directors that were dedicated to the management of the COVID-19 health crisis. The board of directors allocated these sums to various associations and initiatives related to the fight against the COVID-19 pandemic. A similar decision was taken regarding the remuneration of the members of the executive committee (see remuneration of the members of the executive committee).

Attendance board of non-executive directors in 2020

Name, Position	Board of directors	Nomination, remuneration and corporate governance committee	Audit committee
Jacques van Rijckevorsel Non-executive director – Chairman of the board of directors and the NRC	9/9	5/5	5/5
Benoit Graulich Non-executive director – Chairman of the audit committee	9/9		5/5
Cécile Scalais Non-executive director	9/9		
Diana Monissen Non-executive director - Member of the NRC	9/9	5/5	
Inès Archer-Toper Non-executive director – Member of the audit committee	9/9		5/5
Kathleen van den Eynde Non-executive director	8/9		
Maurice Gauchot Non-executive director – Member of the NRC	9/9	5/5	
Olivier Chapelle Non-executive director – Member of the NRC	9/9	5/5	
Xavier de Walque Non-executive director – Member of the audit committee	9/9		5/5

Number of shares held as at 31.12.2020

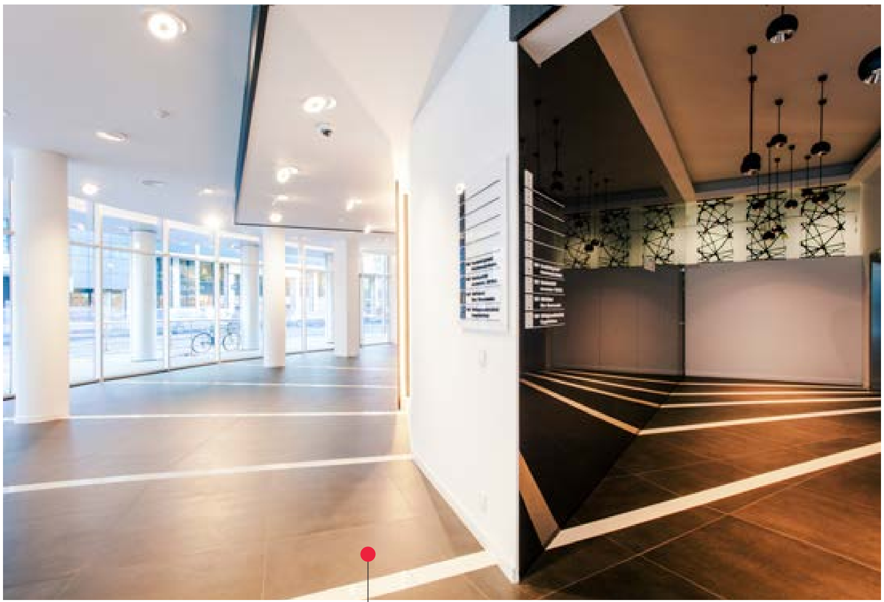
Name, Position	Number of shares as at 31.12.2020
Jacques van Rijckevorsel Non-executive director – Chairman of the board of directors and the NRC	1,000
Benoit Graulich Non-executive director – Chairman of the audit committee	965
Cécile Scalais Non-executive director	0*
Diana Monissen Non-executive director - Member of the NRC	257
Inès Archer-Toper Non-executive director – Member of the audit committee	205
Kathleen van den Eynde Non-executive director	0*
Maurice Gauchot Non-executive director – Member of the NRC	413
Olivier Chapelle Non-executive director – Member of the NRC	1,005
Xavier de Walque Non-executive director – Member of the audit committee	702

* In accordance with the remuneration policy, directors representing an institutional shareholder are not subject to the rule of the obligation to reinvest in Cofinimmo shares insofar as they cede their remuneration back to the shareholder they represent

Total remuneration

Name, Position	Director's fixed remuneration including -15 % COVID as from 01.04.2020* (in EUR)
Jacques van Rijckevorsel Non-executive director – Chairman of the board of directors and the NRC	88,750
Benoit Graulich Non-executive director – Chairman of the audit committee	45,544
Cécile Scalais Non-executive director	33,375
Diana Monissen Non-executive director - Member of the NRC	42,107
Inès Archer-Toper Non-executive director – Member of the audit committee	42,002
Kathleen van den Eynde Non-executive director	31,250
Maurice Gauchot Non-executive director – Member of the NRC	43,107
Olivier Chapelle Non-executive director – Member of the NRC	42,107
Xavier de Walque Non-executive director – Member of the audit committee	44,007

* In accordance with the remuneration policy, the remuneration of non-executive directors is exclusively fixed; they do not receive any variable remuneration, exceptional components, nor pension promises.



Loi/Wet 34 office building –
Brussels CBD (BE)

1.2. Remuneration of the members of the executive committee

The members of the executive committee were remunerated in accordance with the remuneration policy adopted by the ordinary general meeting of 13.05.2020.

At its meeting of 13.04.2020, on proposal of the executive committee, the board of directors decided to reduce the monthly fixed remuneration of the members of the executive committee from April 2020 until the end of 2020. The board of directors also allocated these sums to various associations and initiatives related to the fight against the COVID-19 pandemic.

For information purposes, the ratio between the CEO's total remuneration in 2020 and the lowest remuneration among employees, expressed on a full-time equivalent basis, is 14.

Attendance board of the members of the executive committee in 2020

Name, Position	Board of directors	Nomination, remuneration and corporate governance committee	Audit committee
Jean-Pierre Hanin Managing director – Chief Executive Officer	9/9	5/5*	5/5*
Françoise Roels Executive director – Chief Corporate Affairs & Secretary General	9/9	5/5*	5/5*
Jean Kotarakos Executive director – Chief Financial Officer	9/9		5/5*
Sébastien Berden Chief Operating Officer Healthcare	9/9*		
Yeliz Bicici Chief Operating Officer Offices & Real Estate Development	9/9*		

* The members of the executive committee attend the meetings as guests.

Total remuneration

Name, Position	1. Fixed remuneration			2. Variable remuneration	
	Conventional basic remuneration[1]	Director's remuneration	Additional benefits (company car, laptop, mobile phone and medical cover benefit equivalent)	Variable over 1 year - Short-term Incentive Plan[2]	Variable over several years - Long-term Incentive Plan
Jean-Pierre Hanin Managing director - Chief Executive Officer	540,000 EUR		20,164 EUR	295,840 EUR	267,840 EUR
Françoise Roels Executive director - Chief Corporate Affairs & Secretary General	300,000 EUR		19,338 EUR	164,400 EUR	148,800 EUR
Jean Kotarakos Executive director - Chief Financial Officer	332,300 EUR		22,445 EUR	182,100 EUR	164,820 EUR
Sébastien Berden Chief Operating Officer Healthcare	275,000 EUR		20,299 EUR	136,400 EUR	136,400 EUR
Yeliz Bicici Chief Operating Officer Offices & Real Estate Development	275,000 EUR		21,749 EUR	136,400 EUR	136,400 EUR

1. The 'Basic remuneration' column corresponds with the amount provided in the management contracts. During its meeting of 13.04.2020, the board of directors decided to reduce the basic remuneration of the members of the executive committee by 15 % from April 2020 until the end of the year 2020. The board of directors has allocated these amounts to various associations and initiatives related to the fight against the COVID-19 pandemic. This reduction is reflected in the 'Total remuneration' column.
2. It is recalled that in accordance with the remuneration policy, the board of directors may decide to allocate a short-term variable remuneration in the form of an individual pension commitment.
3. The 'Total remuneration' amount takes into account the reduction of the basic remuneration by 15 % between 01.04.2020 and 31.12.2020.

2020 performance

After analysis by the audit committee of the accounting and financial data used as a basis to assess to which extent the KPIs were achieved, the NRC assessed the achievement of the objectives of the members of the executive committee.

At its meeting of 25.02.2021 and following the recommendation of the NRC, the board of directors set the overall percentage of achievement of the KPIs relating to the STI at 137 %. The percentage was determined based on the degree of achievement of the KPIs and by applying a discretionary adjustment to take into account the exceptional context arising from the health crisis.

In the same meeting and on recommendation of the NRC, the board of directors set the percentage of achievement of the KPIs relating to the LTI at 124 %.

The board of directors has decided not to apply any difference in appreciation between the members of the executive committee to support the quality of their team work and collegiality.

The percentage of the short-term variable remuneration (STI) applied to the contractual fixed annual remuneration is therefore 54.8 % (40 % *137 %) and the percentage of long-term variable remuneration (LTI) applied to the contractual fixed annual remuneration is therefore 49.6 % (40 % *124 %).

The allocation of the variable remuneration is made in accordance with provisions of article 7:91 of the CCA.

3. Exceptional component	4. Pension	5. Total remuneration[3]	6. Proportion of fixed and variable remuneration	
	100,000 EUR	1,171,274 EUR	Fixed:	51.87 %
			Variable:	48.13 %
	62,000 EUR	668,888 EUR	Fixed:	53.18 %
			Variable:	46.82 %
	62,000 EUR	734,381 EUR	Fixed:	52.76 %
			Variable:	47.24 %
	62,000 EUR	607,261 EUR	Fixed:	55.08 %
			Variable:	44.92 %
	62,000 EUR	607,712 EUR	Fixed:	55.18 %
			Variable:	44.82 %

Nursing and care home l'Orchidée – Ittre/Itter (BE)

2020 performance

Performance criteria	Relative weighting	Achievement
Short-term incentive plan		
Net result from core activities per share	25%	In line
Strategic growth	10%	In line
Special projects	25%	Exceeded
Long-term incentive plan	10%	In line
Net result from core activities per share	10%	In line
Personal objectives	20%	Exceeded
Long-term incentive plan		
Implementation of ESG strategy	25%	In line
Net result from core activities per share	25%	In line
Dividend	25%	Exceeded
Personal objectives	25%	Exceeded

Number of shares held as at 31.12.2020

Name, Position	Number of shares as at 31.12.2020
Jean-Pierre Hanin Managing director - Chief Executive Officer	2,825
Françoise Roels Executive director - Chief Corporate Affairs & Secretary General	2,938
Jean Kotarakos Executive director - Chief Financial Officer	1,463
Sébastien Berden Chief Operating Officer Healthcare	668
Yeliz Bicici Chief Operating Officer Offices & Real Estate Development	412

2. STOCK BASED COMPENSATION

Since 2017, the company no longer grants rights to acquire shares (stock option plan) and since 2018 share-related instruments (share valuation rights). However, the former plans remain applicable with regard to the rights already granted to Mrs Françoise Roels as member of the executive committee, Mr Sébastien Berden, and Mrs Yeliz Bicici before their appointment as member of the executive committee (see page 204).

3. SEVERANCE PAYMENTS

The provisions relating to severance payments are included in the remuneration policy. No severance pay was paid to any member of the executive committee during the 2020 financial year.

4. USE OF THE RIGHTS OF RESTITUTION

In accordance with the remuneration policy, the contracts concluded with the members of the executive committee provide that, in the event that the variable emoluments have been granted or paid on the basis of inaccurate financial information, the company may defer payment of all or part of the variable emoluments concerned, depending on the amounts unduly granted. In the 2020 financial year, these restitution rights were not exercised.

5. DEVIATIONS FROM THE REMUNERATION POLICY

In the 2020 financial year, there were no deviations from the remuneration policy as approved by the ordinary general meeting of 13.05.2020.

6. SHAREHOLDERS' VOTE

On 13.05.2020, the ordinary general meeting approved, by separate vote, the remuneration report presented for the financial year ending on 31.12.2019 with the following proportions of votes: 9,557,690 'in favour', i.e. 91.57% of votes cast, 867,793 'against' , i.e. 8.31% of votes cast and 11,693 'abstentions'.

7. EVOLUTION OF THE COMPANY'S COMPENSATION AND PERFORMANCE

Chief Executive Officer

The total remuneration of the Chief Executive Officer remained stable from 2015 to 2017.

There was a positive variation of 38.4% in 2018 as the year 2018 was marked by a change in the CEO. On this occasion, Cofinimmo's board of directors reviewed the company's strategic objectives and, based on an in-depth benchmarking carried out with the help of consultants specialised in Compensations & Benefits (see 2018 Remuneration report), adapted the remuneration package for the CEO position.

Other members of the executive committee

The total remuneration of the other members of the executive committee (formerly management committee) remained stable from 2015 to 2018.

In 2018, the composition of the executive committee has been reshuffled to take into account the end of the CFO and COO functions. It is specified that the severance payments of the former CFO and COO have not been taken into account in the calculation of the annual change in the total remuneration of the other members of the executive committee.

This total remuneration saw a positive change of 45.9% in 2019 as a result of the arrival of the new CFO and two new COOs, bearing in mind that the position of COO was previously held by a single person. As of 2018, 4 persons will serve as members of the executive committee, instead of 3 previously, together with the CEO, bringing the total number of members of the executive committee from 4 to 5.

Following the 2018 benchmarking exercise, the board of directors decided to align the company's annual contributions to the saving and pension plan and all the executive committee members' percentages applied to the fixed remuneration when determining the variable remuneration for the 2019 financial year.

Non-executive directors

The positive or negative changes in the remuneration of non-executive directors in other years are explained by the higher or lower number of meetings and attendance rates in the years concerned.

It should be noted that in comparison with 2019, the total remuneration of non-executive directors decreased by 39% as a result, among other things, of the board of directors' decision on 13.04.2020 to reduce the attendance fees of the non-executive directors by 15%.

Average remuneration of employees on a full-time equivalent basis

- The group's employees include the employees of Cofinimmo SA/NV as well as the employees of other companies both in the group and internationally. The average wages were calculated based on the sum of gross monthly wages, on a full-time equivalent basis;
- The negative changes in the average remuneration of employees can be explained by the arrival of new employees who generally have below-average wages compared to previous years;
- The positive changes in the average compensation of employees can be explained by the fact that employees who have left their jobs represent a lower wage bill than those who started their job the following year.

Comparison of the company's remuneration and performances over the last five financial years

Total remuneration					
Annual change	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019
Chief Executive Officer	-1.0%	+0.4%	+38.4%	+16.1%	+12.6%
Other members of the management committee/executive committee	+5.3%	-3.6%	+1.9%	+45.9%	+15.2%
Non-executive directors	+10.6%	+0.1%	-1.3%	+16.7%	-36.0%

Company performance					
Annual change	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019
Net result from core activities - group share	+4.5%	+3.6%	+4.3%	+14.8%	+9.0%
Operating margin	-2.7%	+0.2%	+0.2%	+0.6%	-0.1%
Strategic growth (measured by the fair value of the portfolio)	+7.4%	+4.2%	+6.3%	+13.9%	+14.6%
Occupancy rate of the portfolio	-0.4%	+0.1%	+1.3%	+1.3%	+0.4%
Dividend N paid in N+1	+5.4%	+1.5%	+4.4%	+17.5%	+14.4%

Average remuneration of the employees on a full-time equivalent basis

Annual change	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019
Group employees	+4.00%	+5.06%	-3.43%	+15.15%	+3.09%
Company employees	+2.53%	+0.05%	+0.77%	+2.52%	-0.23%

8.STOCK BASED REMUNERATION

As a reminder, since 2017, the company no longer grants rights to acquire shares (stock option plan) and since 2018 share-related instruments (share valuation rights). However, the former plans remain applicable with regard to the rights already granted to Mrs Françoise Roels as a member of the executive committee, Mr Sébastien Berden and Mrs Yeliz Bicici before their appointment as member of the executive committee.

a) Rights to acquire stocks

Stock option plan

The Stock Option Plan (SOP Plan) was implemented in 2006. The company decided not to grant any more stock options from 2017.

The exercise period of an option is ten years from the date of the offer. At its meeting of 11.06.2009, the board of directors decided to extend the exercise period by five years for the options granted in 2006, 2007, and 2008, pursuant to the Economic Recovery law of 27.03.2009.

Stock options vest at the end of the third year following the granting and can therefore only be exercised after the end of the calendar year following the year of the granting. If the options have not been exercised by the end of the exercise period, they become ipso facto null and void. In the event of the voluntary or involuntary departure (with the exception of dismissals on the ground of serious misconduct) of a beneficiary, the accepted and vested stock options may be exercised until the initial expiry of the plan. In the event of the involuntary departure of a beneficiary on the grounds of serious misconduct, any stock options accepted but not yet exercised, whether vested or not, will be cancelled.

Cofinimmo applies the IFRS 2 standard by recognising the fair value of stock options on the date of the granting (i.e. three years) in accordance with the progressive acquisition method at the rate of vesting.

Stock option remuneration exercised in 2020

Name, Position	Main provisions of the stock option plan					
	1. Identification of the plan	2. Date of proposal	3. Acquisition date	4. End of the retention period	5. Exercise period	6. Exercise price
Françoise Roels Executive director - Chief Corporate Affairs & Secretary General	SOP 2006	13.06.2006	13.06.2009	n/a	14.06.2009 - 13.06.2021	129.27 EUR
Sébastien Berden Chief Operating Officer Healthcare	SOP 2010	14.06.2010	13.06.2013	n/a	14.06.2010 - 13.06.2020	93.45 EUR
	SOP 2008	12.06.2008	12.06.2011	n/a	13.06.2011 - 12.06.2023	122.92 EUR
	SOP 2007	12.06.2007	12.06.2010	n/a	13.06.2010 - 12.06.2022	143.66 EUR
	SOP 2006	13.06.2006	13.06.2009	n/a	14.06.2009 - 13.06.2021	129.27 EUR

Aftercare and rehabilitation clinic (SSR)
Les Massues – Lyon (FR)

	Information relating to the financial year covered by the report			
	Opening balance sheet	In the course of the year		Closing balance sheet
	7. Number of options at the start of the year	8. a) Number of options proposed b) Value of the underlying stocks on the date of proposal	9. a) Number of options granted b) Value of the underlying stocks on the acquisition date c) Value @ exercise price d) Capital gain @ acquisition date	10. Number of options offered but not yet exercised
	1,000		a) 1,000 b) 26,920 c) 129,270 d) 102,350	0
	250		a) 250 b) 11,125 c) 23,362.50 d) 12,237.50	0
	100		a) 100 b) 5,247 c) 12,292 d) 7,045	0
	150		a) 150 b) 5,368.50 c) 21,549 d) 16,180.50	0
	100		a) 100 b) 2,690 c) 12,927 d) 10,237	0

b) Stocks or stock-based instruments

Stock appreciation rights plan

The Stock Appreciation Rights Plan (SAR Plan) was first implemented in 2017 but the company decided not to grant any more stock appreciation rights as of 2018, with the exception that on 28.06.2018, the board of directors decided, for the last time and in order to guarantee the principle of continuity, to grant Mrs Françoise Roels 1,600 SAR.

The SAR plan gives entitlement to the cash value of the difference between the Cofinimmo market share price on the date of the exercise and that on the allocation date, increased by the equivalent amount of the gross dividend allocated to the share since the allocation date. The SARs were allocated in a discretionary manner to members of the management. No targets were set in this respect. The board of directors therefore considered that this remuneration did not constitute variable compensation within the meaning of the law of 06.04.2010 The exercise period of an SAR is ten years from the allocation date. SARs will vest only on the vesting date, all at once, in full, after three years, i.e., on the first calendar day of the month following the third anniversary of the allocation date. If the SARs have not been exercised by the end of the financial year, they become ipso facto null and void. In the event of voluntary or involuntary departure (except for dismissals on the ground of serious misconduct), permanent incapacity for work or entitlement to a pension (including early retirement or a pre-pension), the SARs allocated and vested must be exercised by the beneficiary in the first exercise period following the date of the departure. Non-vested SARs will be cancelled.

Remuneration in stock appreciation rights

Name, Position	Main provisions of the stock appreciation rights plan					
	1. Identification of the plan	2. Date of proposal	3. Date of acquisition	4. End of the retention period	5. Exercise period	6. Fair value at the date of acquisition
Françoise Roels Director - Chief Corporate Affairs & Secretary General	SAR 2017	30.06.2017	01.07.2020	n/a	01.07.2020 - 01.07.2030	
	SAR 2018	30.06.2018	01.07.2021	n/a	01.07.2021 - 16.06.2031	
			Total			
Sébastien Berden Chief Operating Officer Healthcare	SAR 2017	30.06.2017	01.07.2020	n/a	01.07.2020 - 01.07.2030	108.44 EUR
			Total			
Yeliz Bicici Chief Operating Officer Offices & Real Estate Development	SAR 2017	30.06.2017	01.07.2020	n/a	01.07.2020 - 01.07.2030	108.44 EUR
			Total			

In the event of the involuntary departure of a beneficiary on the grounds of serious misconduct, the SARs granted but not yet exercised, whether vested or not, will be cancelled. In the event of death, the SARs granted, whether vested or not, will be definitively vested and will be considered as having been exercised in the first exercise period following the death. These conditions for the granting and exercising of SARs in the event of departure, whether voluntary or involuntary, will apply without prejudice to the authorisation of the board of directors to make changes to these provisions to the advantage of the beneficiary, on the basis of objective and relevant criteria.

Information relating to the financial year covered by the report			
Opening balance sheet	In the course of the year		Closing balance sheet
7. Number of stock appreciation rights at the beginning of the year	8. a) Number of stock appreciation rights proposed b) Value of the stock appreciation rights at the date of proposal	9. a) Number of stock appreciation rights granted b) Value of the stock appreciation rights at the date of acquisition c) Value @ exercise price d) Capital gain @ date of acquisition	10. Number of options offered but not yet exercised
1,600			1,600
1,600			1,600
3,200			**3,200**
250			250
250			**250**
250			250
250			**250**

OTHER PARTIES INVOLVED

Certification of accounts

An auditor appointed by the general meeting of shareholders must certify the annual accounts and review the half-yearly accounts, as for any limited liability company and, as the company is a RREC, prepare special reports at the request of the FSMA.

The auditor of Cofinimmo is SC SCRL Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Mr Rik Neckebroeck, an FSMA-certified auditor registered to the Institut des Réviseurs d'entreprises/Instituut voor Bedrijfsrevisoren under number A01529 with registered office at 1930 Zaventem, Luchthaven Nationaal 1J. The ordinary general meeting of 13.05.2020 renewed the mandate of SC SCRL Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Mr Rik Neckebroeck until the end of the ordinary general meeting to be held in 2023.

The auditor Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, received a fixed remuneration of 112,404 EUR (excluding VAT) for reviewing and certifying Cofinimmo's statutory and consolidated accounts. The fees for certifying the accounts of Cofinimmo's statutory subsidiaries came to 296,892 EUR (excluding VAT). This amount includes the auditor's fees for certifying the accounts of the group's French subsidiaries. The fees paid to the Deloitte group for legal and other assistance totalled 84,986 EUR (excluding VAT) for the financial year.

The fees cap of 70% of audit fees applied to other services provided by the auditor Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, is respected.

Real estate expertise

The independent real estate valuers designated by the group to certify the overall value of its property portfolio are:

CATELLA:
- in France, Catella Valuation Advisors SAS (RSC Paris B 435 339 098)

CBRE:
- in Finland, CBRE Finland Oy (Register 21970698)

CUSHMAN & WAKEFIELD:
- in Germany, Cushman & Wakefield (U.K.) LLP - German Branch (Register OC 328588)
- in Belgium, Cushman & Wakefield Belgium SA/NV (RPM Brussels 0422 118 165)
- in France, Cushman & Wakefield Valuation France SA (RCS Nanterre 332 111 574)
- in the Netherlands, Cushman & Wakefield V.O.F. (KvK 33174864)
- in Spain, Cushman & Wakefield Spain Limited Sucursal en España (CIF W0061691B)

PRICEWATERHOUSECOOPERS:
- in Belgium, PricewaterhouseCoopers Enterprise Advisory SCRL/CVBA (RPM Brussels 0415 622 333)
- in the Netherlands, PricewaterhouseCoopers Belastingadviseurs NV (KvK 34180284)
- in Germany, PricewaterhouseCoopers GmbH Wirthschaftsprünfungsgesellschaft (HRB 107858)

JONES LANG LASALLE:
- in Belgium, Jones Lang LaSalle SPRL/BVBA (RPM Brussels 0403 376 874)
- in France, Jones Lang LaSalle Expertises SAS (RCS Paris 444 628 150)

STADIM:
- in Belgium, Stadim SCRL/CBVA (RPM Bruxelles 0458 797 033)

REAL ESTATE VALUERS' MANDATES AT 31.12.2020

Segment	Number of assets under mandate	Location	Natural persons	Start of term	End of term
CBRE					
Healthcare real estate	1	Finland	Olli Kantanen	01.10.2020	30.09.2023
CUSHMAN & WAKEFIELD					
Offices	33	Belgium	Christophe Ackermans	01.01.2020	31.12.2022
Healthcare real estate	1	Germany	Martin Belik	01.10.2020	30.09.2023
Healthcare real estate	56	Belgium	Christophe Ackermans	01.01.2020	31.12.2022
Healthcare real estate	42	France	Jean-Philippe Carmarans	01.01.2020	31.12.2022
Healthcare real estate	12	Spain	Tony Loughran	01.07.2019	30.06.2022
Property of distribution networks – Cofinimur I	266	France	Jérôme Salomon	01.01.2018	31.12.2020
Property of distribution networks – Pubstone	214	The Netherlands	Frank Adema[1]	01.01.2020	31.12.2022
Property of distribution networks – Pubstone	696	Belgium	Christophe Ackermans	01.01.2020	31.12.2022
PRICEWATERHOUSECOOPERS					
Offices	24	Belgium	Geoffrey Jonckheere	01.01.2020	31.12.2022
Healthcare real estate	27	Belgium	Geoffrey Jonckheere	01.01.2020	31.12.2022
Healthcare real estate	44	The Netherlands	Bart Kruijssen	01.01.2018	31.12.2020
Healthcare real estate	42	Germany	Dirk Kadel	01.01.2018	31.12.2020
JONES LANG LASALLE					
Offices	20	Belgium	Greet Hex	01.01.2020	31.12.2022
Healthcare real estate	7	France	Pierre-Jean Poli	01.01.2020	31.12.2022

1. Replaces Jacques Boeve.

REAL ESTATE VALUERS' MANDATES AS AT 31.12.2020 FOR ASSOCIATES

Segment	Number of assets under mandate	Location	Natural persons	Start of term	End of term
CATELLA					
Healthcare real estate	6	France	Jean-François Drouets	15.12.2020	30.09.2023
STADIM					
Healthcare real estate	20	Belgium	Tim Leysen	31.12.2020	31.12.2023
CUSHMAN & WAKEFIELD					
Healthcare real estate	2	Germany	Martin Belik	01.10.2020	30.09.2023

In accordance with article 47 of the law of 12.05.2014 on RRECs, the independent real estate valuers carry out a valuation of all the properties in the portfolio of the public RREC and its subsidiaries at the end of each financial year. The valuation determines the value of the properties appearing in the balance sheet. Furthermore, at the end of each of the first three quarters of the year, the valuers update the overall valuation made at the end of the previous financial year, based on market developments and the nature of the properties concerned. Lastly, in accordance with the provisions of article 47 of the law of 12.05.2014 on RRECs, each property which is to be acquired or disposed of by the RREC (or a company within its scope) is valued by the valuers prior to the transaction. The transaction must be carried out at the value determined by the valuer when the other party is a company with which the public RREC is related or linked by participating interests or when any of the above-mentioned parties gain an advantage from the transaction.

The valuation of a property consists of determining its value on a specific date, i.e., the price at which the property is likely to be exchanged between purchasers and sellers who are duly informed and wish to carry out such a transaction, without any account being taken of any special advantage between them. This value is known as the 'investment value' when it corresponds to the total price payable by the purchaser, including, where appropriate, the registration fees or VAT (if the acquisition is subject to VAT).

The fair value, as meant by IAS/IFRS accounting principles, can be obtained by deducting an appropriate portion of the registration fees and/or VAT, constituting the transaction costs from the investment value.

Transactions other than sales may lead to the mobilisation of the portfolio, or a portion thereof, as illustrated by the operations carried out by Cofinimmo since it acquired the status of RREC (formerly Sicafi/Bevak).

The valuers' valuation depends on the following criteria:
- location;
- building age and type; state of repair and level of comfort; architectural appearance;
- gross/net surface area ratio; number of parking spaces; rental conditions;
- for healthcare real estate, the ratio of rents/operating cash flow before rents.

In 2020, the remuneration of the independent real estate valuers for the valuation of the consolidated portfolio as well as the associates, calculated quarterly based on a fixed lump sum plus a fixed fee, was 1,048,251 EUR (excluding VAT), allocated as follows: 551,416 EUR for Cushman & Wakefield, 410,889 EUR for PricewaterhouseCoopers, 79,696 EUR for Jones Lang LaSalle, 5,500 EUR for Stadim, and 750 EUR for CBRE.

Nursing and care home Dilhome – Dilbeek (BE)

Annual accounts

CONSOLIDATED ACCOUNTS

CONSOLIDATED COMPREHENSIVE RESULT (INCOME STATEMENT)

(x 1,000 EUR)	Notes	2020	2019
A. NET RESULT			
Rental income	6	251,521	232,601
Writeback of lease payments sold and discounted	6	9,444	8,784
Rental-related expenses	6	-2,030	623
Net rental income	**5, 6**	**258,935**	**242,008**
Recovery of property charges	7	573	251
Recovery income of charges and taxes normally payable by the tenant on let properties	8	33,667	44,537
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease	7	-330	-1,252
Charges and taxes normally payable by the tenant on let properties	8	-36,888	-50,929
Property result		**255,956**	**234,615**
Technical costs	9	-6,051	-5,939
Commercial costs	10	-2,344	-1,808
Taxes and charges on unlet properties		-2,765	-3,579
Property management costs	11	-23,579	-20,622
Property charges		**-34,740**	**-31,948**
Property operating result		**221,217**	**202,667**
Corporate management costs	11	-10,105	-8,838
Operating result before result on the portfolio		**211,112**	**193,829**
Gains or losses on disposals of investment properties	5, 12	4,583	12,394
Gains or losses on disposals of other non-financial assets	5, 12	0	0
Changes in fair value of investment properties	5, 13, 22	-13,696	79,069
Other result on the portfolio	5, 14	-33,815	-28,751
Operating result		**168,184**	**256,541**
Financial income	15	8,186	9,021
Net interest charges	16	-24,541	-24,128
Other financial charges	17	-744	-634
Changes in the fair value of financial assets and liabilities	18	-22,756	-23,765
Financial result		**-39,855**	**-39,505**
Share in the result of associates and joint ventures	40	-2,473	-797
Pre-tax result		**125,856**	**216,239**
Corporate tax	19	-7,907	-5,572
Exit tax	19	-2,315	-378
Taxes		**-10,223**	**-5,950**
Net result		**115,633**	**210,289**
Minority interests	40	3,588	-5,674
NET RESULT - GROUP SHARE		119,222	204,615

(in EUR)			
Net result per share - group share	20	4.50	**8.37**
Diluted net result per share - group share	20	4.09	**7.94**

(x 1,000 EUR)	Notes	2020	2019
B. OTHER ELEMENTS OF THE COMPREHENSIVE RESULT RECYCLABLE UNDER THE INCOME STATEMENT			
Changes in the effective part of the fair value of authorised cash flow hedging instruments		0	0
Impact of the recycling on the income statement of hedging instruments for which relationship with the hedged risk was terminated	18	0	0
Share in the other elements of the comprehensive result of associates/joint ventures		0	0
Convertible bonds	25	7,721	-9,930
Other elements of the comprehensive result		**7,721**	**-9,930**
Minority interests	40	0	0
OTHER ELEMENTS OF THE COMPREHENSIVE RESULT - GROUP SHARE		7,721	-9,930

(x 1,000 EUR)	Notes	2020	2019
C. COMPREHENSIVE RESULT			
Comprehensive result		**123,354**	**200,359**
Minority interests	40	3,588	-5,674
COMPREHENSIVE RESULT - GROUP SHARE		126,943	194,685

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

(x 1,000 EUR)	Notes	2020	2019
Non-current assets		**5,093,589**	**4,397,253**
Goodwill	5, 21	46,827	56,947
Intangible assets	24	2,172	935
Investment properties	5, 22	4,865,581	4,218,523
Other tangible assets	24	1,434	1,278
Non-current financial assets	25	2,883	2,121
Finance lease receivables	26	104,889	105,651
Trade receivables and other non-current assets		386	1,016
Deferred taxes		1,390	1,162
Participations in associates and joint ventures	40	68,026	9,621
Current assets		**160,026**	**160,986**
Assets held for sale	5, 27	3,320	28,764
Current financial assets		0	2
Finance lease receivables	26	2,367	2,258
Trade receivables	28	26,023	23,443
Tax receivables and other current assets	29	46,605	37,639
Cash and cash equivalents		48,642	31,569
Accrued charges and deferred income	30	33,069	37,311
TOTAL ASSETS		5,253,614	4,558,239
Shareholders' equity		2,649,362	2,533,960
Shareholders' equity attributable to shareholders of parent company		**2,574,775**	**2,451,335**
Capital	p. 216-217	1,450,210	1,385,227
Share premium account	p. 216-217	804,557	727,330
Reserves	p. 216-217	200,786	134,163
Net result for the financial year	p. 216-217	119,222	204,615
Minority interests	40	**74,587**	**82,625**
Liabilities		2,604,252	2,024,279
Non-current liabilities		**1,417,964**	**1,025,918**
Provisions	31	25,359	24,176
Non-current financial debts	25	1,246,850	873,546
Banks	25	354,979	266,639
Other	25	891,871	606,906
Other non-current financial liabilities	25	100,690	84,227
Deferred taxes	32	45,064	43,969
Exit tax	32	0	0
Other	32	45,064	43,969
Current liabilities		**1,186,289**	**998,361**
Current financial debts	25	1,036,612	870,993
Banks	25	5,328	45,706
Other	25	1,031,283	825,287
Other current financial liabilities	25	206	96
Trade debts and other current debts	33	126,637	112,435
Exit tax	33	6,275	0
Other	33	120,361	112,435
Accrued charges and deferred income	34	22,834	14,837
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		5,253,614	4,558,239

CALCULATION OF DEBT-TO-ASSETS RATIO

(x 1,000 EUR)	Notes	2020	2019
Non-current financial debts		1,246,850	873,546
Other non-current financial liabilities (except for hedging instruments)	+	10,644	11,206
Current financial debts	+	1,036,612	870,993
Trade debts and other current debts	+	126,637	112,435
Total debt	=	**2,420,743**	**1,868,180**
Total assets		5,253,614	4,558,239
Hedging instruments	-	382	2,122
Total assets (except hedging instruments)	/	**5,253,233**	**4,556,117**
DEBT-TO-ASSETS RATIO	=	46.08 %	41.00 %

CONSOLIDATED STATEMENT OF CASH FLOWS

(x 1,000 EUR)	Notes	2020	2019
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		31,569	27,177
OPERATING ACTIVITIES			
Net result for the period		119,222	204,615
Adjustments for interest charges and income		17,020	15,613
Adjustments for gains and losses on disposal of property assets		-4,583	-12,394
Adjustments for non-cash charges and income	35	46,337	-31,908
Changes in working capital requirements	36	1,534	-6,731
Cash flow resulting from operating activities		179,530	169,195
INVESTMENT ACTIVITIES			
Investments in intangible assets and other tangible assets		-1,907	-472
Acquisitions of investment properties	37	-163,386	-137,197
Extensions of investment properties	37	-33,550	-26,657
Investments in investment properties	37	-33,859	-15,368
Acquisitions of consolidated subsidiaries	4	-292,389	-54,965
Acquisitions of associates and joint ventures		-69,172	0
Disposals of investment properties	37	9,310	94,330
Disposals of assets held for sale	37	33,900	21,734
Disposals of other assets		0	41
Payment of exit tax		-16,976	-10,106
Finance lease receivables[1]		2,237	-2,153
Other cash flows from investment activities		630	0
Cash flow resulting from investment activities		-565,161	-130,814
FINANCING ACTIVITIES			
Capital increase		0	0
Acquisitions/disposals of treasury shares		663	-1,065
Dividends paid to shareholders		-101,160	-123,416
Coupons paid to mandatory convertible bond (MCB)-holders	40	-3,009	-2,843
Dividends paid to minority shareholders	40	-1,296	-3,008
Increase of financial debts		525,476	106,805
Decrease of financial debts		-365	-407
Financial income received		8,186	14,965
Financial charges paid		-25,206	-24,634
Other cash flows from financing activities		-586	-387
Cash flow resulting from financing activities		402,705	-33,989
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		48,642	31,569

1. The 2020 amount corresponds to the 'capital' component of the finance leases. The 2019 amount encompasses on one hand the 'capital' component for 2.1 million EUR and on the other hand the constitution of a finance lease receivable for -4.3 million EUR.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(x 1,000 EUR)	At 31.12.2018	Adjustment of the opening balance	At 01.01.2019
Capital	**1,230,014**	**0**	**1,230,014**
Share premiums	**584,901**	**0**	**584,901**
Reserves	**121,603**	**0**	**121,603**
Reserve of the balance of changes in fair value of property assets	-156,033	0	-156,033
Reserve of estimated transfer rights resulting from the hypothetical disposal of investment properties	-89,376	0	-89,376
Reserve of the balance of changes in fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is applied	0	0	0
Reserve of the balance of changes in fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is not applied	2,491	0	2,491
Distributable reserve	361,300	0	361,300
Non-distributable reserve	4,918	0	4,918
Reserve for treasury shares	0	0	0
Reserve for change in fair value of convertible bond attributable to change in 'own' credit risk	-1,697	0	-1,697
Net result of the financial year	**145,613**	**0**	**145,613**
Total shareholders' equity attributable to shareholders of the parent company	**2,082,130**	**0**	**2,082,130**
Minority interests	**84,234**	**0**	**84,234**
TOTAL SHAREHOLDERS' EQUITY	2,166,365	0	2,166,365

(x 1,000 EUR)	At 31.12.2019	Adjustment of the opening balance	At 01.01.2020
Capital	**1,385,227**	**0**	**1,385,227**
Share premiums	**727,330**	**0**	**727,330**
Reserves	**134,163**	**0**	**134,163**
Reserve of the balance of changes in fair value of property assets	-871	0	-871
Reserve of estimated transfer rights resulting from the hypothetical disposal of investment properties	-104,263	0	-104,263
Reserve of the balance of changes in fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is applied	0	0	0
Reserve of the balance of changes in fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is not applied	-3,801	0	-3,801
Distributable reserve	254,024	0	254,024
Non-distributable reserve	4,345	0	4,345
Reserve for treasury shares	-3,645	0	-3,645
Reserve for change in fair value of convertible bond attributable to change in 'own' credit risk	-11,627	0	-11,627
Net result of the financial year	**204,615**	**0**	**204,615**
Total shareholders' equity attributable to shareholders of the parent company	**2,451,335**	**0**	**2,451,335**
Minority interests	**82,625**	**0**	**82,625**
TOTAL SHAREHOLDERS' EQUITY	2,533,960	0	2,533,960

Allocation of 2018 net income	Dividends/ Coupons	Share issue	Purchase/ disposal of treasury shares	Cash flow hedging	Transfer between available and unavailable reserves on disposal of assets	Other	Result of the financial year	At 31.12.2019
0	0	153,051	0	0	0	2,162	0	1,385,227
0	0	142,011	0	0	0	418	0	727,330
145,613	-123,920	0	-1,065	0	0	-8,069	0	134,163
11,396	0	0	0	0	144,540	-775	0	-871
-17,919	0	0	0	0	3,057	-25	0	-104,263
0	0	0	0	0	0	0	0	0
-6,292	0	0	0	0	0	0	0	-3,801
158,398	-123,920	0	0	0	-147,597	5,845	0	254,024
30	0	0	0	0	0	-603	0	4,345
0	0	0	-1,065	0	0	-2,580	0	-3,645
0	0	0	0	0	0	-9,930	0	-11,627
-145,613	0	0	0	0	0	0	204,615	204,615
0	-123,920	295,062	-1,065	0	0	-5,489	204,615	2,451,335
0	-5,851	0	0	0	0	-1,433	5,674	82,625
0	-129,770	295,062	-1,065	0	0	-6,921	210,289	2,533,960

Allocation of 2019 net income	Dividends/ Coupons	Share issue	Purchase/ disposal of treasury shares	Cash flow hedging	Transfer between available and unavailable reserves on disposal of assets	Other	Result of the financial year	At 31.12.2020
0	0	64,983	0	0	0	0	0	1,450,210
0	0	77,227	0	0	0	0	0	804,557
204,615	-145,036	0	663	0	0	6,381	0	200,786
100,321	0	0	0	0	44,501	-126,398[1]	0	17,553
-21,524	0	0	0	0	-611	126,398[1]	0	0
0	0	0	0	0	0	0	0	0
-24,394	0	0	0	0	0	0	0	-28,195
149,707	-145,036	0	0	0	-43,890	-1,129	0	213,678
505	0	0	0	0	0	-212	0	4,638
0	0	0	663	0	0	0	0	-2,982
0	0	0	0	0	0	7,721	0	-3,906
-204,615	0	0	0	0	0	0	119,222	119,222
0	-145,036	142,211	663	0	0	6,381	119,222	2,574,775
0	-4,306	0	0	0	0	-144	-3,588	74,587
0	-149,342	142,211	663	0	0	6,237	115,633	2,649,362

1. In accordance with FSMA circular dated 02.07.2020.

NOTES TO THE CONSOLIDATED ACCOUNTS

Note 1. General information

Cofinimmo SA/NV (the 'company') is a Belgian public RREC (regulated real estate company) with registered offices at 1200 Brussels (Boulevard de la Woluwe/Woluwedal 58). The consolidated financial statements of the company for the financial year ending on 31.12.2020 comprise the company and its subsidiaries (the 'group'). The consolidation scope has evolved since 31.12.2019. Cofinimmo acquired the shares of 17 companies, created 17 new subsidiaries and acquired participations in 10 associates. The consolidation scope at 31.12.2020 is presented in Note 40.

The consolidated financial and statutory statements were adopted by the board of directors on 10.03.2021 and will be submitted to the general meeting on 12.05.2021.

The accounting principles and methods adopted for the preparation of the financial statements are identical to those used for the annual financial statements for the 2019 financial year, except for what is mentioned in Note 2.

Note 2. Significant accounting methods

A. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards, as adopted by the Belgian royal decree of 13.07.2014 concerning regulated real estate companies.

The principles and methods used to prepare the financial statements are the same as those used in the annual financial statements for the 2019 financial year.

The preparation of the financial statements requires the company to make significant judgments that affect the application of accounting methods (such as, for example, the determination of the classification of lease contracts) and to proceed to a certain number of estimations (in particular, the provisions estimation). These assumptions are based on the management's experience, on the assistance of third parties (real estate valuers) and on various other sources that are believed to be relevant. Actual results may differ from these estimations. These estimations are reviewed on a regular basis and adapted if need be.

B. BASIS OF PREPARATION

The financial statements are presented in euro, rounded to the nearest thousand. They are prepared on the historical costs basis, except the following assets and liabilities, which are stated at their fair value: investment properties, assets held for sale, convertible bonds issued, derivative financial instruments and sales options permitted to non-controlling shareholders.

Some financial figures in this universal registration document have been rounded up and, consequently, the overall totals in this document may differ slightly from the exact arithmetical sum of the preceding figures.

Finally, some reclassifications can intervene between the publication date of the annual results and that of the universal registration document.

C. BASIS OF CONSOLIDATION

I Subsidiaries

The consolidated financial statements include the financial statements of the company and the financial statements of the entities (including the structured entities) that it controls and its subsidiaries. The company has control when it:

- holds power over the issuing entity;
- is exposed or entitled to variable returns because of its ties with the issuing entity;
- has the ability to exercise its power so as to affect the amount of the returns that it receives.

The company must reassess whether it controls the issuing entity when the facts and circumstances indicate that one or more of the three control elements listed above have changed.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date the control starts until the date the control ends.

Where necessary, accounting principles of subsidiaries have been changed to ensure consistency with the principles adopted by the group. The subsidiaries' financial statements cover the same accounting period as that of the company.

Changes in the group's participations in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The book value of the participations in subsidiaries, held by the group or by third parties, is adjusted to reflect the changes in the respective levels of participation. Any difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is recognised directly under equity.

II Joint ventures

A joint venture is an entity subject to an agreement whereby the parties who exercise joint control have rights over the net assets of the agreement. Under the equity accounting method, the consolidated income statement includes the group's share in the result of joint ventures. This share is calculated from the date on which the joint control starts until the date on which the joint control ends. The financial statements of the jointly controlled entities cover the same accounting period as that of the company.

III Associates

An associate is an entity over which the company exercises significant influence. The consolidated income statement includes the group's share in the profit or loss of associates, in accordance with the equity method.

IV Transactions eliminated on consolidation

Intragroup balances and transactions, as well as any gains arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Gains arising from transactions with jointly controlled entities are eliminated to the extent of the group's interest in the entities. Losses are eliminated in the same way as gains, but only to the extent that there is no evidence of impairment.

A list of the group's companies is included in Note 40.

D. GOODWILL AND BUSINESS COMBINATIONS

When the group takes control of an integrated combination of activities and assets corresponding to the definition of a company ('business') according to IFRS 3 - 'Business combinations', the assets, liabilities and contingent liabilities of the business acquired are recorded at their fair value at the acquisition date. The goodwill represents the positive difference between the acquisition costs (excluding acquisition-related costs), plus any minority interests, and the fair value of the acquired net assets. If this difference is negative ('negative goodwill'), it is immediately recorded on the income statement after confirmation of the values.

After its initial recording, the goodwill is not amortised but submitted to an impairment test realised at least every year on the cash-generating units to which the goodwill was allocated. If the book value of a cash-generating unit exceeds its value in use, the resulting writedown is recorded on the income statement and first allocated in reduction of the possible goodwill and then to the other assets of the unit, proportionally to their book value. An impairment booked on goodwill is not written back during a subsequent year.

In accordance with IFRS 3, the goodwill can be set temporarily at the acquisition and adjusted within the 12 following months. In the event of the disposal of a cash-generating unit, the amount of goodwill that is allocated to this unit is included in the determination of the gain or loss on the disposal.

E. TRANSLATION OF FOREIGN CURRENCIES

I Foreign entities

There is no subsidiary whose financial statements are denominated in a currency other than the euro at the closing date.

II Foreign currency transactions

Foreign currency transactions are recognised initially at exchange rates prevailing at the date of the transaction.

At closing, monetary assets and liabilities denominated in foreign currencies are translated at the then prevailing currency rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are included on the income statement as financial income or financial charges.

F. FINANCIAL INSTRUMENTS

I Derivative financial instruments

The group uses derivative financial instruments to hedge against interest rate risks originating from operational, financial and investment activities (for more details about the derivative financial instruments, see Note 25).

A. Recognition of derivative financial instruments:

These derivative financial instruments are interest rate swaps (IRS) and CAP options applied as economic hedges. Derivatives are initially recognised at fair value on the date on which the contracts for derivative interest instruments are entered into and are subsequently revalued at their fair value on the following closing dates. The resulting gain or loss is recognised immediately in the result unless the derivative is designated and effective as a hedging instrument, in which case the timing of recognition in the result depends on the nature of the hedging relationship. The group does not apply hedge accounting.

B. Revaluation of derivative financial instruments:

Revaluation takes place for all derivative financial instruments on the basis of the same price and volatility assumptions using an application from the independent supplier of market data (Bloomberg). This revaluation is compared to that of the banks, whereby each significant difference between the two revaluations is documented (see also point W below).

II Amortised cost and effective interest method

Interest-bearing loans, to the exception of convertible bonds, are initially recognised at cost less the attributable transaction costs. Subsequently, interest-bearing loans are measured at amortised cost, where the difference between the repayment cost and the repayment value is booked in the income statements over the period of the loan on the basis of the effective interest rate method. As an example, fees are paid to the lender or legal fees are integrated into the calculation of the effective interest rate.

Financial assets are valued at amortised cost using the SPPI test (Solely payment of principal and interests) since on the one hand, the group aims to hold them, and on the other hand, the contractual terms of the financial asset give rise to specific dates, cash flows consisting exclusively of payments of the principal and interest.

III Derecognition of financial assets and liabilities

The group derecognises a financial asset in the result, only if the contractual rights to the cash flows from that asset lapse or when the financial asset and almost all risks and rewards of ownership of the asset are transferred to another party. When a financial asset is derecognised at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and claim is included in the result.

For financial liabilities, the group derecognises when the contractual obligations have expired or have been cancelled.

Finally, when a change in contractual rights or obligations occurs without leading to the derecognition of the underlying financial asset or liability, the difference from the new balance sheet value is recognised in the income statement.

IV Convertible bond

The convertible bond does not qualify in whole or in part as an equity instrument. The instrument contains embedded derivatives. In order to facilitate the valuation of this instrument, Cofinimmo has decided to value it at fair value. The change in fair value resulting from changes in market conditions during the financial year is recognised in the income statement while the change in fair value resulting from changes in credit risk during the financial year is recognised in other items of the comprehensive income.

G. INVESTMENT PROPERTIES

Investment properties are properties which are held to earn rental income for the long term. In accordance with IAS 40, investment properties are stated at fair value.

Independent real estate valuers determine the valuation of the property portfolio every three months. Any gain or loss arising, after the acquisition of a property, from a change in its fair value is recognised on the income statement. Rental income from investment properties is accounted for as described under section R.

The real estate valuers carry out the valuation on the basis of the method of calculating the present value of the rental income in accordance with the 'International Valuation Standards/RICS Valuation Standards', established by the International Valuation Standards Committee/Royal Institute of Chartered Surveyors, as set out in the corresponding report. This value, referred to hereafter as the 'investment value', corresponds to the price that a third-party investor would be prepared to pay in order to acquire each of the properties making up the property portfolio and in order to benefit from their rental income while assuming the related charges, without deduction of transfer taxes.

The disposal of an investment property is usually subject to the payment to the public authorities of transfer rights or VAT. A share of transfer rights is deducted by the valuers from the investment value of the investment properties to establish the fair value of the investment properties, as evidenced in their valuation report (see Note 22).

When an acquisition or investment is made, the transfer rights to be incurred during a subsequent theoretical sale are recognised directly on the income statement; any change in the fair value of a building during the financial year is also recognised on the income statement. These two movements are allocated to the reserve during the appropriation of the result for the financial year. In the event of a disposal, the transfer rights do not have to be deducted from the difference between the price obtained and the book value of the sold properties for calculating the capital gain or loss effectively realised. Indeed, the rights have already been recognised in the income statement upon acquisition.

If an investment property becomes owner-occupied, it is reclassified as asset held for own use, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

H. DEVELOPMENT PROJECTS

Properties that are being built, renovated, developed or redeveloped for future use as investment properties are classified as development projects until the completion of the works and stated at their fair value. This concerns nursing and care homes under construction or development (extensions) and empty office buildings that are or will be under renovation or redevelopment. At the time of completion of the works, the properties are transferred from the 'Development project' category to the 'Properties available for rent' category or to 'Properties held for sale' if they are put up for sale. The fair value of the office buildings which will undergo a renovation or redevelopment decreases as the end of the lease and the beginning of the works approaches.

All costs directly associated with the purchase and construction, and all subsequent capital expenditures qualifying as acquisition costs, are capitalised. Provided the project exceeding one year, interest charges are capitalised at a rate reflecting the average borrowing cost of the group.

I. LEASES

I The group as lessor

A. Types of long leases

In compliance with the law, properties can be let for long periods under two different regimes:

- long ordinary leases: the lessor's obligations are essentially those under any lease: for instance, to ensure that space in a state of being occupied is available to the lessee during the entire term of the lease. This obligation is met by the lessor by bearing the maintenance costs (other than rental) and the insurance costs against fire and other damages;
- long leases which involve the assignment of a real right by the assignor to the assignee: in this case, the ownership passes temporarily to the assignee who will bear namely maintenance (other than rental) and insurance costs. According to Belgian law, three contract types fall under this category: (a) the leasehold ('bail emphytéotique/erfpachtovereenkomst') which must last a minimum of 27 years and a maximum of 99 years and can apply to land and/or constructions; (b) the building lease ('droit de superficie/recht van opstal') which may not exceed 50 years but has no minimum duration and (c) the usufruct right ('droit d'usufruit/recht van vruchtgebruik') which may not exceed 30 years and has no minimum duration and can apply to land with a construction or bare land. Under all these contracts, the assignor keeps a residual right in that it will recover the full ownership of the property at the end of the term of the lease, including the ownership of the constructions erected by the assignee, with or without indemnity for these constructions, depending on the contractual terms. A purchase option for the residual right may, however, have been granted, which the lessee can exercise during or at the end of the lease.

B. Long leases qualifying as finance leases

Provided these leases meet the criteria of a finance lease under IFRS 16:63, the group as assignor will present them at their inception as a receivable for an amount equal to the net investment in the lease agreement. The difference between this amount and the book value of the leased property (excluding the value of the residual right kept by the group) at the lease inception will be recorded on the income statement for the period. Any payment made periodically by the lessee will be treated by the group partly as a repayment of the principal and partly as a financial income based on a pattern reflecting a constant periodic rate of return for the group.

At each closing date, the residual right kept by the group will be recognised at its fair value. It will increase each year and will correspond, at the end of the lease, to the market value of the full ownership. These changes in the fair value will be recognised under the item 'Changes in the fair value of investment properties' on the income statement.

C. Sale of future lease payments under a long lease not qualifying as a finance lease

The amount collected by the group as a result of the sale of the future lease payments will be recognised in deduction of the property's value to the extent that this sale of lease payments is opposable to third parties and that, as a consequence, the market value of the property is reduced by the amount of the future lease payments sold (hereafter 'reduced value'). Indeed, pursuant to article 1690 of the Belgian Civil Code, a third party that would buy the properties, would be deprived of the right of receiving rental revenues.

The progressive reconstitution of the lease payments sold will be recognised each period under the item 'Writeback of lease payments sold and discounted' on the income statement and will be added to the reduced value of the building on the assets side. This gradual constitution of the non-reduced value relies on the basis of the interest rates and inflation (indexation) conditions applied at the time of transfer and implied in the price obtained at that moment by the group from the transferee for the sold receivables.

The change in the reduced fair value of the property will be recognised separately under the item 'Changes in the fair value of investment properties' according to the following formula:

$$\left(\left(\frac{\text{FV year n-1}}{\text{NRFV year n-1}}\right) * \text{Cumulative change year n}\right) - \left(\left(\frac{\text{VR year n-2}}{\text{VNR year n-2}}\right) * \text{Cumulative change year n-1}\right)$$

in which:

FV: reduced fair value of the property (resulting from the information mentioned in the two preceding paragraphs);

NRFV: non-reduced fair value of the property (that is, if the future rental income would have not been sold and as established at each closing date by the independent real estate valuers according to the real estate market);

Cumulative change: change of the cumulative non-reduced fair value since the disposal of the future rents.

II The group as a lessee

The group assesses each new contract to determine whether it is a lease. If affirmative, the group recognises a right to use for the asset and a corresponding lease liability (except for short-term contracts or contracts for low-value assets, for which the group recognises a simple operating expense).

A. Lease liability

The lease liability is initially recognised at the present value of the future lease payments. The discount rate is the rate implicit in the contract. If this cannot be determined, the group's marginal interest rate will be applied. Any payments made periodically by the group will be treated partly as repayment of principal and partly as a finance charge.

B. Right to use

The right to use is initially recognised as an asset for an amount corresponding to the lease liability, taking into account any costs related to obtaining the contract. Subsequently, this right will be amortised over the term of the contract (unless the anticipated useful life is shorter than that provided for in the contract). In terms of classification, the right to use is presented among assets of the same nature held in full ownership.

J. OTHER FIXED ASSETS

I Assets held for own use

In accordance with the alternative method allowed by IAS 16 § 31, the part of the property used by the company itself as head office is stated at its fair value. It appears under the heading 'Assets held for own use'.

II Subsequent expenditure

Expenditure incurred to renovate a property, that is recognised separately, is capitalised. Other expenditure is capitalised only when it increases the future economic benefits attributed to the property. All other expenditure is recorded as costs on the income statement (see point S II).

III Depreciation

Investment properties, whether land or constructions, are not depreciated but posted at fair value (see point G). Depreciation is charged to the income statement on a straight-line basis over the expected lifetime as indicated below:

- fixture and fittings: 4-10 years;
- furniture: 8-10 years;
- computer hardware: 3-4 years;
- software: 4 years.

However, depreciation of software may be spread over a longer period of time corresponding to the probable period of use and in accordance with the rate at which the economic benefits associated with the asset are consumed.

IV Assets held for sale

Assets held for sale (investment properties) are presented separately on the balance sheet at a value corresponding to their fair value.

V Impairment

The other assets are subject to an impairment test only if there is an indication showing that their book value will not be recoverable by their use or disposal.

K. FINANCE LEASE RECEIVABLES AND REAL ESTATE PUBLIC-PRIVATE PARTNERSHIPS

I Finance lease receivables

Finance lease receivables are valued based on their discounted value at the interest rate prevailing at the time of their issue. If they are indexed to an inflation index, this is not taken into account when determining the discounted value. If a derivative financial instrument provides hedging, the market interest rate for this instrument will serve as a reference rate for calculating the market value of the receivable at the close of each accounting period. In this case, the entire unrealised gain generated by the valuation at market value of the receivable is limited to the unrealised loss relating to the valuation at market value (see point F I) of the hedging instrument. Conversely, any unrealised loss generated by the receivable will be entirely recognised in the income statement.

II Real estate Public-Private Partnerships

With the exception of the police station in Termonde/Dendermonde, considered as operational leasing and, therefore, recognised as investment property, Public-Private Partnerships are classified as a finance lease receivable and are subject to IFRIC 12 (for the recognitions, see point K I).

L. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise current accounts, cash and short-term investments.

M. EQUITY

I Ordinary shares

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, of the proceeds.

II Preference shares and mandatory convertible bonds

Preference share and mandatory convertible bond capital is classified as equity if it meets the definition of an equity instrument under IAS 32.

III Repurchase of shares

When treasury shares are repurchased by the group, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are presented as deduction in the items 'Capital' and 'Share premium'. The proceeds on sales of treasury shares are directly included under equity without impacting the income statement.

IV Dividends

Dividends are recognised as debt when they are approved by the general meeting.

N. OTHER NON-CURRENT FINANCIAL LIABILITIES

'Other non-current financial liabilities' mainly includes the fair value of derivative financial instruments underwritten by the group. Besides, the group may give shareholders who do not hold control on subsidiaries an undertaking to acquire their share of the capital in these subsidiaries, should they exercise their put options. The exercise price of such options permitted to non-controlling shareholders is recognised in the 'Other non-current financial liabilities' line.

O. EMPLOYEE BENEFITS

Contributions paid under the defined contribution pension plans are recognised as charges insofar as employees provided the services giving them the right to such contributions.

In Belgium, certain pension plans based on defined contributions, are subject to a legally guaranteed minimal return by the employer and are therefore qualified as defined benefit pension plans (see Note 11).

The cost of the defined benefit pension plan is determined by means of the projected credit units method and actuarial evaluations are made at the end of each period when the financial information is presented. The revaluations, comprising the actuarial differences and return of the system's assets (excluding interests) are directly recognised in the statement of the financial position, and a debit or credit is recognised in the other elements of the global result during the financial year in which they occur. The revaluation under the other elements of the global result are directly recognised in the retained earnings and will not be reclassified to net income.

Costs of past services are recognised in net income in the period in which a system change occurs.

The net interest calculation is carried out by multiplying the net liabilities of the accrued net benefits defined at the beginning of the period by the actualisation rate.

Costs of the defined benefits are classified under the following categories:

- cost of services (cost of services rendered during the period, cost of passed services, as well as gains and losses arising from reductions and liquidations);
- net interests (charges);
- revaluations.

The group presents the first two components of the defined benefits costs in the net result under 'Personnel cost'.

The accrued benefit obligations recorded in the consolidated statement of the financial position represents the actual amount of the deficit of the defined benefits systems of the group.

P. PROVISIONS

A provision is recognised on the balance sheet when the group has a legal or contractual obligation resulting from a past event, and if it is likely that resources will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at the market rate reflecting, where appropriate, the risk specific to the liability.

Q. TRADE DEBTS AND OTHER DEBTS

Trade debts and other debts are stated at amortised cost.

R. OPERATING REVENUES

Operating revenues include revenues from lease contracts on buildings and revenues from real estate services.

Revenues from lease contracts are recognised in the rental income item. Some lease contracts allow for a period of free occupancy followed by a period during which the agreed rent is due by the tenant. In this case, the total amount of the contractual rent to be collected until the first break option for the tenant is recognised on the income statement (item 'rental income') prorata temporis over the length of the lease contract, beginning at the start of the occupancy and ending at the first break option (i.e. the firm term of the lease). More accurately, the contractual rent expressed in annual amount is first recognised as revenue and the rent-free period spread over the firm term of the lease is then booked as an expense. Hence, an accrued income account is at first debited at the start of the lease for an amount corresponding to the rental income (net of the cost of rent-free periods) already earned but not yet expired.

When real estate valuers make an estimation of the value of the buildings based on the discounted value of future cash flows method, they include in these values the total rents yet to be collected. Hence, the accrued income account referred to above is redundant with the part of the buildings representing rents already earned and recognised on the income statement but not yet due. Therefore, in order to avoid this redundancy, which would wrongfully swell the total of the balance sheet and of the shareholders' equity, the amount under the accrued income account is reversed against a charge booked under the item 'Other result on the portfolio'. Once the date of the first break option is passed, no charge is to be recorded on the income statement, as would have been the case without this reverse booking.

As a consequence, the operating result before result on the portfolio (and thus the net result from core activities of the analytical form) reflects the rents spread over the firm term of the lease, whereas the net result reflects the rents to date and as they are cashed.

The concessions granted to tenants are, on their part, booked as charges over the firm term of the lease. They refer to incentives consisting of the financing by the landlord of certain expenses normally borne by the tenant, such as the cost of the fitting works of private surfaces for example.

S. OPERATING EXPENSES

I Service costs

Service costs paid, as well as those borne on behalf of the tenants, are included in the direct property expenses. Their recovery from the tenants is presented separately.

II Works carried out on properties

Works carried out that are the responsibility of the building owner are recorded in the accounts in three different ways, depending on the type of works:

- expenditure on maintenance and repairs that does not add any extra functionality or does not increase the comfort standard of the building is considered as current expenditure for the period, and as property costs;
- extensive renovation works: these are normally undertaken at intervals of 25 to 35 years and virtually involve the reconstruction of the buildings whereby, in most cases, the existing carcass work is re-used and state-of-the-art building techniques are applied; on completion of such renovation works, the property can be considered as new and expenditure is capitalised;
- improvement works: these are works carried out on an occasional basis to add functionality to the property or significantly enhance the comfort standard, thus making it possible to raise the rent and, hence, the estimated rental value. The costs of these works are capitalised by reason of the fact that and insofar as the valuer normally recognises a corresponding appreciation in the value of the property. Example: installation of an air conditioning system where one did not previously exist.

Works that generate expenses to be activated are identified taking into account the previous criteria during the preparation of the budgets. The capitalised expenses are related to materials, engineering works, technical studies, internal costs, architect fees and interests during the construction.

III Commissions paid to letting agents and other transaction costs

Commissions relating to property lettings are entered under current expenditure for the year, under the item 'commercial costs'.

Commissions relating to the acquisition of properties, transfer duties, notary fees and other ancillary costs are considered as transaction costs and included in the acquisition cost of the acquired property. These costs are also considered as part of the acquisition cost when the purchase is done through a business combination.

Commissions on property sales are deducted from the sale price obtained to determine the gain or loss made.

Property valuation costs and technical valuation costs are always recognised on current expenditure.

IV Financial result

Net financing costs comprise interest payable on borrowings, calculated using the effective interest rate method, and gains and losses on hedging instruments that are recognised on the income statement (see point F).

Interest income is recognised on the income statement as it accrues, taking into account the effective yield on the asset.

Dividend income is recognised on the income statement on the date that the dividend is declared.

T. INCOME TAX

The income tax of the financial year comprises the current tax. The income tax is recognised on the income statement except to the extent that it relates to items recognised directly under equity.

The current tax is the expected tax payable on the taxable income of the past year, using the tax rate enacted at the closing date, and any adjustment to taxes payable in respect of previous years.

U. EXIT TAX AND DEFERRED TAXES

The exit tax is the tax on the added value that arises upon approval of a Belgian as a RREC or merger of a non-RREC with a RREC. When the non-RREC, which is eligible for this regime, first enters the consolidation scope of the group, a provision for an exit tax liability is recorded simultaneously with a revaluation added value on the property corresponding to the market value of the property, and taking into account a forecasted date of merger or approval.

Any subsequent adjustment to this exit tax liability is recognised on the income statement. When the approval or merger takes place, the provision becomes a debt and any difference is also recognised on the income statement.

The same treatment is applied *mutatis mutandis* to French companies eligible for the SIIC regime and to Dutch companies eligible for the FBI regime.

When companies not eligible for the RREC, FIIS, SIIC or FBI regimes are acquired, a deferred tax is recognised on the unrealised added value of the investment property.

V. STOCK OPTIONS

Equity-settled share-based payments to employees and executive committee members are measured at the fair value of the equity instruments at the date of granting (See Note 42).

W. ESTIMATES, JUDGMENTS AND MAIN SOURCES OF CONCERN

I Fair value of the property portfolio

Cofinimmo's portfolio is valued quarterly by independent real estate valuers. This valuation by real estate valuers is intended to determine the market value of a property at a certain date, taking into account the market evolution and the characteristics of the properties. In parallel to the work of the real estate valuers, Cofinimmo proceeds with its own valuation of its assets with a view on their long-term operation by its teams. The portfolio is recorded at the fair value established by the real estate valuers in the group's consolidated accounts (see Note 22). It should be noted that a new law was passed in the Netherlands on 15.12.2020 increasing registration fees from generally 6% to 8% with effect from 01.01.2021. As a result of this new law, registration fees of 8% were taken into account by the independent real estate valuers in order to determine the fair value as at 31.12.2020.

In accordance with the Valuation Practice Alert of 02.04.2020 published by the Royal Institute of Chartered Surveyors ('RICS'), the independent real estate valuers' report mentions an explanatory note on the impacts of the coronavirus (COVID-19) and no longer takes into account a 'material valuation uncertainty' (as defined by the RICS standards) for the entire portfolio, as was the case from the 1st to the 3rd quarter of 2020. This uncertainty has not been lifted yet for some segments whose aggregate value accounts for less than 23% of the consolidated portfolio: healthcare real estate in Spain, healthcare real estate in Germany (partially), sport & wellness centres in Belgium and Germany as well as the Pubstone Belgium and Pubstone Netherlands portfolios.

II Financial instruments

The fair value of the group's financial instruments is calculated on the basis of the market values in the Bloomberg[1] system. These fair values are compared with the quarterly estimations received from the banks, and major variations are analysed (more details are given in Note 25).

III Goodwill

Goodwill is calculated at the acquisition date as the positive difference between the acquisition cost and Cofinimmo's share in the fair value of the net asset acquired. Such goodwill is then the subject of an impairment test by comparing the net book value of the groups of buildings with their value in use. The calculation of the value in use is based on assumptions of future cash flows, indexation rates, cash flow years and residual values (more details are given in Note 21).

IV Transactions

When acquiring a portfolio through the purchase of company shares, the group takes into account the percentage of shares held and the appointment capacity by the directors in order to determine whether the control exercised by the group is joint or exclusive.

When a property portfolio meets the definition of a business combination as defined under IFRS 3, the group restates the assets and liabilities acquired in the context of the business combination at their fair value. The fair value of the property assets of the business combination is determined based on the value given by the independent real estate valuers (more details are given in Note 40).

1. The data provided by Bloomberg result from price observations relating to actual transactions and the application to these observations of valuation models developed in the scientific literature (www.bloomberg.com).

V Coronavirus COVID-19

Following the outbreak of the COVID-19 coronavirus pandemic in the countries where the group is active, Cofinimmo has implemented several measures to ensure the continuity of its activities, while making the health and well-being of all its stakeholders its priority.

Operational teams remain in close contact with the group's tenants to ensure the continuity of services and help them get through this difficult period. Cofinimmo reviews the situation of its counterparties on a case-by-case basis in order to find a balanced solution where appropriate. In this context, Cofinimmo has already booked writedowns on trade receivables for approximately 2.0 million EUR in 2020.

In addition to the information included in this document, it is specified that:

- in the office segment, the surface areas rented directly to merchants (retailers, restaurants, ...) only account for less than 0.2% of the group's contractual rents;
- in the healthcare real estate segment, the wellness & sport centres account for less than 3% of the group's contractual rents. These centres, located in Belgium and Germany, have been closed to the public since March 2020 and are only partially reopen since the end of May/beginning of June 2020. The operators' loss of income was significant during this period, the situation went gradually back to normal and only for a short period of time, in accordance with the evolution of the measures taken to address the health crisis. The current wave of contamination resurgence calls for caution: most of the Belgian centres are closed again since 26.10.2020, while the German centres are almost completely closed since 02.11.2020. During the 2020 financial year, the fair value of sports and wellness centres has been reduced by almost 5 million EUR (i.e. more than 4%). By way of illustration, an additional 5% decrease in the fair value would represent a (non-cash) expense of 5 million EUR which would have an adverse effect of around 0.04% on the debt-to-assets ratio, and of around 0.19 EUR per share on net assets;
- in the property of distribution segment, the Pubstone portfolio of pubs and restaurants in Belgium and the Netherlands accounts for 10% of the group's contractual rents. During the 2020 financial year, the fair value of this portfolio remained stable (excluding the effect of the increased registration fees in the Netherlands taken into account on 31.12.2020), thanks in particular to the high residual lease length. Although Cofinimmo's counterparty is the AB InBev group, the world's leading brewer with a BBB+ rating, it is not excluded that a decrease in the fair value will be recognised in the 2021 financial year, based on the evolution of market parameters due to the evolution of the COVID-19 pandemic and the measures taken by the authorities to fight it (such as an extension of the mandatory shutdown of pubs and restaurants). A 5% decrease in the fair value would represent a (non-cash) expense of 22 million EUR which would have an adverse effect of around 0.19% on the debt-to-assets ratio, and of around 0.80 EUR per share on net assets;
- in the property of distribution network segment, the Cofinimur I portfolio of MAAF agencies in France accounts for almost 3% of the group's contractual rents. The fair value of this portfolio has been reduced by almost 12 million EUR (i.e. almost 10%). Although Cofinimmo's counterparty is the Covéa group, a French insurer with an AA- rating, it is not excluded that a decrease in the fair value will be recognised in the 2021 financial year, based on the evolution of market parameters due to the evolution of the COVID-19 pandemic and the measures taken by the authorities to fight it (such as an extension of the measures aimed at restricting the flow of people in shopping streets). A 5% decrease in the fair value would represent a (non-cash) expense of 6 million EUR which will have an adverse effect of around 0.05% on the debt-to-assets ratio, and of around 0.21 EUR per share on net assets.

Note 3. Management of operational risk

By operating risk, Cofinimmo means the risk of losses due to inadequacies in the company's procedures or failures in its management.

The group actively manages its client base in order to minimise vacancies and tenant turnover in the office segment. The property management team is responsible for swiftly resolving tenant complaints, while the letting team maintains regular contact with them so as to offer alternative solutions from within the portfolio should tenants require more or less space. Although this activity is fundamental to protect rental income, it has little impact on the price at which a vacant property can be let, as that price depends on the prevailing market conditions. Most of the lease contracts include a provision whereby rents are annually indexed. Before accepting a new client, an analysis of the credit risk is carried out, if need be on the basis of the opinion of an outside rating agency. An advance deposit or bank guarantee corresponding to six months' rent is generally requested from private sector tenants.

With a few exceptions, rents are payable in advance, on a monthly, quarterly or yearly basis. A quarterly provision covering property charges and taxes incurred by the group but contractually rechargeable to tenants is also requested. The level of rental defaults recorded net of recoveries represents 0.101% of the total turnover over the period 1996-2020. An important deterioration in the general economic situation is likely to magnify losses on lease receivables, particularly in the office segment. The possible insolvency of a major tenant can represent a significant loss for Cofinimmo, as well as an unexpected vacancy or even having to rent out the vacant space at a price significantly lower than the level of the terminated contract.

Direct operating costs, on the other hand, are driven essentially by two factors:

- the age and quality of buildings, which determine the level of maintenance and repair expenses, both closely monitored by the property management team, while the execution of the works is outsourced;
- the vacancy level of office properties and the tenant turnover, which determine the level of expenses for unlet space, the letting fees, the refurbishment costs, the incentives granted to new clients, etc. Operational costs which the active commercial management of the portfolio is designed to minimise.

The healthcare assets and accommodation of elderly people and the buildings of the distribution networks are almost occupied at 100 %. The first ones are rented to operator groups whose solvency is analysed annually. The second ones are let to large companies. The reletting or reconversion scenarios at the end of the lease are cautiously analysed and prepared in due time. The smaller buildings included in the distribution networks are sold when the tenant leaves.

Construction and refurbishment projects are prepared and supervised by the group's project management team with a mandate to complete them on time and on budget. For the management of large-scale projects, specialised outside companies are brought in by the group.

The risk of buildings being destroyed by fire or other disastrous events is insured for a total reconstruction value of 1,876.16 million EUR[1], compared with a fair value of the investment properties of 1,904.5 million EUR as at 31.12.2020, including the value of the land. Cover has also been taken against vacancies resulting from these events. Moreover, Cofinimmo has insurance for its public liability as the building's owner or project supervisor (details of the group's financial risk are provided in Note 25).

Note 4. Acquisitions of subsidiaries

GENERAL INFORMATION

Company[2]	Acquisition date	Number of entities	Segment	Country	% of ownership by Cofinimmo group on 31.12.2020 - global consolidation	Direct or indirect acquisition by Cofinimmo SA/NV	Building valuation to determine the acquired securities' value[3] (x 1,000,000 EUR)
XL TRONE	04.03.2020	1	Offices	Belgium	100 %	Direct	Approximately 40
BUILDING GREEN ONE	17.11.2020	1	Offices	Belgium	100 %	Direct	Approximately 100
ORELIA PORTFOLIO	10.06.2020	6	Healthcare real estate	Belgium	100 %	Direct	Approximately 105
COPADE	17.11.2020	4	Healthcare real estate	Belgium	100 %	Direct and Indirect[4]	Approximately 95
COUVENT DE LA CHARTREUSE	17.11.2020	1	Healthcare real estate	Belgium	100 %	Direct	Approximately 29
GESTONE BICKENBACH	25.06.2020	1	Healthcare real estate	Germany	100 %	Direct	Approximately 16
BAD SCHÖNBORN	12.11.2020	1	Healthcare real estate	Germany	89,9 %	Indirect	Less than 60[5]
KIINTEISTÖ OY VAASAN-PUISTIKKO 22 VAASA	12.11.2020	1	Healthcare real estate	Finland	100 %	Indirect	Approximately 20

These acquisitions were not considered as business combinations as stipulated in IFRS 3 since they themselves are not 'business' acquisitions. A 'business' is defined as an integrated set of activities and assets.

1. This amount does not include the insurances taken during works, nor those that are contractually borne by the occupant (i.e. for healthcare real estate, the pubs and restaurants of the Pubstone portfolio as well as certain office buildings), nor those related to lease finance contracts. Furthermore, this amount does not include the insurances related to buildings rented to MAAF (first-rank insurance on all the freehold properties and second-rank insurance on the co-owned properties), which are covered for the value of the reconstruction.
2. The table does not include the repurchase in 2020 by Cofinimmo of the 49 % of Cofinéa I SAS, in which the Group previously held 51 % of the shares.
3. The acquisition of the Orelia portfolio was made through a contribution in kind. The acquisition of the other subsidiaries generated a cash outflow of 292 million EUR.
4. One company directly and 3 companies indirectly.
5. The acquisition of Bad Schönborn was part of an overall transaction encompassing three assets in Germany, one acquired indirectly (property in Bad Schönborn) and two acquired directly (properties in Aurich and Wiesmoor). The conventional value of the directly acquired property (for the calculation of the share price) and the investment in the two directly acquired properties together amount to nearly 60 million EUR.

Note 5. Segment information

In fair value, healthcare real estate accounts for 59.2 % of the portfolio, offices 29.6 %, property of distribution networks 11.3 % (the different property segments are described on pages 12 to 19).

Two clients represent more than 10 % of the contractual rent: the Korian group in the healthcare real estate segment, for 41 million EUR and AB InBev, tenant in the property of distribution networks segment for an amount of 30 million EUR.

	HEALTHCARE REAL ESTATE												OFFICES			
(x 1,000 EUR)	Belgium		France		Netherlands		Germany		Spain		Finland		Brussels CBD[1]		Brussels Decentralised	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
INCOME STATEMENT																
Net rental income	68,855	59,739	26,982	26,434	19,169	15,783	30,382	27,095	420				27,806	26,222	25,539	25,309
Property result after direct property costs	68,542	59,753	26,754	26,260	17,403	14,360	28,979	25,428	408				25,210	23,884	23,141	16,046
Property management costs																
Corporate management costs																
Gains or losses on disposals of investment properties and other non-financial assets	23	1,174		-1	2	10							1,008		1,736	11,327
Changes in fair value of investment properties	7,114	46,765	-12,041	-11,750	-9,231	11,935	-1,075	-1,352	-783		-17		24,952	32,831	-1,582	-1,940
Other result on the portfolio	-1,738	-3,892	-860	-11,947	-314	-212	-10,052	-6,129	-303	-246	-502		-370	-328	-33	90
Operating result	73,942	103,800	13,853	2,563	7,860	26,094	17,852	17,947	-678	-246	-519		50,799	56,386	23,263	25,523
Financial result																
Share in the result of associates and joint ventures			244	741												
Taxes																
NET RESULT																
Net result - group share																

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
BALANCE SHEET																
Assets																
Goodwill																
Investment property of which:	1,455,553	1,213,559	392,690	380,410	346,220	289,750	597,840	492,590	77,788	11,200	12,000		761,276	585,420	356,565	354,336
Development projects	854	1,015			7,190	16,880	690	690	54,938	11,200	12,000		43,968	67,457	12,283	23,547
Assets held for own use															6,418	7,246
Assets held for sale															3,320	28,764
Other assets																
TOTAL ASSETS																
Shareholders' equity and liabilities																
Shareholders' equity																
Shareholders' equity attributable to shareholders of parent company																
Minority interests																
Liabilities																
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES																

1. Central Business District.

	OFFICES						PROPERTY OF DISTRIBUTION NETWORKS						UNALLOCATED AMOUNTS		TOTAL	
	Brussels Periphery		Antwerp		Other regions		Pubstone Belgium		Pubstone Netherlands		Cofinimur I France					
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	7,636	8,640	5,294	5,337	9,588	9,452	19,266	19,954	9,897	9,949	8,100	8,093			258,935	242,008
	6,476	7,666	2,680	4,211	9,702	9,139	18,381	19,141	9,501	9,498	7,618	7,903			244,796	223,289
													-23,579	-20,622	-23,579	-20,622
													-10,105	-8,838	-10,105	-8,838
	-252	-1,550					2,031	928	20	520	15	-16			4,583	12,394
	-5,647	-1,888	-2,301	1,550	-1,396	308	2,103	1,936	-1,948	755	-11,845	-79			-13,696	79,069
							-9,952	-12	-6,263	-2,353			-3,429	-3,722	-33,815	-28,751
	577	4,228	380	5,760	8,307	9,447	12,563	21,993	1,310	8,420	-4,212	7,808	-37,113	-33,182	168,184	256,541
													-39,855	-39,505	-39,855	-39,505
													-2,717	-1,538	-2,473	-797
													-10,223	-5,950	-10,223	-5,950
															115,633	210,289
															119,222	204,615

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
							30,607	36,127	16,220	20,820					46,827	56,947
	105,018	114,298	66,966	68,989	145,718	146,039	295,424	294,899	138,974	141,073	113,550	125,960			4,865,581	4,218,523
	451	426	446	425											132,820	121,640
															6,418	7,246
															3,320	28,764
													337,886	254,006	337,886	254,006
															5,253,614	4,558,239
													2,649,362	2,533,960	2,649,362	2,533,960
													2,574,775	2,451,335	2,574,775	2,451,335
													74,587	82,625	74,587	82,625
													2,604,252	2,024,279	2,604,252	2,024,279
															5,253,614	4,558,239

Note 6. Rental income and rental-related expenses

(x 1,000 EUR)	2020	2019
Rental income	**251,521**	**232,601**
Rents	257,713	237,508
Gross potential income[1]	268,256	249,657
Vacancy[2]	-10,542	-12,149
Cost of rent-free periods	-5,460	-4,483
Concessions granted to tenants	-879	-834
Indemnities for early termination of rental contracts[3]	147	410
Writeback of lease payments sold and discounted	**9,444**	**8,784**
Rental-related expenses	**-2,030**	**623**
Rent payable on rented premises	-32	-3
Writedowns on trade receivables	-2,017	-47
Writeback of writedowns on trade receivables	19	673
TOTAL	258,935	242,008

Except in some rare cases, the leases contracted by the group are subject to indexation.

The group leases out its investment properties under operating leases and finance leases. Only revenues from operating leases appear under rental income.

The amount under the item 'Writeback of lease payments sold and discounted' represents the difference between the discounted value (at the rate agreed upon disposal), at the beginning and at the end of the year, of the future rents (indexed at the rate agreed upon disposal) of the lease contracts for which receivables have been sold. The writeback through the income statement allows for a gradual reconstitution of the initial value of the concerned buildings at the end of the lease. It is a recurring and non-cash income item (see Note 2: 'Significant accounting methods, I. Leases, I. The group as lessor, C. Sale of future lease payments under a long lease not qualifying as a finance lease').

The change in the fair value of these buildings is determined by the independent real estate valuer and is taken as profit or loss under the item 'Changes in the fair value of investment properties' in the proportion indicated in Note 2. This time, it is a non-recurring item as it depends on the valuer's assumptions as to future market conditions.

TOTAL RENTAL INCOME

When a lease is classified as a finance lease, the property is considered to be disposed of, and the group is considered to have an interest in a finance lease instead. Payments received on the finance leases are split between 'capital' and 'interests': the capital element is taken to the balance sheet and offset against the group's finance lease receivables and the interest element are recognised on the income statement. Hence, only the part of the rents relating to interests flows through the income statement.

Total income generated from the group's properties, through operating and finance leases

(x 1,000 EUR)	2020	2019
Rental income from operating leases	251,521	232,601
Interest income in respect of finance leases	6,121	5,873
Capital receipts in respect of finance leases	2,237	2,104
TOTAL	259,879	240,579

1. The gross potential income corresponds to the sum of the real rents and the estimated rents attributed to unlet spaces.
2. The rental vacancy is calculated on unlet spaces based on the rental value estimated by independent real estate valuers.
3. Early termination compensations are booked directly in full on the income statement.

Total minimum future rental receivables under non-cancellable operating leases and finance leases in effect at 31 December

(x 1,000 EUR)	2020	2019
Operating lease	3,386,946	3,006,563
Less than one year	268,760	251,459
More than one year but less than two years	245,629	225,465
More than two years but less than three years	225,618	200,969
More than three years but less than four years	206,609	182,865
More than four years but less than five years	196,725	167,766
More than five years	2,243,605	1,978,039
Finance lease	107,256	107,909
Less than one year	2,367	2,258
More than one year but less than two years	2,464	2,423
More than two years but less than three years	2,556	2,457
More than three years but less than four years	2,657	2,556
More than four years but less than five years	2,728	2,657
More than five years	94,484	95,558
TOTAL	3,494,202	3,114,472

Note 7. Net redecoration expenses[1]

(x 1,000 EUR)	2020	2019
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease[2]	330	1,252
Recovery of property charges	-573	-251
TOTAL	-243	1,001

Note 8. Taxes and charges on rented properties not recovered from tenants

(x 1,000 EUR)	2020	2019
Recovery income of charges and taxes normally payable by the tenant on let properties	33,667	44,537
Rebilling of rental charges invoiced to the landlord	17,120	22,491
Rebilling of withholding taxes and other taxes on let properties	16,547	22,046
Charges and taxes normally payable by the tenant on let properties	-36,888	-50,929
Rental charges invoiced to the landlord	-17,834	-23,089
Withholding taxes and other taxes on let properties	-18,315	-24,104
Taxes on refurbishment not recovered	-739	-3,737
TOTAL	-3,221	-6,392

Under usual lease terms, these charges and taxes are borne by the tenants through rebilling. However, a number of lease contracts of the group provide otherwise, leaving taxes or charges to be borne by the landlord.

1. According to Annex C of the royal decree of 13.07.2014, the exact terminology is 'Cost payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease' and 'Recovery of the property charges'.
2. Refurbishment costs, net of indemnities for rental damage, are by nature not incurred on a regular basis during the financial year or from one financial year to the next.

Note 9. Technical costs

(x 1,000 EUR)	2020	2019
Recurrent technical costs	3,882	4,931
Repairs	3,634	4,611
Insurance premiums	248	319
Non-recurrent technical costs	2,169	1,008
Major repairs (building companies, architects, engineering offices, etc.)[1]	2,244	866
Damage expenses	-75	142
Losses providing from disasters and subject to insurance cover	535	509
Insurance compensation for losses providing from disasters	-610	-367
TOTAL	6,051	5,939

Note 10. Commercial costs

(x 1,000 EUR)	2020	2019
Letting fees paid to real estate brokers	254	511
Advertising	5	5
Fees paid to valuers	2,084	1,292
TOTAL	2,344	1,808

Note 11. Management costs

Management costs are split between asset management costs and other costs.

PROPERTY MANAGEMENT COSTS

These costs comprise the costs of the personnel responsible for this activity, the operational costs of the company head office and the fees paid to third parties. The management fees collected from tenants partially covering the costs of the property management activity are deducted.

The portfolio is managed in-house, except for the healthcare real estate properties in Germany.

CORPORATE MANAGEMENT COSTS

The corporate management costs cover the overhead costs of the company as a legal entity listed on the stock exchange and as an RREC. These expenses are incurred in order to provide complete and continued information, economic comparability with other types of investment and liquidity for the shareholders who invest indirectly in a property portfolio. Certain costs of studies relating to the group's expansion also come under this category.

The internal costs of property management and corporate management costs are divided as follows:

	Property management costs		Corporate management costs		Total	
(x 1,000 EUR)	2020	2019	2020	2019	2020	2019
Office charges	1,835	1,768	786	758	2,621	2,525
Fees paid to third parties	6,196	4,483	2,656	1,921	8,852	6,404
Recurrent	4,347	3,360	1,863	1,440	6,210	4,800
Non recurrent	1,849	1,123	793	481	2,642	1,604
Public relations, communication and advertising	783	465	335	199	1,118	665
Personnel expenses	13,053	12,407	5,594	5,317	18,647	17,724
Salaries	10,338	9,753	4,431	4,180	14,769	13,933
Social security	1,610	1,576	690	675	2,300	2,251
Pensions and other benefits	1,104	1,078	473	462	1,578	1,540
Taxes and regulatory fees	1,712	1,499	734	642	2,446	2,142
TOTAL	23,579	20,622	10,105	8,838	33,684	29,460

The independent real estate valuers' fees for the consolidated portfolio and associates amounted to 1,048,251 EUR (excl. VAT) for the year 2020. These honoraria are partly calculated based on a fixed amount per square metre and partly on a fixed amount per property.

1. Except for capital expenditures.

GROUP INSURANCE

The group insurance subscribed by Cofinimmo for its employees and the members of its management has the following objectives:

- payment of a 'Life' benefit to the affiliate at retirement;
- payment of a 'Death' benefit to the beneficiaries of the affiliate in case of death before retirement;
- payment of a disability pension in case of accident or long-term illness other than professional;
- waiver of premiums in the same cases.

In order to protect workers, the law of 18.12.2015 aiming to ensure the sustainability and the social nature of supplementary pensions and to strengthen the supplementary nature in relation to retirement pensions provides that Cofinimmo's employees must be guaranteed a minimum return on the 'Life' portion of the premiums.

This minimum return was 3.75 % of the gross premiums for the personal contributions and to 3.25 % of the premiums for the employer's contributions until 31.12.2015. As from 2016, the minimum return required by law on the supplementary pension decreased to 1.75 %.

The rate guaranteed by the insurer is 0.1 %. Cofinimmo must, therefore, cover part of the rates guaranteed by the law. If necessary, additional amounts must be brought under the reserves to reach the guaranteed returns for the services given.

EMOLUMENTS OF THE AUDITOR

The fixed emoluments of Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren for reviewing and certifying Cofinimmo's statutory and consolidated accounts amounted to 112,404 EUR (excluding VAT). Its emoluments for certifying the statutory accounts of Cofinimmo's subsidiaries amounted to 296,892 EUR (excluding VAT) and are calculated per company based on their effective performances. This amount includes the auditor's emoluments for reviewing the accounts of the group's French subsidiaries. The emoluments for the non-audit services rendered by Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren amounted to 84,986 EUR (excluding VAT) during the financial year and are related to legal missions and other assistance, in accordance with the independence requirements. The auditor confirms compliance with the '70 % (Article 3:64 of the CCA) rule' for the 2020 financial year.

(x 1,000 EUR)	2020	2019
Emoluments of the auditor	**494**	**359**
Emoluments for the execution of a mandate of company auditor	409	311
Emoluments for exceptional services or special assignments within the group	85	48
Other certification assignments	53	48
Other assignments external to the auditing duties	32	0
Emoluments of people with whom the auditor is connected	**0**	**17**
Emoluments for exceptional services or special assignments within the group	0	17
Other opinion missions	0	17
Tax advisory duties	0	0
Other assignments external to the auditing duties	0	0
TOTAL	494	376

The emoluments of the company auditors, other than Deloitte, appointed for the group's French companies amounted to 14 KEUR (excluding VAT) in 2020 and are not included in the table above.

Note 12. Result on disposals of investment properties and other non-financial assets

(x 1,000 EUR)	2020	2019
Disposal of investment properties		
Net disposal of properties (sale price - transaction costs)	43,210	116,060
Book value of properties sold (fair value of assets sold)	-38,627	-103,667
SUBTOTAL	**4,583**	**12,394**
Disposal of other non-financial assets		
Net disposals of other non-financial assets	0	0
Other	0	0
SUBTOTAL	**0**	**0**
TOTAL	4,583	12,394

The disposals of investment properties relate to all segments (see Note 37 for more details).

Note 13. Changes in fair value of investment properties

(x 1,000 EUR)	2020	2019
Positive changes in the fair value of investment properties	59,790	134,094
Negative changes in the fair value of investment properties	-73,486	-55,024
TOTAL	-13,696	79,069

The breakdown of the changes in fair value of properties is presented in Note 23.

Note 14. Other result on the portfolio

(x 1,000 EUR)	2020	2019
Changes in the deferred taxes[1]	-49	-366
Writeback of rents already earned but not expired	-13,226	-3,935
Goodwill impairment[2]	-10,120	-14,609
Other[3]	-10,420	-9,840
TOTAL	-33,815	-28,751

Writeback of rents already earned but not expired, recognised during the period, results from the application of the accounting method in Note 2, point R.

Note 15. Financial income

(x 1,000 EUR)	2020	2019
Interests and dividends received[4]	920	513
Interest receipts from finance leases and similar receivables	6,121	5,873
Other[5]	1,145	2,634
TOTAL	8,186	9,021

1. See Note 32.
2. See Note 21.
3. Includes in particular the difference between the price paid, plus incidental expenses, and the share in the revalued net assets of the companies acquired.
4. The amount of dividends received is null at 31.12.2020.
5. The 2020 amount includes a non-recurring income of more than 1 million EUR, booked in the first half of the year, and related to the indemnities received from the contribution in kind of 10.06.2020. The 2019 amount included a non-recurring income of less than 3 million EUR, booked in the first half of the year, and related to the indemnities received from the contributions in kind of 29.04.2019 and 26.06.2019 in compensation for the allocation of a full dividend right to the new shares issued on those days.

Note 16. Net interest charges

(x 1,000 EUR)	2020	2019
Nominal interest on borrowings	**10,768**	**14,468**
Bilateral loans - floating rate	2,937	2,264
Commercial papers - floating rate	-343	24
Investment credits - floating or fixed rate	701	757
Bonds - fixed rate	7,062	11,012
Convertible bonds	412	411
Reconstitution of the nominal value of financial debts	**1,131**	**807**
Charges relating to authorised hedging instruments	**9,053**	**5,935**
Authorised hedging instruments qualifying for hedge accounting under IFRS	0	0
Authorised hedging instruments not qualifying for hedge accounting under IFRS	9,053	5,935
Income relating to authorised hedging instruments	**0**	**0**
Authorised hedging instruments qualifying for hedge accounting under IFRS	0	0
Authorised hedging instruments not qualifying for hedge accounting under IFRS	0	0
Other interest charges[1]	**3,589**	**2,918**
TOTAL	24,541	24,128

The effective interest charge on loans corresponds to an average effective interest rate on loans of 1.32% (2019: 1.43%). The effective charge without taking into account the hedging instruments stands at 0.84% (2019: 1.08%). This percentage can be split up between 0.19% (2019: 0.19%), for the loans booked at fair value, and 0.92% (2019: 1.21%) for the loans recognised at amortised cost[2].

Cofinimmo no longer holds interest rate hedging instruments to which the hedge accounting of the cash flow is applied.

Note 17. Other financial charges

(x 1,000 EUR)	2020	2019
Bank fees and other commissions	664	506
Other	79	127
TOTAL	744	634

Note 18. Changes in the fair value of financial assets and liabilities

(x 1,000 EUR)	2020	2019
Authorised hedging instruments qualifying for hedge accounting	**0**	**0**
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	0	0
Impact of the recycling on the income statement of hedging instruments which relationship with the hedged risk was terminated	0	0
Authorised hedging instruments not qualifying for hedge accounting	**-20,448**	**-24,248**
Changes in fair value of authorised hedging instruments not qualifying for hedge accounting[3]	-19,461	-22,034
Convertible bonds	-987	-2,214
Other	**-2,308**	**483**
TOTAL	-22,756	-23,765

1. This concerns commissions on unused credit facilities.
2. Interest on loans at amortised cost (2020: 15,077 KEUR / 2019: 17,782 KEUR) consists of 'Other interest charges', 'Reconstitution of the nominal amount of financial debts' and 'Nominal interest on loans' (with the exception of the 'Convertible bonds'). Interest on loans at fair value through the net result (2020: 9,465 KEUR / 2019: 6,346 KEUR) consists of 'Costs and Proceeds from permitted hedging instruments', as well as the 'Convertible Bonds'
3. The gross amounts are respectively a product of 3,597 KEUR (2019: 2,239) and an expense of 23,058 KEUR (2019: 24,273).

Note 19. Corporate tax and exit tax

(x 1,000 EUR)	2020	2019
CORPORATE TAX	-7,907	-5,572
Parent company	-2,331	-2,130
Pre-tax result	125,105	199,672
Result exempted from income tax due to the RREC regime	-125,105	-199,672
Taxable result from non-deductible costs	5,616	4,181
Tax at rate of 25 % (2019: 29.58 %)	-1,404	-1,237
Other	-927	-893
Subsidiaries	-5,576	-3,442
EXIT TAX - SUBSIDIARIES	-2,315	-378

The non-deductible costs mainly comprise the office tax in the Brussels-Capital Region and the corporate tax. With the exception of the institutional RRECs and the specialised real estate investment funds ('FIIS'), the Belgian subsidiaries are subject to common law. The Dutch subsidiary Pubstone Properties BV is not eligible for the FBI regime. The results from investments in Germany are partly taxable.

Note 20. Net result per share - group share

The calculation of the result per share at the closing date is based on the net result from core activities/net result attributable to the ordinary shareholders being 181,457 KEUR (2019: 166,498 KEUR)/119,222 KEUR (2019: 204,615 KEUR) and on the number of ordinary shares entitled to share in the result closed at 31.12.2020 being 26,478,781 (2019: 24,456,099).

The diluted result per share takes into account the impact of the theoretical conversion of the convertible bonds issued by Cofinimmo, of the Mandatory Convertible Bonds (MCB) issued by Cofinimur I as well as stock options.

(in EUR)	2020	2019
Net result - group share	119,221,574	204,614,966
Number of ordinary shares entitled to share in the result of the period	26,478,781	24,456,099
Net result from core activities per share - group share	6.85	6.81
Net result per share - group share	4.50	8.37
Net diluted result - group share	116,871,706	210,793,608
Number of ordinary shares entitled to share in the result of the period taking into account the theoretical conversion of the convertible bonds and stock options[1]	28,545,519	26,553,644
Net diluted result per share - group share	4.09	7.94

DIVIDEND PER SHARE[2]

(in EUR)	2020 financial year (to be paid in 2021)	2019 financial year (paid in 2020)
Gross dividends attributable to ordinary shareholders	165,326,308.80	144,571,414.40
Gross dividend per ordinary share	5.80	5.60
Net dividend per ordinary share	4.06	3.92
Gross dividends attributable to preference shareholders	0	0
Gross dividend per preference share	0	0
Net dividend per preference share	0	0

For the 2020 financial year, a gross dividend of 5.80 EUR per share (net dividend per share of 4.06 EUR), accounting for a total dividend of 165,326,308.80 EUR will be proposed at the ordinary general meeting of 12.05.2021. The number of shares entitled to the dividend for the 2020 financial year was 27,016,833 on 31.12.2020 and 28,504,536 on the accounts' closing date (see Note 45).

The board of directors proposes a dividend of 5.80 EUR per share for the 15,875 treasury shares held by the subsidiary Gestone III SA/NV and the cancellation of the right to a dividend for the 29,109 remaining treasury shares.

1. In accordance with IAS 33, the 2016 convertible bond (maturity 2021) has been included in the calculation of the net diluted result in 2019 and 2020 as it would have had a dilutive impact on the net diluted result per share.
2. Based on the parent company's result.

The withholding tax rate applicable to dividends allocated since 01.01.2017 is 30 %. The Belgian law provides for exemptions which dividend beneficiaries can benefit from depending on their status and the eligibility conditions to be met. In addition, the agreements in place to prevent double taxation provide for reductions in the withholding tax on dividends.

Shares	Total	
(number)	2020	2019
Number of shares (A)		
AS AT 01.01	25,849,283	22,993,248
Capital increase	1,212,634	2,856,035
Conversion of convertible bonds into ordinary shares		
AS AT 31.12	27,061,917	25,849,283
Treasury shares held by the group (B)		
AS AT 01.01	50,691	40,347
Treasury shares (sold/acquired) - net	-5,607	10,344
AS AT 31.12	45,084	50,691
Number of shares outstanding (A-B)		
AS AT 01.01	25,798,592	22,952,901
Capital increase	1,212,634	2,856,035
Conversion of convertible bonds into ordinary shares		
Treasury shares (sold/acquired) - net	5,607	-10,344
AS AT 31.12	27,016,833	25,798,592

SHARE CATEGORIES

Since 12.07.2019, the capital of Cofinimmo has been exclusively represented by ordinary shares.

Ordinary shares: holders of ordinary shares are entitled to dividends when they are declared and are entitled to one vote per share at the company's general meetings. The par value of each ordinary share was 53.59 EUR at 31.12.2020. The ordinary shares are listed on the First Market of Euronext Brussels.

Convertible preference shares: as a reminder, on 12.07.2019, all of the preferred shares were converted into ordinary shares. The preferred shares were issued in 2004 in two separate series, both with the following main characteristics:

- preferential right to a fixed annual gross dividend of EUR 6.37 per share, capped at this amount and non cumulative;
- preferential right in the event of liquidation to a distribution equal to the issue price of these shares, capped at this amount;
- option for the holder to convert his preferred shares into ordinary shares from the fifth anniversary of their issue date (01.05.2009), in the ratio of one ordinary share for one preferred share;
- option for a third party designated by Cofinimmo (for example one of its subsidiaries) to purchase in cash and at their issue price, as from the 15th anniversary of their issue (2019), the preference shares which have not yet been converted;
- the preference shares were registered and listed on the First Market of Euronext Brussels and carried the same voting rights as the ordinary shares.

The first series of preference shares was issued at 107.89 EUR and the second at 104.40 EUR per share. The par value of both series was 53.33 EUR per share.

Shares held by the group: as at 31.12.2020, the group held 45,084 ordinary shares as treasury stock (31.12.2019: 50,691) (see table on the previous page).

In accordance with the law of 14.12.2005 on the abolition of bearer shares, as amended by the law of 21.12.2013, the company proceeded with the sale of the physical securities still outstanding and received a report from its auditor certifying the conformity of the procedure implemented for this sale.

AUTHORISED CAPITAL

For more information, see chapter 'Corporate governance statement'.

Note 21. Goodwill

PUBSTONE

Cofinimmo's acquisition in two stages (31.10.2007 and 27.11.2008) of 89.90% of the shares of Pubstone Group SA/NV (formerly Express Properties SA/NV) (see page 31 of the 2008 annual financial report) generated for Cofinimmo a goodwill resulting from the positive difference between the acquisition cost and Cofinimmo's share in the fair value of the net asset acquired. More specifically, this goodwill results from:

- the positive difference between the conventional value offered for the property assets at the acquisition (consideration of the price paid for the shares) and the fair value of these property assets (being expressed after deduction of the transfer rights standing at 10.0% or 12.5% in Belgium and at 6.0% in the Netherlands);
- the deferred tax corresponding to the theoretical assumption required under IAS/IFRS of an immediate disposal of all the properties at the closing date. A tax rate of respectively 34% and 25% for the assets located in Belgium and in the Netherlands has been applied to the difference between the tax value and the market value of the assets at the acquisition.

(x 1,000 EUR)	Pubstone Belgium	Pubstone Netherlands	Total
COST			
AT 01.01.2020	100,157	39,250	139,407
AT 30.06.2020	100,157	39,250	139,407
WRITEDOWNS			
AT 01.01.2020	64,030	18,430	82,460
Writedowns recorded from 01.01 until 30.06	5,520	4,600	10,120
AT 30.06.2020	69,550	23,030	92,580
BOOK VALUE			
AT 01.01.2020	36,127	20,820	56,947
AT 30.06.2020	30,607	16,220	46,827
COST			
AT 01.07.2020	100,157	39,250	139,407
AT 31.12.2020	100,157	39,250	139,407
WRITEDOWNS			
AT 01.07.2020	69,550	23,030	92,580
Writedowns recorded from 01.07 until 31.12	0	0	0
AT 31.12.2020	69,550	23,030	92,580
BOOK VALUE			
AT 01.07.2020	30,607	16,220	46,827
AT 31.12.2020	30,607	16,220	46,827

IMPAIRMENT TEST

During the 2020 financial year, the goodwill was subject to two impairment tests. In accordance with the recommendations made by ESMA in its public announcement ESMA32-63-972 of 20.05.2020 on the implications arising from COVID-19 on the half-yearly financial statements, Cofinimmo has exceptionally carried out an impairment test on the goodwill at 30.06.2020. A second test was then carried out, as usual, at the close of the 2020 financial year.

In terms of methodology, these two tests were conducted in a similar way. The goodwill subject to impairment tests (executed on the groups of properties to which it was allocated per country), by comparing the fair value of the properties plus the goodwill to their value in use as at 30.06.2020 and then as at 31.12.2020.

The fair value of the buildings is the value of the portfolio as established by the independent real estate valuers. This fair value is established using three valuation methods: the ERV (estimated rental value) capitalisation approach, the expected cash flow approach (projection of cash flows) and the residual valuation approach. To carry out the calculation, the independent real estate valuers take as main assumptions the indexation rate, the capitalisation rate and the buildings' estimated end-of-lease disposal value. These assumptions are based on market observations in order to take into account investors' expectations, particularly regarding revenue growth and market risk premium (for further information, see the report of the independent real estate valuers).

The value in use is established by the group according to expected future net cash flows based on the rents stipulated in the tenants' leases, the expenses to maintain and manage the property portfolio as well as the expected gains from disposals. The main assumptions are the indexation rate, the discount rate, an attrition rate (number of buildings and corresponding volume of revenues for which the tenant will terminate the lease, year after year) as well as the buildings' end-of-lease disposal value. These assumptions are based on the group's knowledge of its own portfolio. The average return required on its shareholders' equity and borrowed capital is used as the discount rate.

Given the different methods used to calculate the fair value of the buildings as established by the independent real estate valuers and the value in use as established by the group, as well as the fact that the assumptions used to calculate each of these may differ, the two values may not be the same and the differences can be justified.

a) Assumptions used in the calculation of the value in use of Pubstone

A projection of future net cash flows was prepared for the remaining duration of the lease bearing on the rents less the maintenance costs, investments and operating expenses, as well as the proceeds from asset disposals.

During this remaining period, an attrition rate is taken into account based on the terms of the lease signed with AB InBev. The buildings vacated are assumed to have all been sold. At the end of the lease, a residual value is calculated.

b) Impairment test at 30.06.2020

At 30.06.2020, the result of this test (illustrated in the table below) led to an impairment of 5,520 KEUR on the goodwill of Pubstone Belgium and of 4,600 KEUR on the goodwill of Pubstone Netherlands. During the first half of 2020, the fair value of the Pubstone Belgium recorded a negative change of 166 KEUR, whereas the fair value of Pubstone Netherlands recorded a positive change of 179 KEUR.

In terms of assumptions, the sale price of the properties and the residual value were based on the average value of the portfolio per m^2 assigned by the expert as at 30.06.2020, indexed at 1.0 % (2019: 1.2 %) per year. Since 2015, as a precautionary measure, no margin on the expert's value is taken in the cash flow projection.

The indexation considered on these cash flows was 1.0 % for Pubstone Belgium and Pubstone Netherlands. In 2019, the indexation was 1.4 % for Pubstone Belgium and Pubstone Netherlands.

The discount rate used at 30.06.2020 amounts to 5.02 % (2019: 5.14 %).

Impairment of goodwill at 30.06.2020

(x 1,000 EUR)					
Building group	Goodwill at 01.01.2020	Net book value[1]	Value in use	Impairment	Goodwill at 30.06.2020
Pubstone Belgium	36,127	329,261	323,741	-5,520	30,607
Pubstone Netherlands	20,820	162,267	157,667	-4,600	16,220
TOTAL	56,947	491,528	481,409	-10,120	46,827

Sensitivity analysis of the value in use when the main changes of the impairment test at 30.06.2020 vary

Change in the value in use				
Building group	Change in inflation		Change in discount rate	
	+0.50 %	-0.50 %	+0.50 %	-0.50 %
Pubstone Belgium	5.38 %	-5.07 %	-4.82 %	5.16 %
Pubstone Netherlands	5.31 %	-5.01 %	-4.68 %	5.01 %

Sensitivity analysis of the impairment when the main changes of the impairment test at 30.06.2020 vary

Change in the impairment[2] (x 1,000 EUR)					
Building group	Impairment loss recognised	Change in inflation		Change in discount rate	
		+0.50 %	-0.50 %	+0.50 %	-0.50 %
Pubstone Belgium	-5,520	0	-21,947	-21,119	0
Pubstone Netherlands	-4,600	0	-12,503	-11,989	0
TOTAL	-10,120				

1. Including goodwill.
2. The value of 0 has been indicated when the value in use is higher than the net book value.

c) Impairment test at 31.12.2020

An impairment test (illustrated in the table below) was also performed as at 31.12.2020 and did not lead to an additional impairment on the goodwill of either Pubstone Belgium or Pubstone Netherlands. It should be noted that during the 2020 financial year, the fair value of Pubstone Belgium had a positive change of 2,103 KEUR, while the fair value of Pubstone Netherlands had a negative change of 1,948 KEUR (as a result of the increase in the registration fee rate in the Netherlands, going from usually 6 % to 8 % from 01.01.2021).

In terms of assumptions, the sale price of the properties and the residual value were based on the average value of the portfolio per m^2 assigned by the expert as at 31.12.2020, indexed at 1.3 % (2019: 1.2 %) per year. Since 2015, as a precautionary measure, no margin on the expert's value is taken in the cash flow projection.

The indexation considered on these cash flows was 1.3 % for Pubstone Belgium and Pubstone Netherlands. In 2019, the indexation was 1.4 % for Pubstone Belgium and Pubstone Netherlands.

The discount rate used amounts to 4.37 % (2019: 5.14 %).

Impairment of goodwill at 31.12.2020

(x 1,000 EUR)					
Building group	Goodwill at 01.07.2020	Net book value[1]	Value in use	Impairment	Goodwill at 31.12.2020
Pubstone Belgium	30,607	326,030	355,019	0	30,607
Pubstone Netherlands	16,220	155,194	174,059	0	16,220
TOTAL	46,827	481,224	529,079	0	46,827

Sensitivity analysis of the value in use when the main changes of the impairment test at 31.12.2020 vary

Change in the value in use				
Building group	Change in inflation		Change in discount rate	
	+0.50 %	-0.50 %	+0.50 %	-0.50 %
Pubstone Belgium	5.13 %	-4.85 %	-4.89 %	5.23 %
Pubstone Netherlands	4.96 %	-4.69 %	-4.70 %	5.02 %

Sensitivity analysis of the impairment when the main changes of the impairment test at 31.12.2020 vary

Change in the impairment[2] (x 1,000 EUR)					
Building group	Impairment loss recognised	Change in inflation		Change in discount rate	
		+0.50 %	-0.50 %	+0.50 %	-0.50 %
Pubstone Belgium	0	0	0	0	0
Pubstone Netherlands	0	0	0	0	0
TOTAL	0				

1. Including goodwill.
2. The value of 0 has been indicated when the value in use is higher than the net book value.

Note 22. Investment property

(x 1,000 EUR)	Properties available for rent	Development projects	Assets held for own use	Total
AT 01.01.2019	3,583,014	103,836	7,352	3,694,202
Investments	15,017	33,890	0	48,907
Acquisitions	449,083	19,544	0	468,627
Transfers from/to properties available for rent and assets held for sale	-15,437	0	0	-15,437
Transfers from/to development projects and properties available for rent	18,511	-18,511	0	0
Sales/Disposals (fair value of assets sold/disposed of)	-43,763	-39,568	0	-83,331
Writeback of lease payments sold and discounted	8,784	0	0	8,784
Changes in the fair value	74,427	22,450	-106	96,771
AT 31.12.2019	4,089,636	121,640	7,246	4,218,523
Investments	27,100	31,458	32	58,590
Acquisitions	527,920	77,983	0	605,903
Transfer from/to properties available for lease and assets held for sale	-7,007	0	0	-7,007
Transfers from/to development projects and properties available for rent	96,142	-96,142	0	0
Sales/Disposals (fair value of assets sold/disposed of)	-6,210	0	0	-6,210
Writeback of lease payments sold and discounted	9,444	0	0	9,444
Changes in the fair value	-10,681	-2,120	-861	-13,662
AT 31.12.2020	4,726,343	132,819	6,418	4,865,581[1]

The fair value of the portfolio, as determined by the independent real estate valuers, reaches 4,868,901 KEUR at 31.12.2020.

It includes investment properties for 4,865,581 KEUR and assets held for sale for 3,320 KEUR.

FAIR VALUE OF INVESTMENT PROPERTIES

Investment properties are recognised at fair value using the fair value model in accordance with IAS 40. This fair value is the price at which a property could be exchanged between knowledgeable and willing parties in normal competitive conditions. It is determined by the independent real estate valuers in a two-step approach.

In the first stage, the valuers determine the investment value of each property (see methods below).

In a second stage, the valuers deduct from the investment value an estimated amount for the transaction costs that the buyer or seller must pay in order to carry out a transfer of ownership. The investment value less the estimated transaction costs (transfer rights) is the fair value within the meaning of IAS 40.

In Belgium, the transfer of ownership of a property is subject to the payment of transfer rights. The amount of these rights depends on the method of transfer, the type of purchaser and the location of the property. The first two elements, and therefore the total amount of rights to be paid, are only known once the transfer has been completed.

The range of methods for the major types of property transfer and corresponding rights include:

- sale contracts for property assets: 12.5% for properties located in the Brussels-Capital Region and in the Walloon Region, 10.0% for properties located in the Flemisch Region;
- sale of property assets under the rules governing estate traders: 4.0% to 8.0%, depending on the Region;
- leasehold agreement for property assets (up to 50 years for building leases and up to 99 years for leasehold): 2.0%;
- sale contracts for property assets where the purchaser is a public body (e.g. an entity of the European Union, the Federal Government, a regional government or a foreign government): tax exemption;
- contributions in kind of property assets against the issue of new shares in favour of the contributing party: tax exemption;
- sale contracts for shares of a real estate company: no taxes;
- mergers, splits and other forms of company restructuring: no taxes, etc.

1. Including the fair value of the investment properties, for which receivables have been assigned, amounting to 142,463 KEUR.

The effective rate of the transfer right therefore varies from 0% to 12.5%, whereby it is not possible to predict which rate would apply to the transfer of a given property before that transfer has effectively taken place.

Historically, in January 2006, the independent real estate valuers[1] who carry out the periodic valuation of the Belgian RECCs' assets were asked to compute a weighted average transaction cost percentage to apply on the RECC's property portfolios, based on supporting historical data. For transactions concerning properties with an overall value exceeding 2.5 million EUR, given the range of different methods for property transfers (see above), the valuers have calculated that the weighted average transfer tax comes to 2.5%.

During 2016, the same real estate valuers have revaluated this percentage thoroughly based on recent transactions. As a result of this revaluation, the weighted transfer tax is maintained at 2.5%.

For transactions concerning properties located in Belgium with an overall value of less than 2.5 million EUR, transaction costs of between 10.0% and 12.5% apply, depending on the Region in which the property is located.

At 01.01.2004 (date of transition to IAS/IFRS), the transaction costs deducted from the investment value of the property portfolio amounted to 45.5 million EUR and were recorded under a separate equity item entitled 'Impact on the fair value of estimated transaction costs and transfer rights resulting from the hypothetical disposal of investment properties'.

The 2.5% transaction costs have been applied to the subsequent acquisitions of buildings. At 31.12.2020, the difference between the investment value and the fair value of the global portfolio amounted to 213.2 million EUR or 7.88 EUR per share.

It is worth noting that the average gain in relation to the investment value realised on the disposals of assets operated since the changeover to the RECC regime in 1996 stands at 9.08%. Since that date, Cofinimmo has undertaken 325 asset disposals for a total of 2,107.4 million EUR. This added value would have been 9.77% if the deduction of transaction costs and transfer rights had been recognised as from 1996.

The transfer rights applied to the buildings located outside Belgium differ as follows:

- for transactions relating to healthcare real estate in France, 6.20% or 6.90% of purchase costs are withheld depending on the department in which the asset is situated and 1.80% for assets less than five years old. An additional tax of 0.60% is applied to transfer duties for assets in Île-de-France;
- for property of distribution networks situated in France, 6.90% of purchase costs are withhelded for assets located in the departments included in the list published by the Directorate-General for Public Finance (Direction générale des Finances publiques) on 01.06.2017. For all assets in all other departments, a purchase cost of 6.20% was withheld from the purchase price. An additional tax of 0.60% is applied to the transfer duties applicable to commercial buildings in Île-de-France;
- the transfer rights applied to healthcare real estate in the Netherlands depend on the last purchase date, the type of building (residential, commercial, etc.) and the type of ownership. They went from usually 6% to 8% as at 01.01.2021. This rate of 8% was taken into account by the independent real estate valuers to determine the fair value at 31.12.2020;
- for healthcare real estate in Germany, the transfer rights depend on the Land in which the asset is located; they usually vary between 3.5% and 6.5%;
- for healthcare real estate in Spain, the transfer rights depend on the region in which the asset is located: they usually vary between 1% and 3% and usually include registration fees, notary fees and fees for land or business registries;
- for healthcare real estate in Finland, the transfer rights depend on the type of building (residential, commercial, etc.) and the type of ownership. They usually vary between 2% and 4%.

1. Cushman & Wakefield, de Crombrugghe & Partners, Winssinger & Associés, Stadim and Troostwijk-Roux.

DETERMINATION OF THE VALUATION LEVEL OF THE FAIR VALUE OF INVESTMENT PROPERTIES

The fair value of investment properties on the balance sheet results exclusively from the portfolio's valuation by independent real estate valuers.

To determine the fair value of investment properties, the nature, characteristics and risks of these properties, as well as available market data, were examined.

Because of the state of market liquidity and the difficulty to find unquestionably comparable transaction data, the level of valuation, within the meaning of IFRS 13, of the fair value of the Cofinimmo buildings is 3, and this for the entire portfolio.

Determination of the valuation level of the fair value of investment properties

(x 1,000 EUR)	31.12.2020	31.12.2019
Asset category[1]	Level 3	Level 3
Healthcare real estate	**2,882,091**	**2,387,509**
Belgium	1,454,699	1,212,543
France	392,690	380,410
Netherlands	339,030	272,870
Germany	597,150	491,900
Spain	22,850	0
Finland	0	0
Healthcare real estate under development	75,672	29,785
Offices	**1,438,863**	**1,297,847**
Antwerp	66,520	68,564
Brussels CBD	717,308	517,963
Brussels Decentralised	347,602	359,554
Brussels Periphery/ Satellites	104,567	113,872
Other regions	145,718	146,039
Offices under development	57,148	91,855
Property of distribution networks	**547,947**	**561,932**
Pubstone Belgium	295,424	294,899
Pubstone Netherlands	138,974	141,073
Cofinimur I	113,550	125,960
TOTAL[2]	4,868,901	4,247,287

VALUATION METHODS USED

Based on a multi-criteria approach, the valuation methods used by the real estate valuers are the following:

Discounted estimated rental value method

This method involves capitalising the property's estimated rental value by using a capitalisation rate (yield) in line with the real estate market. The choice of the capitalisation rate used depends essentially on the capitalisation rates applied in the property investment market, taking into account the location and the quality of the property and that of the tenant at the valuation date. The rate corresponds to the rate anticipated by potential investors at the valuation date. The determination of the estimated rental value takes into account market data, the property's location, its quality, and, for the healthcare assets, the number of beds and, if available, the tenant's financial data (EBITDAR).

The resulting value must be adjusted if the current rent generates an operating income above or below the estimated rental value used for the capitalisation. The valuation also takes into account the costs to be incurred in the near future.

1. The basis for the valuations resulting in the fair values can be classified according to IFRS 13 as:
   - level 1: quoted prices observable in active markets;
   - level 2: observable data other than the quoted prices included in level 1;
   - level 3: unobservable data.
2. Including building held for sale for 3,320 KEUR in 2020 and 28,764 KEUR in 2019.

Discounted cash flow method

This method requires an assessment of the net rental income generated by the property on an annual basis during a defined period. This flow is then discounted. The projection period usually varies between 10 and 18 years. At the end of this period, a residual value is calculated using the capitalisation rate on the terminal rental value, which takes into account the building's expected condition at the end of the projection period, discounted.

Market comparables method

This method is based on the principle that a potential buyer will not pay more for the acquisition of a property than the price recently paid on the market for the acquisition of a similar property.

Residual value method

The value of a project is determined by defining what can/will be developed on the site. This means that the purpose of the project is known or foreseeable in terms of quality (planning) and quantity (number of m^2 that can be developed, future rents, etc.). The value is obtained by deducting the costs to completion of the project from its anticipated value.

Other considerations

If the fair value cannot be determined reliably, the properties are valued at the historical cost. In 2020, the fair value of all properties could be determined reliably so that no building was valued at historical cost.

In the event that the future sale price of a property is known at the valuation date, the properties are valued at the sale price.

For the buildings for which several valuation methods were used, the fair value is the average of the results of these methods.

During the year 2020, there was no transfer between valuation levels 1, 2 and 3 (within the meaning of IFRS 13). In addition, there was no change in valuation methods for the investment properties in 2020.

Changes in the fair value of investment properties, based on unobservable data

(x 1,000 EUR)	
Fair value at 01.01.2020	4,247,287
Gains/losses recognised on the income statement	-13,696
Acquisitions	605,903
Extensions/Redevelopments	31,458
Investments	27,132
Writeback of lease payments sold	9,444
Sales/Disposals	-38,627
Fair value at 31.12.2020	4,868,901

Quantitative information related to the determination of the fair value of investment properties, based on unobservable data (level 3)

The quantitative information in the following tables is taken from the different reports produced by the independent real estate valuers. The figures are extreme values and the weighted average of the assumptions used in the determination of the fair value of investment properties. The lowest discount rates apply to specific situations.

Determination of the valuation level of the fair value of the investment properties

(x 1,000 EUR)					
Asset category	Fair value at 31.12.2020	Valuation method	Unobservable data[1]	Extreme values (weighted average) at 31.12.2020	Extreme values (weighted average) at 31.12.2019
HEALTHCARE REAL ESTATE	2,882,091				
Belgium	1,454,699	Discounted cash flow	Estimated rental value (ERV)	62 - 208 (135) EUR/m²	62 - 229 (140) EUR/m²
			Discount rate	3.60% - 6.75% (5.10%)	4.00% - 6.60% (5.36%)
			Capitalisation rate of the final net ERV	4.70% - 9.60% (7.12%)	5.00% - 9.80% (7.19%)
			Inflation rate	1.60%	1.69%
			Operating costs	0.00% - 1.00% (0.36%)	0.00% - 1.00% (0.51%)
			Occupancy rate (based on current contracts)	100%	100%
			Residual length of current lease (in years)	11.7 - 26.9 (19.9)	12.7 - 26.5 (19.8)
			Number of m²	809 - 20,274 m² (8,018 m²)	809 - 15,327 m² (7,469 m²)
			Duration of the initial projection period (in years)	12 - 27 (19.4)	13 - 27 (18.8)
		Capitalisation of estimated rental value	Estimated rental value (ERV)	62 - 223 (138) EUR/m²	62 - 229 (143) EUR/m²
			Capitalisation rate	3.32% - 6.75% (4.97%)	3.70% - 6.75% (5.24%)
			Occupancy rate (based on current contracts)	100%	100%
			Residual length of current lease (in years)	11.7 - 26.9 (19.7)	12.7 - 26.5 (19.3)
			Number of m²	809 - 20,274 m² (8,015 m²)	809 - 20,274 m² (8,105 m²)
France	392,690	Discounted cash flow	Estimated rental value (ERV)	53 - 245 (153) EUR/m²	53 - 245 (153) EUR/m²
			Discount rate	4.75% - 5.50% (4.77%)	4.75% - 5.50% (4.77%)
			Capitalisation rate of the final net ERV	5.00% - 8.00% (6.33%)	5.00% - 8.50% (6.35%)
			Inflation rate	0.60% - 1.55% (0.91%)	0.60% - 1.57% (1.01%)
			Operating costs	0	0
			Occupancy rate (based on current contracts)	100%	100%
			Residual length of current lease (in years)	0.1 - 10.7 (3.1)	0.2 - 11.7 (4.1)
			Number of m²	1,286 - 12,957 m² (5,123 m²)	1,286 - 12,957 m² (5,159 m²)
			Duration of the initial projection period (in years)	1 - 11 (3.6)	1 - 12 (4.4)
		Capitalisation of estimated rental value	Estimated rental value (ERV)	53 - 316 (163) EUR/m²	53 - 245 (152) EUR/m²
			Capitalisation rate	3.95% - 72.76% (7.31%)	3.79% - 32.93% (7.21%)
			Occupancy rate (based oncurrent contracts)	0% - 100% (99.9%)	0% - 100% (99.9%)
			Residual length of current lease (in years)	0.1 - 10.7 (3.1)	0.2 - 11.7 (4)
			Number of m²	1,286 - 12,957 m² (4,863 m²)	1,286 - 12,957 m² (4,940 m²)
Netherlands	339,030	Capitalisation of estimated rental value	Estimated rental value (ERV)	59 - 299 (143) EUR/m²	62 - 299 (143) EUR/m²
			Capitalisation rate	3.70% - 8.20% (5.05%)	3.80% - 7.50% (5.22%)
			Occupancy rate (based on current contracts)	77% - 100% (99.7%)	78% - 100% (99.6%)
			Residual length of current lease (in years)	1.7 - 25.7 (10.8)	1.5 - 26.7 (10.5)
			Number of m²	430 - 16.652 m² (6.537 m²)	430 - 15.693 m² (5.016 m²)

1. Net rental income is incorporated in Note 6.

(x 1,000 EUR)					
Asset category	Fair value at 31.12.2020	Valuation method	Unobservable data[1]	Extreme values (weighted average) at 31.12.2020	Extreme values (weighted average) at 31.12.2019
Germany	597,150	Discounted cash flow	Estimated rental value (ERV)	16 - 303 (139) EUR/m²	13 - 296 (140) EUR/m²
			Discount rate	3.70% - 9.00% (6.25%)	3.65% - 8.55% (6.57%)
			Capitalisation rate of the final net ERV	3.00% - 8.50% (5.55%)	3.00% - 8.20% (5.66%)
			Inflation rate	1.89%	1.90%
			Operating costs	7% - 42% (11%)	7% - 50% (12%)
			Occupancy rate (based on current contracts)	100%	100%
			Residual length of current lease (in years)	13.5 - 27.8 (22.4)	4.3 - 28.8 (23.8)
			Number of m²	2,940 - 18,496 m² (7,870 m²)	2,940 - 15,215 m² (7,442 m²)
			Duration of the initialprojection period (in years)	10 - 10 (10)	10
		Capitalisation of estimated rental value	Estimated rental value (ERV)	16 - 303 (139) EUR/m²	13 - 296 (140) EUR/m²
			Capitalisation rate	3.00% - 8.50% (5.55%)	3.00% - 8.15% (5.66%)
			Occupancy rate (based on current contracts)	100%	100%
			Residual length of current lease (in years)	13.5 - 27.8 (22.4)	4.3 - 28.8 (23.8)
			Number of m²	2,940 - 18,496 m² (7,870 m²)	2,940 - 15,215 m² (7,442 m²)
Spain	228,500	Capitalisation of estimated rental value	Estimated rental value (ERV)	59 - 92 (74) EUR/m²	n/a
			Capitalisation rate	5.55% - 6.70% (6.26%)	n/a
			Occupancy rate (based on current contracts)	100%	n/a
			Residual length of current lease (in years)	15 - 29.6 (24.2)	n/a
			Number of m²	6,100 - 7,870 m² (6,947 m²)	n/a
Healthcare real estate under development[2-3]	75,672	Residual value	Estimated rental value (ERV)	67 - 234 (129) EUR/m²	94 - 154 (128) EUR/m²
			Capitalisation rate	4.50% - 5.90% (5.32%)	4.80% - 5.60% (5.36%)
			Completion costs	n/a[4]	n/a[4]
			Inflation rate	1.74% - 1.80% (1.76%)	0.00% - 2.00% (1.20%)
			Number of m²	810 - 9,762 m² (5,628 m²)	810 - 7,000 m² (4,460 m²)
			Residual construction costs (EUR/m²)	77 - 1,901 (935)	9 - 1,355 (539)
			Estimated construction period (in years)	0 - 2.5 (0.9)	0.1 - 1.5 (0.7)
OFFICES	1,438,863				
Antwerp	66,520	Capitalisation of estimated rental value	Estimated rental value (ERV)	120 - 171 (151) EUR/m²	120 - 170 (154) EUR/m²
			Capitalisation rate	4.15% - 8.00% (7.33%)	4.25% - 8.50% (7.48%)
			Occupancy rate (based on current contracts)	85% - 100% (94%)	89% - 100% (96%)
			Residual length of current lease (in years)	1.2 - 4.4 (3)	1.1 - 4.2 (2.0)
			Number of m²	61 - 9,403 m² (6,917 m²)	61 - 9,403 m² (6,868 m²)
			Long-term vacancy (in months)	3 - 12 (9)	3 - 12 (9)

1. Net rental income is incorporated in Note 6.
2. Includes only projects in progress.
3. Includes also developments in Spain and Finland.
4. The costs required to complete an investment property are directly related to each project (amounts and stage of completion).

(x 1,000 EUR)					
Asset category	Fair value at 31.12.2020	Valuation method	Unobservable data[1]	Extreme values (weighted average) at 31.12.2020	Extreme values (weighted average) at 31.12.2019
Brussels CBD	717,308	Capitalisation of estimated rental value	Estimated rental value (ERV)	155 - 252 (226) EUR/m²	147 - 251 (223) EUR/m²
			Capitalisation rate	3.49% - 6.40% (4.48%)	4.25% - 6.75% (5.19%)
			Occupancy rate (based on current contracts)	43% - 100% (95%)	87% - 100% (97%)
			Residual length of current lease (in years)	1.1 - 15.0 (6.7)	0.9 - 10.5 (4.7)
			Number of m²	2,932 - 20,322 m² (11,615 m²)	2,932 - 20,323 m² (10,862 m²)
			Long-term vacancy (in months)	6 - 24 (11)	6 - 18 (10)
Brussels Decentralised	347,602	Capitalisation of estimated rental value	Estimated rental value (ERV)	60 - 193 (152) EUR/m²	63 - 193 (155) EUR/m²
			Capitalisation rate	6.00% - 10.00% (7.32%)	6.30% - 11.50% (7.78%)
			Occupancy rate (based on current contracts)	63% - 100% (93%)	56% - 100% (87%)
			Residual length of current lease (in years)	0.7 - 8.3 (3.7)	1.0 - 8.1 (2.9)
			Number of m²	2,240 - 25,746 m² (15,221 m²)	2,240 - 25,746 m² (14,062 m²)
			Long-term vacancy (in months)	9 - 36 (14)	6 - 36 (12)
Brussels Periphery/ Satellites	104,567	Capitalisation of estimated rental value	Estimated rental value (ERV)	66 - 167 (123) EUR/m²	66 - 168 (124) EUR/m²
			Capitalisation rate	8.25% - 9.25% (8.59%)	8.25% - 10.50% (8.71%)
			Occupancy rate (based on current contracts)	13% - 100% (77%)	13% - 100% (77%)
			Residual length of current lease (in years)	1.2 - 4.6 (2.7)	0.5 - 5.6 (3.1)
			Number of m²	325 - 10,022 m² (5,863 m²)	325 - 10,022 m² (5,842 m²)
			Long-term vacancy (in months)	12 - 36 (17)	9 - 36 (15)
Other regions	145,718	Capitalisation of estimated rental value	Estimated rental value (ERV)	120 - 280 (140) EUR/m²	120 - 261 (138) EUR/m²
			Capitalisation rate	5.25% - 6.35% (5.93%)	5.75% - 6.25% (6.13%)
			Occupancy rate (based on current contracts)	92% - 100% (99.5%)	92% - 100% (99.5%)
			Residual length of current lease (in years)	1.1 - 11 (6.6)	1.6 - 12 (7.3)
			Number of m²	1,980 - 19,189 m² (12,681 m²)	1,980 - 19,189 m² (12,749 m²)
			Long-term vacancy (in months)	6 - 18 (11)	6 - 18 (11)
Offices under development[2]	57,148	Residual value	Estimated rental value (ERV)	99 - 250 (216) EUR/m²	99 - 250 (199) EUR/m²
			Capitalisation rate of the final net ERV	4.50% - 9.35% (5.54%)	3.75% - 9.35% (4.84%)
			Completion costs	n/a[3]	n/a[3]
			Inflation rate	1.50% - 1.75% (1.54%)	1.50% - 1.75% (1.54%)
			Number of m²	3,735 - 6,915 m² (5,856 m²)	3,735 - 14,263 m² (9,917 m²)
			Residual construction costs (EUR/m²)	n/a	223 - 528 (441)
			Estimated construction period (in years)	n/a	0.2 - 0.5 (0.4)

1. Net rental income is incorporated in Note 6.
2. Includes only projects in progress.
3. The costs required to complete an investment property are directly related to each project (amounts and stage of completion).

(x 1,000 EUR)					
Asset category	Fair value at 31.12.2020	Valuation method	Unobservable data[1]	Extreme values (weighted average) at 31.12.2020	Extreme values (weighted average) at 31.12.2019
PROPERTY OF DISTRIBUTION NETWORKS	547,947				
Pubstone Belgium	295,424	Discounted cash flow	Estimated rental value (ERV)	18 - 455 (99) EUR/m²	18 - 455 (71) EUR/m²
			Discount rate	6.00%	6.10%
			Capitalisation rate of the final net ERV	6.56%	6.50%
			Inflation rate	1.50%	1.65%
			Operating costs	6.20%	6.20%
			Occupancy rate (based on current contracts)	99.7%	99%
			Long-term vacancy (% of passing rents)	1.75%	1.75%
			Residual length of current lease (in years)	14.8	14.8
			Number of m²	87 - 1,781 m² (495 m²)	87 - 1,781 m² (493 m²)
			Duration of the initialprojection period (in years)	15	15
		Capitalisation of estimated rental value	Estimated rental value (ERV)	18 - 455 (99) EUR/m²	18 - 455 (71) EUR/m²
			Capitalisation rate	4.00% - 9.50% (5.89%)	4.00% - 9.50% (6.01%)
			Occupancy rate (based on current contracts)	99.7%	99%
			Residual length of current lease (in years)	14.8	14.8
			Number of m²	87 - 1,781 m² (495 m²)	87 - 1,781 m² (493 m²)
			Long-term vacancy (% of passing rents)	1.75%	1.75%
Pubstone Netherlands	138,974	Capitalisation of estimated rental value	Estimated rental value (ERV)	47 - 662 (239) EUR/m²	47 - 662 (212) EUR/m²
			Capitalisation rate	3.50% - 11.50% (5.89%)	3.50% - 11.50% (6.22%)
			Occupancy rate (based on current contracts)	99.8%	99.7%
			Residual length of current lease (in years)	14.8	14.8
			Number of m²	42 - 698 m² (251 m²)	42,866 m²
			Long-term vacancy (% of passing rents)	1.75%	1.75%
Cofinimur I France	113,550	Discounted cash flow	Estimated rental value (ERV)	63 - 519 (174) EUR/m²	75 - 700 (161) EUR/m²
			Discount rate	4.75%	4.75%
			Capitalisation rate of the final net ERV	3.96% - 14.20% (7.73%)	2.60% - 15.50% (7.82%)
			Inflation rate	-1.5% - 1.25% (0.63%)	1.78% - 2.00% (1.90%)
			Operating costs	0	0
			Occupancy rate (based on current contracts)	100%	98%
			Long-term vacancy	0% - 60%	0% - 60%
			Residual length of current lease (in years)	0.7 - 9 (3.7)	0.8 - 8.1 (2.9)
			Number of m²	51 - 1,853 m² (367 m²)	51 - 1,853 m² (369 m²)
			Duration of the initialprojection period (in years)	1 - 9 (4)	1 - 9 (3)

1. Net rental income is incorporated in Note 6.

(x 1,000 EUR)					
Asset category	Fair value at 31.12.2020	Valuation method	Unobservable data[1]	Extreme values (weighted average) at 31.12.2020	Extreme values (weighted average) at 31.12.2019
		Capitalisation of estimated rental value	Estimated Rental Value (ERV)	60 - 519 (172) EUR/m²	75 - 700 (161) EUR/m²
			Capitalisation rate	3.98% - 13.19% (6.55%)	3.57% - 13.19% (5.94%)
			Occupancy rate (based on current contracts)	96%	98%
			Residual length of current lease (in years)	0 - 9 (3.5)	0.8 - 8.1 (2.9)
			Number of m²	51 - 1,853 m² (361 m²)	51 - 1,853 m²(369 m²)
			Long-term vacancy (percentage of passing rent)	0% - 60%	0% - 60%
TOTAL	4,868,901				

SENSITIVITY OF THE BUILDING'S FAIR VALUE TO CHANGES OF THE UNOBSERVABLE DATA

A 10% increase in the estimated rental value would give rise to an increase in the portfolio's fair value of 361,672 KEUR. A 10% decrease in the estimated rental value would give rise to a decrease in the portfolio's fair value of 362,716 KEUR.

A 0.5% increase in the capitalisation rates would give rise to a decrease in the portfolio's fair value of 377,568 KEUR. A 0.5% decrease in the capitalisation rates would give rise to an increase in the portfolio's fair value of 463,682 KEUR.

A ±0.5% change in the capitalisation rate and a ±10% change in the estimated rental values are reasonably foreseeable.

There are interrelations between the various rates and rental values, as they are partly determined by market conditions. As a general rule, a change in the estimated rental value assumptions (per m² and per year) is accompanied by a change in the capitalisation rates in the opposite direction. This interrelation is not incorporated into the sensitivity analysis.

For investment properties under construction, the fair value is influenced by whether or not the project is complete within the budget and timeframe originally planned for the project.

VALUATION PROCESS

In accordance with the legal provisions, the valuations of properties are performed on a quarterly basis based on the valuation reports prepared by independent and qualified real estate valuers.

The independent real estate valuers are appointed for a period of three years. Their appointment is notified to the FSMA. The selection criteria include market knowledge, reputation, independence and application of professional standards.

The external valuers determine:

- whether the fair value of a property can be determined reliably;
- which valuation method must be applied to each investment property;
- the assumptions made for the unobservable data used in the valuation methods.

The hypotheses adopted for the non-observable data:

The DCF method is applied for the healthcare real estate and property of distribution networks segments. For this:

- the remaining economic life of the asset is not formally established, but recognised implicitly via the discounting rate and capitalisation rate at departure (exit yield), including a factor for the ageing of the building. In all cases, this remaining economic life is at least equal to the remaining duration of the current lease agreement;
- the long-term vacancy (or structural vacancy rate) for buildings intended for nursing and care homes is zero because all these assets are fully leased to one tenant (excluding antennas).

The activation method is applied for all segments. For this:

- the remaining economic life of the asset is not formally established, but recognised implicitly by the capitalisation rate used, including a factor for the ageing of the building;
- the long-term vacancy rate (or structural vacancy rate) is generally zero for all assets in operation in the assessed portfolios. If applicable, some short-term vacancy-related corrections are considered;
- the assumptions used for the valuation and any significant changes in value are discussed quarterly between management and the valuers. Other outside sources are also examined.

1. Net rental income is incorporated in Note 6.

USE OF PROPERTIES

The management considers the current use of the investment properties recognised at fair value on the balance sheet to be optimal taking into account the possibilities on the rental market and their technical characteristics.

DISPOSAL OF LEASE RECEIVABLES

On 22.12.2008, the Cofinimmo group sold to a subsidiary of the Société Générale group the usufruct receivables for an initial period of 15 years payable by the European Commission and relating to the Loi/Wet 56, Luxembourg 40 and Everegreen buildings owned by Cofinimmo in Brussels. The usufructs from these three buildings end between December 2020 and April 2022. Cofinimmo retains bare ownership and the indexation part of the receivables from the Luxembourg 40 building was not sold.

On 20.03.2009, the Cofinimmo group sold to a subsidiary of the Société Générale group the usufruct receivables for an initial period of 15 years payable by the European Commission and relating to the Nerviens/Nerviërs 105 building located in Brussels. The usufruct ends in May 2023. Cofinimmo retains bare ownership of the building.

On 23.03.2009, the Cofinimmo group sold to Fortis Banque/Bank 90 % of the finance lease receivables payable by the City of Antwerp relating to the fire station. At the end of the financial lease, the building will automatically be transferred to the City of Antwerp for free. The Cofinimmo group also sold on the same date and to the same bank lease receivables payable by the Belgian State relating to the Colonel Bourg/Kolonel Bourg 124 building in Brussels and the Maire 19 building in Tournai/Doornik. Cofinimmo retains ownership of these two buildings.

On 28.08.2009, the Cofinimmo group sold to BNP Paribas Fortis 96 % of the lease receivables pertaining to 2011 and the subsequent years relating to the Egmont I and Egmont II buildings located in Brussels. These receivables were bought back on 13.02.2018, prior to the granting of a 99-year leasehold right to these buildings.

The usufructs from the Loi/Wet 56, Luxembourg 40, Everegreen and Nerviens/Nerviërs 105 buildings, as well as the leases related to the Colonel Bourg/Kolonel Bourg 124 and Maire 19 buildings do not qualify as finance leases.

At the time of disposal, the amount levied by the group, resulting from disposal of future rents, has been recorded as a discount of the property value, as far as the disposal of rents is effective against third parties and, as a consequence, the property market value had to be deducted from the amount of future lease payments sold (see Note 2: Significant accounting methods, I. Leases, I. The group as lessor, C. Sale of future lease payments under a long lease not qualifying as a finance lease).

Although neither specifically foreseen nor forbidden under IAS 40, the writeback of the gross value of the properties, that of the residual value of the future receivables or lease payments sold allows, in the opinion of Cofinimmo's board of directors, an exact and fair presentation of the value of the properties in the consolidated balance sheet at the time of disposal of the rents. The gross value of the properties corresponds to the independent real estate valuer's valuation of the properties, as required by article 47 § 1 of the law of 12.05.2014 relating to regulated real estate companies.

In order to benefit from nominal rents, the sold receivables not terminated at the moment should be repurchased at their present value from the assignee bank. The actual redemption value of these non-terminated receivables can differ from their present value established at the moment of disposal, due to basic interest rates' evolution, applied margins on these rates, and expected inflation, as such possibly having an impact on the future rents' indexation.

Note 23. Breakdown of the changes in the fair value of investment properties

(x 1,000 EUR)	2020	2019
Properties available for rent	-10,681	58,231
Development projects	-2,120	20,944
Assets held for own use	-861	-106
Assets held for sale	-34	0
TOTAL	-13,696	79,069

This section includes the changes in fair value of investment properties and assets held for sale.

Note 24. Intangible assets and other tangible assets

(x 1,000 EUR)	Intangible assets		Other tangible assets	
	2020	2019	2020	2019
AT 01.01	935	922	1,278	810
Acquisitions	**1,558**	**270**	**805**	**1,129**
IT software	1,558	270		
Office fixtures and fittings			340	164
Right to use according to IFRS 16			466	966
Depreciation	**-321**	**-257**	**-649**	**-659**
IT software	-321	-257		
Office fixtures and fittings			-283	-286
Right to use according to IFRS 16			-366	-372
Disposals	**0**	**0**	**0**	**-2**
Office fixtures and fittings				-2
AT 31.12	2,172	935	1,434	1,278

The intangible assets and other tangible assets are exclusively assets held for own use.
The depreciation rates used depend on the duration of the economic life:

- fixtures: 10 % to 12.5 %;
- IT hardware: 25 % to 33 %;
- IT software: 25 %.

However, software depreciation can be spread over a longer period of time corresponding to the likely useful life and according to the consumption pattern of the economic benefits associated with the asset.

Note 25. Financial instruments

A. CATEGORIES AND DESIGNATION OF FINANCIAL INSTRUMENTS

IFRS 9 defines three main categories in terms of classification of financial assets and liabilities, i.e. designated at fair value by means of the net result, mandatory measured at fair value by means of the net result and measured at amortised cost. IFRS 9 also defines two other classification categories: designated at fair value through other comprehensive income and measured at fair value through other comprehensive income. With the exception of the convertible bond, which is designated at fair value partly through income statement and partly through other elements of comprehensive income, these categories do not currently apply to Cofinimmo.

The convertible bond does not qualify in its entirety as an equity instrument. The instrument contains embedded derivatives. In order to facilitate the valuation of this instrument, Cofinimmo has decided to value it at fair value.

Regarding the impairment of financial assets measured at amortised cost, including trade receivables and finance lease receivables, the application of the expected credit loss model in accordance with IFRS 9, has no material impact on Cofinimmo's consolidated financial statements, taking into account the relatively small amounts of trade receivables and finance leases, combined with low credit risk.

(x 1,000 EUR)	31.12.2020					
	Designated at fair value through the net result	Must be measured at fair value through the net result	Financial assets or liabilities measured at amortised cost	Fair value	Interests accured and not due	Qualification of fair values
NON-CURRENT FINANCIAL ASSETS	**0**	**382**	**105,275**	**194,616**	**0**	
Hedging instruments	**0**	**382**	**0**	**382**	**0**	
Derivative instruments	0	382	0	382	0	Level 2
Credits and receivables	**0**	**0**	**105,275**	**194,234**	**0**	
Non-current finance lease receivables	0	0	104,889	193,848	0	Level 2
Trade receivables and other non-current assets	0	0	386	386	0	Level 2
CURRENT FINANCIAL ASSETS	**0**	**0**	**80,144**	**82,151**	**0**	
Hedging instruments	**0**	**0**	**0**	**0**	**0**	
Derivative instruments	0	0	0	0	0	Level 2
Credits and receivables	**0**	**0**	**31,502**	**33,510**	**0**	
Current finance lease receivables	0	0	2,367	4,375	0	Level 2
Trade receivables	0	0	26,023	26,023	0	Level 2
Other	0	0	3,112	3,112	0	Level 2
Cash and cash equivalents	**0**	**0**	**48,642**	**48,642**	**0**	**Level 2**
TOTAL	0	382	185,419	276,767	0	
NON-CURRENT FINANCIAL LIABILITIES	**1,535**	**90,046**	**1,251,822**	**1,374,323**	**4,151**	
Non-current financial debts	**1,535**	**0**	**1,241,177**	**1,273,633**	**4,151**	
Bonds	0	0	807,466	832,665	3,479	Level 2
Convertible bonds	0	0	0	0	0	Level 1
Mandatory convertible bonds (MCB)	1,535	0	0	1,535	0	Level 2
Lease liability	0	0	697	697	0	Level 2
Credit institutions	0	0	354,599	359,574	380	Level 2
Long-term commercial paper	0	0	69,000	69,746	292	Level 2
Rent guarantees received	0	0	9,417	9,417	0	Level 2
Other non-current financial liabilities	**0**	**90,046**	**10,644**	**100,690**	**0**	
Derivative instruments	0	90,046	0	90,046	0	Level 2
Other	0	0	10,644	10,644	0	Level 3
CURRENT FINANCIAL LIABILITIES	**221,137**	**206**	**855,639**	**1,076,982**	**121**	
Current financial debts	**221,137**	**0**	**815,354**	**1,036,491**	**121**	
Commercial paper	0	0	810,000	810,000	0	Level 2
Bonds	0	0	0	0	0	Level 2
Convertible bonds	221,137	0	0	221,137	121	Level 1
Credit institutions	0	0	5,328	5,328	0	Level 2
Other	0	0	26	26	0	Level 2
Other current financial liabilities	**0**	**206**	**0**	**206**	**0**	
Derivative instruments	0	206	0	206	0	Level 2
Trade debts	**0**	**0**	**40,285**	**40,285**	**0**	**Level 2**
TOTAL	222,672	90,252	2,107,461	2,451,305	4,272	

(x 1,000 EUR)	31.12.2019					
	Designated at fair value through the net result	Must be measured at fair value through the net result	Financial assets or liabilities measured at amortised cost	Fair value	Interests accured and not due	Qualification of fair values
NON-CURRENT FINANCIAL ASSETS	**0**	**2,121**	**106,667**	**184,984**	**0**	
Hedging instruments	**0**	**2,121**	**0**	**2,121**	**0**	
Derivative instruments	0	2,121	0	2,121	0	Level 2
Credits and receivables	**0**	**0**	**106,667**	**182,864**	**0**	
Non-current finance lease receivables	0	0	105,651	181,848	0	Level 2
Trade receivables and other non-current assets	0	0	1,016	1,016	0	Level 2
CURRENT FINANCIAL ASSETS	**0**	**2**	**60,295**	**62,117**	**0**	
Credits and receivables	**0**	**2**	**0**	**2**	**0**	
Current finance lease receivables	0	2	0	2	0	Level 2
Trade receivables	**0**	**0**	**28,727**	**30,547**	**0**	
Other	0	0	2,258	4,078	0	Level 2
Cash and cash equivalents	0	0	23,443	23,443	0	Level 2
TOTAL	0	0	3,026	3,026	0	Level 2
Cash and cash equivalents	**0**	**0**	**31,569**	**31,569**	**0**	**Level 2**
TOTAL	0	2,122	166,962	247,102	0	
NON-CURRENT FINANCIAL LIABILITIES	**230,221**	**73,022**	**651,559**	**964,817**	**2,972**	
Non-current financial debts	**230,221**	**0**	**640,353**	**880,590**	**2,972**	
Bonds	0	0	315,000	319,267	2,323	Level 2
Convertible bonds	227,871	0	0	227,871	121	Level 1
Mandatory convertible bonds (MCB)	2,350	0	0	2,350	0	Level 2
Lease liability	0	0	596	596	0	Level 2
Credit institutions	0	0	266,353	271,745	287	Level 2
Long-term commercial paper	0	0	50,000	50,357	241	Level 2
Rent guarantees received	0	0	8,404	8,404	0	Level 2
Other non-current financial liabilities	**0**	**73,022**	**11,206**	**84,227**	**0**	
Derivative instruments	0	73,022	0	73,022	0	Level 2
Other	0	0	11,206	11,206	0	Level 3
CURRENT FINANCIAL LIABILITIES	**0**	**96**	**904,481**	**904,876**	**4,513**	
Current financial debts	**0**	**0**	**866,481**	**866,780**	**4,513**	
Commercial paper	0	0	680,750	680,750	0	Level 2
Bonds	0	0	140,000	140,299	4,513	Level 2
Convertible bonds	0	0	0	0	0	Level 1
Credit institutions	0	0	45,706	45,706	0	Level 2
Other	0	0	25	25	0	Level 2
Other current financial liabilities	**0**	**96**	**0**	**96**	**0**	
Derivative instruments	0	96	0	96	0	Level 2
Trade debts and other current debts	**0**	**0**	**38,000**	**38,000**	**0**	**Level 2**
TOTAL	230,221	73,117	1,556,039	1,869,693	7,485	

Monetary and non-monetary changes in financial liabilities

		Monetary changes	Non-monetary changes		
(x 1,000 EUR)	31.12.2019		Acquisitions/ Interests accrued and not due / IFRS 16	Changes in fair value	31.12.2020
NON-CURRENT FINANCIAL LIABILITIES	967,789	603,441	5,656	-198,411	1,378,475
Non-current financial debts	**883,562**	**608,258**	**1,401**	**-215,436**	**1,277,784**
Bonds	321,590	496,110	5,045	13,399	836,144
Convertible bonds	227,992	0	0	-227,992	0
Mandatory Convertible Bonds (MCB)	2,350	0	0	-814	1,535
Lease liability	596	-365	466	0	697
Credit institutions	272,031	88,245	94	-417	359,954
Long-term commercial paper	50,598	19,000	51	389	70,038
Rental guarantees received	8,404	1,012	0	0	9,417
Other non-current financial debts	**84,228**	**-562**	**0**	**17,024**	**100,690**
Derivative instruments	73,022	0	0	17,024	90,046
Other	11,206	-562	0	0	10,644
CURRENT FINANCIAL LIABILITIES	909,389	-48,842	-4,513	221,069	1,077,103
Current financial debts	**871,293**	**-51,127**	**-4,513**	**220,959**	**1,036,612**
Commercial paper	680,750	129,250	0	0	810,000
Bonds	144,812	-140,000	-4,513	-299	0
Convertible bonds	0	0	0	221,258	221,258
Credit institutions	45,706	-40,378	0	0	5,328
Other	25	1	0	0	26
Other current financial liabilities	**96**	**0**	**0**	**110**	**206**
Derivative instruments	96	0	0	110	206
Trade debts	**38,000**	**2,285**	**0**	**0**	**40,285**
TOTAL	1,877,178	554,599	-3,112	22,657	2,455,578

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Some financial instruments (derivative instruments, convertible bonds) are measured at fair value after their initial entry in the balance sheet. The other financial instruments are measured at amortised cost and their fair value is given in the appendix (see table above). The fair value of financial instruments can be presented at three levels (1 to 3). The level allocation depends on the level of observability of the variables used for the evaluation of the instrument, namely:

- the level 1 fair value measurements are those derived from listed prices (unadjusted) in active markets for similar assets or liabilities;
- the level 2 fair value measurements are those established using observable data for the assets or liabilities concerned. These data may be either 'direct' (prices, other than those covered by level 1) or 'indirect' (data derived from prices);
- the level 3 fair value measurements are those that are not based on observable market data for the assets or liabilities in question.

Level 1

The convertible bonds issued by Cofinimmo are subject to a level 1 valuation.

Change in fair value of convertible bonds

(x 1,000 EUR)	2020	2019
At 01.01	227,871	215,727
Change in the fair value resulting from changes in market conditions during the financial year, booked under the income statement	987	2,213
Change in fair value resulting from changes in credit risk during the financial year, booked under the other elements of the comprehensive result	-7,721	9,930
At 31.12	221,137	227,871

In September 2016, Cofinimmo repurchased convertible bonds issued in 2013 and at the same time issued new convertible bonds maturing in 2021, which led to the cancellation of the bonds (convertible bonds 2018) and the recognition of new bonds (convertible bonds 2021).

At 31.12.2020, the convertible bond maturing in 2021 has a total fair value of 221,136,771 EUR. If the bond is not converted into shares, the redemption value will amount to 219,320,616 EUR at final maturity.

The methodology used to explain the change in fair value had been adjusted in 2018 to take into account the application of IFRS 9 in order to isolate the market risk from Cofinimmo's own credit risk. The same method was applied to the 2020 results that are published above.

Level 2

All other financial assets and liabilities, namely the derivative financial instruments stated at fair value, are level 2. The fair value of financial assets and liabilities with standard terms and conditions and negotiated on active and liquid markets is determined based on stock market prices. The fair value of 'Trade receivables', 'Trade debts' as well as any other floating-rate debt is close to their book value. Bank debts are primarily in the form of rollover credit facilities. The calculation of the fair value of 'Finance lease receivables' is based on the discounted cash flow method, using a yield curve adapted to the duration of the instruments and that of the derivative financial instruments is obtained through the valorisation tool of the derivative financial instruments available on Bloomberg.

More details on the finance lease receivables can be found in Note 26.

Level 3

Currently, Cofinimmo does not hold any financial instrument meeting the definition of level 3, with the exception of sales options permitted to non-controlling shareholders (see Note 41 for further details). The exercise price of put options granted to non-controlling shareholders is measured at their fair value. This value is determined in particular based on the fair value of the share of the net assets held by these shareholders.

Lease liability

(x 1,000 EUR)	2020	2019
At 01.01	596	966
Change in principal	101	-370
At 31.12	697	596

B. MANAGEMENT OF FINANCIAL RISK

Interest rate risk

Since the Cofinimmo group owns a (very) long-term property portfolio, it is highly probable that the loans financing this portfolio will be refinanced upon maturity by other loans. Therefore, the company's total financial debt is regularly renewed for an indefinite future period. For reasons of cost efficiency, the group's financing policy by debt separates the loan raising (liquidity and margins at floating rates) from the management of interest rates risks and charges (fixing and hedging of future floating interest rates). A part of the funds are borrowed at floating rate.

Breakdown of loans (non-currents and currents) at floating rate and at fixed rate (calculated on their nominal values)

(x 1,000 EUR)	2020	2019
At floating rate	1,150,783	963,750
At fixed rate	1,117,721	748,263
TOTAL	2,268,503	1,712,013

In accordance with its hedging policy, the group hedges at least 50% of its total debt portfolio for at least three years by entering into fixed-rate debts and contracting interest rate derivative instruments for hedging the debt at floating rate.

In the course of 2020, Cofinimmo continued to increase its hedging over a period of ten years. IRS for the years 2025 (100 million EUR), 2026-2027-2028 (350 million EUR), and 2029 (250 million EUR) were subscribed in order to increase the hedging horizon. The main long-term hedging transactions were carried out during the first quarter. In January 2021, Cofinimmo increased its hedging for the years 2026 to 2029 with the subscription of an IRS for 50 million EUR.

In 2020, Cofinimmo also increased its hedging for the coming years with the subscription of caps for 2020 (150 million EUR), 2021 (250 million EUR),and 2022 (350 million EUR) and 2023-2024 (100 million EUR). In January 2021, Cofinimmo subscribed one new cap for 200 million EUR in order to increase its hedging for the years 2021-2022-2023-2024-2025.

The hedging period of minimum three years was chosen to offset the negative effect a time lag between an increase in nominal interest rates, which would increase rental income of indexed leases, on the net result. It is believed that a rise in real interest rates is usually a consequence of a rise in inflation and an upturn in general economic activity, resulting in better rental conditions, which could benefit the net result.

The banks that sign these IRS contracts are generally different from those providing the funds, however the group makes sure that the periods of the interest rate derivatives and the dates at which they are contracted correspond to the renewal periods of its loan contracts and the dates at which their rates are set.

If a derivative instrument hedges an underlying debt contracted at floating rate, the hedge relationship is qualified as a cash flow hedge. If a derivative instrument hedges an underlying debt contracted at fixed rate, it is qualified as a fair value hedge. In accordance with IFRS 9, this is applicable if an efficiency test is performed and a documentation is established to support the hedge. Although the financial instruments, whether issued or held, were used for hedging the interest rate risk, as the group does not designate a relation with a particular risk, these instruments are presented in the accounting category 'Mandatory measured at fair value by means of the net result' under IFRS 9.

Below are the results of a sensitivity study of the impact of changes in interest rates on the net result from core activities. A change in interest rate will impact directly the non-hedged part of the floating debt through an increase or a decrease of interest charges, and indirectly the hedged part in function of the hedging instruments used. A change in interest rate will have as additional consequence a change of the IRS fair value, which will be booked in the income statement.

Summary of the potential effects, on equity and on the income statement, of a 1% change in the interest rate

(x 1,000,000 EUR)	2020		2019	
Change	Income statement	Shareholders' equity	Income statement	Shareholders' equity
+1%	-0.48	0.00	0.20	0.00
-1%	-0.07	0.00	-0.03	0.00

The table above shows that an interest rate increase of 1% would result in a loss of 0.48 million EUR, whereas it would have resulted in a gain of 0.2 million EUR in 2019. Conversely, a loss of 0.07 million EUR would result from a 1% decline of interest rate, whereas it would have led to a loss of 0.03 million EUR in 2019. While the equity is not directly affected by the change of interest rate.

In a context where interest rates are low and negative, the difference between 2019 and 2020, in the event of a rate increase, is mainly explained by the increase, in absolute term, of the costs related to the unhedged debt. As unhedged debt does not benefit from a rate decrease, the impact on the income statement compared to 2019 is insignificant.

Credit risk

In the framework of its activity, Cofinimmo deals with two main counterparties: banks and clients. The group maintains a minimum rating standard for its financial counterparties. Financial counterparties with whom Cofinimmo has liabilities have an external 'investment grade' rating (a minimum BBB-rating according to the rating agency Standard & Poor's). The financial counterparties with whom the group has receivables also have an external 'investment grade' rating. Cofinimmo pursues a policy that is aimed at not maintaining relationships with financial counterparties that do not meet this criterion. While customer risk is mitigated by a diversification of clients and an analysis of their solvency before and during the lease contract.

Price risk

The group is exposed to a price risk linked to the Cofinimmo stock options tied to its convertible bonds. The bond was close to the currency at the end of December 2020. However, given that the economic value of the convertible bond on the secondary market will remain higher than the economic conversion value until maturity, Cofinimmo considers that the risk of conversion before maturity is limited (for more information, see chapter 'Cofinimmo on the stock market' of this document.)

Currency risk

Since 2018, the Cofinimmo group is no longer exposed to currency risks since its whole turnover and expenses are in euros (with the exception of a few suppliers invoicing in other currencies). The financing is also fully insured in euros.

Liquidity risk

The liquidity risk is limited by the diversification of the financing sources and by the refinancing which is generally done at least one year before the maturity date of the financial debt.

Obligation of liquidity for repayments

(x 1,000 EUR)	2020	2019
Between one and two years	523,024	433,662
Between two and five years	173,943	353,340
Beyond five years	871,673	293,661
TOTAL	1,568,641	1,080,663

Long-term undrawn loan facilities

(x 1,000 EUR)	2020	2019
Expiring within one year	0	105,000
Expiring after one year	1,332,125	1,067,000

Collateralisation

As at 31.12.2020, the book value of the pledged financial assets stands at 55,803,211.84 EUR (2019: 54,859,802 EUR). The terms and conditions of the pledged financial assets are detailed in Note 38. During 2020, there were no payment defaults on loan agreements or violations of the terms of these agreements.

C. DERIVATIVE FINANCIAL INSTRUMENTS

Types of derivative financial instruments relating to interest rates

As at 31.12.2020, the group uses IRS and caps (interest rate options with a maximum level of 0%) to hedge its exposure to interest rate risks arising from its operational, financial and investment activity.

Interest Rate Swap (IRS)

An IRS is an interest rate forward contract whereby Cofinimmo exchanges a floating interest rate against a fixed interest rate. The IRS are detailed in the table on the next page.

Caps

A cap is an interest rate option whereby, in return for the payment of a one-off premium, Cofinimmo receives a floating interest rate when the latter exceeds a specific threshold (e.g. 0%) during a specific future period. The caps are described in the table on the next page.

Floating-rate loans at 31.12.2020 hedged by derivative financial instruments

As detailed in the table below, the floating-rate debt (1,151 million EUR) is obtained by deducting the elements of the debt that remained at fixed rate from the total debt (2,283 million EUR).

(x 1,000 EUR)	2020	2019
Financial debts	2,283,462	1,744,539
Convertible bonds	-221,137	-227,992
Bonds - fixed rate	-815,000	-461,836
Bonds convertible into shares (minimum fixed coupon)	-2,232	-2,945
Fixed-rate loans	-81,260	-63,941
Commercial paper - fixed rate	-15,000	-10,000
Other (accounts receivable, rental guarantees received, accrued interests not due)	-10,714	-14,075
Debts at floating rate covered by derivate financial instruments	1,138,120	963,750

As explained in the chapter 'Financial resources management', Cofinimmo's financial policy consists in maintaining a debt-to-assets ratio of approximately 45% with partial hedging of its floating-rate debt with hedging instruments (IRS or caps).

At 31.12.2020, Cofinimmo had floating-rate debt in the notional amount of 1,151 million EUR. The amount was hedged against interest rate risk by IRS in the notional amount of 645 million EUR and by caps in the notional amount of 350 million EUR.

In the course of 2020, Cofinimmo continued to increase its hedging over a period of ten years. IRS for the years 2025 (100 million EUR), 2026-2027-2028 (350 million EUR), and 2029 (250 million EUR) were subscribed in order to increase the hedging horizon. The main long-term hedging transactions were carried out during the first quarter. In January 2021, Cofinimmo increased its hedging for the years 2026 to 2029 with the subscription of an IRS for 50 million EUR.

In 2020, Cofinimmo also increased its hedging for the coming years with the subscription of caps for 2020 (150 million EUR), 2021 (250 million EUR),and 2022 (350 million EUR) and 2023-2024 (100 million EUR). In January 2021, Cofinimmo subscribed one new cap for 200 million EUR in order to increase its hedging for the years 2021-2022-2023-2024-2025.

Cofinimmo expects its portfolio to be partially financed by debt, at least from 2020 to 2029. As a result, the company will have an ongoing interest payment, which is the item hedged with the derivative financial instruments held for transaction purposes described above.

Interest rate derivative financial instruments

(x 1,000 EUR)					
Period covered by IRS	Active / Forward	Option	Exercise price	Floating Rate	2020 notional
2020	Active	IRS	0.86%	1M	-100,000
2020	Active	IRS	0.87%	1M	-100,000
2020	Active	IRS	0.85%	1M	-150,000
2021	Active	IRS	0.97%	1M	-50,000
2021	Active	IRS	1.03%	1M	-50,000
2021	Active	IRS	1.00%	1M	-50,000
2022	Forward	IRS	1.31%	1M	-75,000
2022	Forward	IRS	1.32%	1M	-75,000
2023-2024-2025	Forward	IRS	1.18%	1M	-25,000
2023-2024-2025	Forward	IRS	1.10%	1M	-25,000
2023-2024-2025	Forward	IRS	1.15%	1M	-50,000
2023-2024-2025	Forward	IRS	1.18%	1M	-50,000
2020-2021	Active	IRS	0.99%	1M	-195,000
2023-2024-2025	Forward	IRS	1.12%	1M	-50,000
2021	Active	IRS	0.14%	1M	-50,000
2022-2023-2024	Forward	IRS	1.70%	1M	-100,000
2020-2021	Active	IRS	0.93%	1M	-100,000
2022-2023-2024	Forward	IRS	1.79%	1M	-150,000
2022-2023	Forward	IRS	0.45%	1M	-50,000
2022	Forward	IRS	0.24%	1M	-50,000
2022-2023-2024	Forward	IRS	0.38%	1M	-50,000
2023-2024-2025	Forward	IRS	0.95%	1M	-75,000
2025-2026-2027-2028	Forward	IRS	0.91%	1M	-100,000
2025-2026-2027-2028	Forward	IRS	0.72%	1M	-100,000
2023	Forward	IRS	0.71%	1M	-40,000
2024	Forward	IRS	0.96%	1M	-40,000
2025	Forward	IRS	1.17%	1M	-40,000
2023	Forward	IRS	0.80%	1M	-60,000
2024	Forward	IRS	1.05%	1M	-60,000
2025	Forward	IRS	1.26%	1M	-60,000
2023	Forward	IRS	0.68%	1M	-50,000
2024	Forward	IRS	0.93%	1M	-50,000
2025	Forward	IRS	1.14%	1M	-50,000
2023	Forward	IRS	0.67%	1M	-30,000
2024	Forward	IRS	0.92%	1M	-30,000
2025	Forward	IRS	1.13%	1M	-30,000
2023	Forward	IRS	0.78%	1M	-20,000
2024	Forward	IRS	1.03%	1M	-20,000
2025	Forward	IRS	1.24%	1M	-20,000
2026-2027-2028	Forward	IRS	0.46%	1M	-50,000
2026-2027-2028	Forward	IRS	0.44%	1M	-50,000
2026-2027-2028	Forward	IRS	0.21%	1M	-100,000
2026-2027-2028	Forward	IRS	-0.05%	1M	-100,000
2023-2024-2025	Forward	IRS	0.96%	1M	-90,000
2023-2024-2025	Forward	IRS	1.00%	1M	-110,000
2026-2027-2028	Forward	IRS	0.17%	1M	-50,000
2026-2027-2028	Forward	IRS	0.17%	1M	-50,000
2025-2026-2027-2028-2029	Forward	IRS	0.80%	1M	-100,000
2026-2027-2028-2029	Forward	IRS	-0.08%	1M	-50,000
2026-2027-2028-2029	Forward	IRS	1.16%	1M	-100,000
2021-2022	Active	IRS	1.89%	1M	-150,000
2020	Active	CAP	0.00%	1M	-200,000
2020	Active	CAP	0.00%	1M	-150,000
2021-2022	Forward	CAP	0.00%	1M	-50,000
2022	Forward	CAP	0.00%	1M	-50,000
2022	Forward	CAP	0.00%	1M	-50,000
2022	Forward	CAP	0.00%	1M	-50,000
2021-2022	Forward	CAP	0.00%	1M	-50,000
2021-2022-2023-2024	Forward	CAP	0.00%	1M	-100,000
2021	Active	CAP	0.00%	1M	-50,000

Obligation of liquidity at maturity, related to derivative financial instruments

This table mainly reflects the increase in the debt and, as a result, in hedging (IRS) carried out by Cofinimmo during 2020 on the various maturities shown.

(x 1,000 EUR)	2020	2019
Between one and two years	-24,722	-23,025
Between two and five years	-47,559	-36,276
Beyond five years	-17,776	-7,300
TOTAL	-90,058	-66,601

The tables below represent the net positions of assets and liabilities of derivative financial instruments.

Offsetting financial assets and financial liabilities

(x 1,000 EUR)						31.12.2020
	Gross amount of recognised financial assets	Gross amounts of financial assets offset in the statement of financial position	Net amount of financial assets presented in the position of the financial assets	Amounts not offset in the statement of financial position		Net amount
				Financial instruments	Guarantees received in cash	
Financial assets						
CAP	382	0	382	0	0	382
IRS	0	0	0	0	0	0
TOTAL	382	0	382	0	0	382

(x 1,000 EUR)						31.12.2020
	Gross amount of recognised financial assets	Gross amounts of financial assets offset in the statement of financial position	Net amount of financial assets presented in the position of the financial assets	Amounts not offset in the statement of financial position		Net amount
				Financial instruments	Guarantees received in cash	
Financial liabilities						
IRS	90,252	0	90,252	0	0	90,252
TOTAL	90,252	0	90,252	0	0	90,252

Offsetting financial assets and financial liabilities

(x 1,000 EUR)						31.12.2019
	Gross amount of recognised financial assets	Gross amounts of financial assets offset in the statement of financial position	Net amount of financial assets presented in the position of the financial assets	Amounts not offset in the statement of financial position		Net amount
				Financial instruments	Guarantees received in cash	
Financial assets						
CAP	2	0	2	0	0	2
IRS	2,121	0	2,121	0	0	2,121
TOTAL	2,122	0	2,122	0	0	2,122

(x 1,000 EUR)						31.12.2019
	Gross amount of recognised financial assets	Gross amounts of financial assets offset in the statement of financial position	Net amount of financial assets presented in the position of the financial assets	Amounts not offset in the statement of financial position		Net amount
				Financial instruments	Guarantees received in cash	
Financial liabilities						
IRS	73,117	0	73,117	0	0	73,117
TOTAL	73,117	0	73,117	0	0	73,117

Summary of derivative financial instruments active at 31.12.2020

(x 1,000 EUR)				
Option	Period	Exercise price	Floating rate	2020 notional
Held for trading				
IRS	2020	0.86%	1M	100,000
IRS	2020	0.87%	1M	100,000
IRS	2020	0.85%	1M	150,000
IRS	2020	0.99%	1M	195,000
IRS	2020	0.93%	1M	100,000
CAP	2020	0.00%	1M	150,000
CAP	2020	0.00%	1M	200,000

D. MANAGEMENT OF CAPITAL

As a result of article 13 of the royal decree of 13.07.2014 on RRECs, the public RREC must, where the consolidated debt-to-assets ratio exceeds 50% of the consolidated assets, draw up a financial plan accompanied by a time frame, detailing the measures taken to prevent this debt-to-assets ratio from exceeding 65% of the consolidated assets. This financial plan is subject to a special auditor's report confirming that the latter has verified the method for drawing up the plan, namely with regard to its economic bases, and that the figures it contains are coherent with the public RREC's accounts. The annual and half-yearly financial reports must justify the way in which the financial plan has been executed during the period in question and the way in which the RREC intends to execute the plan in the future.

Evolution of the debt-to-assets ratio

As at 31.03.2020, 30.06.2020 and 30.09.2020, the debt-to-assets ratio reached respectively 40.7%, 41.8% and 42.2%, remaining below 50%. On 31.12.2020, the debt-to-assets ratio stood at 46.1%.

Debt-to-assets ratio policy

Cofinimmo's policy is to maintain a debt-to-assets ratio close to 45%. It may repeatedly rise above or fall below the 45% bar without this signalling a change in policy in one or the other direction.

Each year, Cofinimmo prepares a financial plan for the medium term which includes all the financial commitments of the group. This plan is updated during the year when a new important commitment is made. The debt level and its future evolution are calculated with each edition of this plan. Cofinimmo therefore always has a prospective view of this core parameter of its consolidated balance sheet structure to keep the debt-to-assets ratio close to 45%.

Forecast of the debt-to-assets ratio evolution

Cofinimmo's updated financial plan shows that Cofinimmo's consolidated debt-to-assets ratio should not deviate significantly from the 45% level on December 31st of each of the next three years. This forecast nevertheless remains subject to the occurrence of unforeseen events. In this respect, specific reference is made to the chapter 'Risks factors' of this document.

Decision

Cofinimmo's board of directors thus considers that the debt-to-assets ratio will not exceed 65% and that, for the moment, in view of the economic and real estate trends in the segments in which the group is present, the investments planned and the expected evolution of its portfolio, it is not necessary to take additional measures to those contained in the financial plan referred to above.

Note 26. Finance lease receivables

The group has concluded finance leases for several buildings. Given the quality of the tenants (especially the Belgian government) on the one hand, and the low credit risk associated with financial lease receivables (established based on an analysis of historical credit losses) on the other, the model of expected credit losses under IFRS 9 has no material impact on the group.

The group has also granted financings linked to refurbishment works to certain tenants. The average implicit yield of these finance lease contracts amounts to 5.10 % for 2020 (2019: 4.98 %). During the 2020 financial year, conditional rents (indexations) were recorded as revenues of the period for 0.03 million EUR (2019: 0.03 million EUR).

(x 1,000 EUR)	2020	2019
less than one year	5,514	5,626
more than one year but less than two years	5,447	5,534
more than two years but less than three years	5,630	5,467
more than three years but less than four years	5,349	5,498
more than four years but less than five years	5,296	5,349
more than five years	204,503	206,249
Minimum lease payments	**231,738**	**233,723**
Deferred financial income	-124,482	-125,815
Discounted value of minimum lease payments	**107,256**	**107,909**
Non-current finance lease receivables	104,889	105,651
more than one year but less than two years	2,464	2,423
more than two years but less than three years	2,556	2,457
more than three years but less than four years	2,657	2,556
more than four years but less than five years	2,728	2,657
more than five years	94,484	95,558
Current finance lease receivables	2,367	2,258
less than one year	2,367	2,258

Note 27. Assets held for sale

(x 1,000 EUR)	2020	2019
AT 01.01	28,764	33,663
Disposals	-32,417	-20,336
Change in fair value	-34	0
Transfer to investment properties	7,007	15,437
AT 31.12	3,320	28,764

All the assets held for sale are investment properties. As at 31.12.2020, these are the Colonel Bourg/Kolonel Broug 122 office building.

Note 28. Current trade receivables

Gross trade receivables

(x 1,000 EUR)	2020	2019
Gross trade receivables which are due but not provisioned	5,353	5,954
Gross trade receivables which are not due	20,317	17,293
Bad and doubtful receivables	696	429
Provisions for the impairment of receivables (-)	-343	-233
TOTAL	26,023	23,443

During the financial year ending on 31.12.2020, the group has recognised writedowns on trade receivables of 1,998 KEUR (compared to depreciation of 626 KEUR in 2019). These mainly fit within the framework of point W of Note 2. The board of directors considers that the book value of the trade receivables approximates their fair value.

Given the quality of the tenants on the one hand, and the low credit risk associated with financial lease receivables (established based on an analysis of historical credit losses) on the other, the model of expected credit losses under IFRS 9 has no material impact on the group.

Gross trade receivables which are due but not provisioned

(x 1,000 EUR)	2020	2019
Due under 60 days	2,079	3,254
Due within 60 to 90 days	497	218
Due beyond 90 days	2,777	2,482
TOTAL	5,353	5,954

Provisions for doubtful debts

(x 1,000 EUR)	2020	2019
AT 01.01	233	983
Use	-1,888	-124
Provisions charged to the income statement	2,017	47
Writebacks credited to the income statement	-19	-673
AT 31.12	343	233

Note 29. Tax receivables and other current assets

(x 1,000 EUR)	2020	2019
Taxes	**38,713**	**29,814**
Taxes	19,685	10,928
Regional taxes	5,594	4,659
Withholding taxes	13,434	14,227
Other	**7,891**	**7,824**
TOTAL	46,605	37,639

Note 30. Deferred charges and accrued income – assets

(x 1,000 EUR)	2020	2019
Outstanding income from property	1,120	2,487
Rent-free periods and incentives granted to tenants to be spread	2,821	2,517
Prepaid property charges	26,977	29,753
Prepaid interests and other financial charges	2,152	2,555
TOTAL	33,069	37,311

Note 31. Provisions

(x 1,000 EUR)	2020	2019
AT 01.01	24,176	22,447
Provisions charged to the income statement	2,347	1,598
Accretion of provisions charged to the income statement	1,296	0
Uses	-1,452	-884
Provision writebacks credited to the income statement	-1,008	1,016
AT 31.12	25,359	24,176

The provisions of the group (25,360 KEUR) can be separated into two categories:

- contractual provisions defined according to IAS 37 as loss-making contracts. Cofinimmo has committed to provide maintenance for several buildings as well as works vis-à-vis tenants, with a total cost of 22,236 KEUR (2019: 20,191 KEUR).
- legal provisions to face its potential commitments vis-à-vis tenants or third parties for 3,123 KEUR (2019: 3,985 KEUR).

These provisions correspond to the discounted future payments considered as likely by the board of directors.

Note 32. Deferred taxes

(x 1,000 EUR)	2020	2019
Exit Tax	0	0
Deferred taxes	45,064	43,969
Property of distribution networks in the Netherlands	**29,032**	**29,741**
Pubstone Properties	29,032	29,741
Healthcare real estate in France	**7,937**	**7,946**
Cofinimmo's branch office	7,937	7,946
Healthcare real estate in Germany	**8,095**	**6,282**
TOTAL	45,064	43,969

The deferred taxes of the Dutch subsidiary Pubstone Properties BV as well as the subsidiary having at least one asset in Germany correspond to the taxation, at a rate of respectively 25% and 15.825%, of the difference between the investment value of the assets, less registration rights, at their tax value.

Since 2014, the Cofinimmo's French branch is subject to a new tax ('Withholding tax on benefits realised in France by foreign entities'). A provision for deferred taxes had to be established.

Note 33. Trade debts and other current debts

(x 1,000 EUR)	2020	2019
Trade debts	40,285	38,000
Other current debts	86,351	74,435
Exit Tax	6,275	0
Taxes, social charges and salaries debts	51,989	49,650
Taxes	49,922	47,289
Social charges	253	657
Salaries debts	1,814	1,704
Other	28,087	24,785
Dividend coupons	2,506	2,174
Provisions for withholding taxes and other taxes	15,138	12,598
Miscellaneous	10,443	10,012
TOTAL	126,637	112,435

Note 34. Accrued charges and deferred income – liabilities

(x 1,000 EUR)	2020	2019
Rental income received in advance	19,439	12,303
Interests and other charges accrued and not due	3,314	2,534
Other	82	0
TOTAL	22,834	14,837

Note 35. Non-cash charges and income

(x 1,000 EUR)	2020	2019
Charges and income related to operating activities	24,243	-54,998
Changes in the fair value of investment properties	13,696	-79,069
Writebacks of lease payments sold and discounted	-9,444	-8,784
Movements in provisions and stock options	1,315	1,999
Depreciation/Writedowns (or writebacks) on intangible and tangible assets	970	916
Exit tax	2,315	378
Deferred taxes	49	366
Goodwill impairment	10,120	14,609
Rent-free periods	-304	256
Minority interests	-3,588	5,674
Other[1]	9,114	8,656
Charges and income related to financing activities	22,094	23,091
Changes in the fair value of financial assets and liabilities	22,756	23,765
Other	-662	-674
TOTAL	46,337	-31,908

1. The amounts correspond to the difference between the price paid, plus incidental expenses, and the share in the revalued net assets of the acquired companies.

Note 36. Changes in working capital requirements

(x 1,000 EUR)	2020	2019
Movements in asset items	**-11,898**	**-23,832**
Trade receivables	-3,891	1,326
Tax receivables	-7,624	-7,772
Other short-term assets	-3,128	-8,740
Deferred charges and accrued income	2,746	-8,646
Movements in liability items	**13,432**	**17,101**
Trade debts	2,537	9,068
Taxes, social charges and salaries debts	126	12,075
Other current debts	1,817	-3,557
Accrued charges and deferred income	8,952	-485
TOTAL	1,534	-6,731

Note 37. Evolution of the portfolio per segment during the financial year

The tables below show the movements of the portfolio per segment during the 2020 financial year in order to detail the amounts included on the statement of cash flows.

The amounts related to properties and included on the statement of cash flows and in the tables below are shown in investment value.

ACQUISITIONS OF INVESTMENT PROPERTIES

Acquisitions made during a financial year can be realised in four ways:

- acquisition of the property directly against cash, shown under the item 'Acquisitions of investment properties' of the statement of cash flows;
- acquisition of the property against shares, these transactions are not included in the cash flow statement as they do not generate cash flow;
- acquisition of the company owning the property against cash, shown under the item 'Acquisitions of consolidated subsidiaries' of the statement of cash flows for the amount of the shares bought;
- acquisition of the company owning the property against shares, these transactions are not included in the cash flow statement as they do not generate cash flow.

(x 1,000 EUR)		Healthcare real estate						Offices	Property of distribution networks	Total
		Belgium	France	Netherlands	Germany	Spain	Finland			
Properties available for rent	Direct properties	4,980	0	46,232	54,933	23,614	0	6,190	0	135,949
	Properties against shares	0	0	0	0	0	0	0	0	0
	Companies against cash	123,605	26,130	0	44,418	0	0	94,942	0	289,095
	Companies against shares	104,695	0	0	0	0	0	0	0	104,695
	Subtotal	**233,280**	**26,130**	**46,232**	**99,351**	**23,614**	**0**	**101,132**	**0**	**529,740**
Development projects	Direct properties	0	0	3,195	0	24,241	0	0	0	27,437
	Properties against shares	0	0	0	0	0	0	0	0	0
	Companies against cash	0	0	0	0	0	10,546	40,000	0	50,546
	Subtotal	**0**	**0**	**3,195**	**0**	**24,241**	**10,546**	**40,000**	**0**	**77,983**
TOTAL		233,280	26,130	49,428	99,351	47,855	10,546	141,132	0	607,723

The amount of 163,386 KEUR booked on the statement of cash flows under the heading 'Acquisitions of investment properties' comprises the sum of the direct property acquisitions.

EXTENSIONS OF INVESTMENT PROPERTIES

Extensions of investment properties are financed in cash and are shown under the item 'Extensions of investment properties' of the statement of cash flows.

(x 1,000 EUR)	Healthcare real estate						Offices	Property of distribution networks	Total
	Belgium	France	Netherlands	Germany	Spain	Finland			
Development projects	19	0	5,872	0	19,507	1,471	4,590	0	31,458
TOTAL	19	0	5,872	0	19,507	1,471	4,590	0	31,458
Amount paid in cash	19	0	7,022	0	15,966	0	10,544	0	33,550
Change in provisions	0	0	-1,150	0	3,541	1,471	-5,954	0	-2,092
TOTAL	19	0	5,872	0	19,507	1,471	4,590	0	31,458

INVESTMENTS IN INVESTMENT PROPERTIES

Investments in investment properties are financed in cash and are shown under the item 'Investments in investment properties' of the statement of cash flows.

(x 1,000 EUR)	Healthcare real estate						Offices	Property of distribution networks	Total
	Belgium	France	Netherlands	Germany	Spain	Finland			
Properties available for rent	1,581	11	10,401	6,974	9	0	4,208	3,916	27,100
Assets held for own use	0	0	0	0	0	0	32	0	32
TOTAL	1,581	11	10,401	6,974	9	0	4,240	3,916	27,132
Amount paid in cash	1,664	1	13,376	7,202	5	0	6,564	5,049	33,859
Change in provisions	-83	10	-2,975	-228	5	0	-2,323	-1,133	-6,728
TOTAL	1,581	11	10,401	6,974	9	0	4,240	3,916	27,132

DISPOSALS OF INVESTMENT PROPERTIES

The amounts shown on the statement of cash flows under the item 'Disposals of investment properties' represent the net price received in cash from the buyer.

This net price consists of the net book value of the property at 31.12.2019 and the net gain or loss realised on the disposal after deduction of the transaction costs.

(x 1,000 EUR)	Healthcare real estate						Offices	Property of distribution networks	Total
	Belgium	France	Netherlands	Germany	Spain	Finland			
Investment properties									
Net book value	0	0	0	0	0	0	0	6,210	6,210
Result on the disposal of assets	23	2	0	0	0	0	1,008	2,066	3,099
Net sale price received	23	2	0	0	0	0	1,008	8,276	9,310
Assets held for sale									
Net book value	0	0	0	0	0	0	32,417	0	32,417
Result on transfer of assets	0	0	0	0	0	0	1,483	0	1,483
Net sale price received	0	0	0	0	0	0	33,900	0	33,900
TOTAL	23	2	0	0	0	0	34,908	8,276	43,210

Note 38. Contingent rights and liabilities

IN THE CONTEXT OF DISPOSAL OF RECEIVABLES

- With regard to the assignment of lease receivables relating to the lease concluded with the Buildings Agency (Belgian Federal State) for the courthouse of Antwerp, the balance of the receivables not assigned has been pledged in favour of a bank, under certain conditions. Cofinimmo furthermore granted a tracker mortgage and a mortgage mandate on the plot of land (in accordance with article 41 of the law of 12.05.2014). With regard to the transfer of the finance lease debt vis-à-vis Justinvest Antwerpen SA/NV to an external trustee (JPA Properties SPRL/BVBA administered by Intertrust Belgium) concerning the construction cost of the courthouse of Antwerp, the liquidities transferred to JPA have been pledged in favour of Cofinimmo SA/NV. The benefit of the pledge has been transferred in favour of a bank, under certain conditions.
- As part of the assignment of lease receivables or annual lease payments relating to current agreements with the Buildings Agency (Belgian Federal State) or the European Commission on the Colonel Bourg/Kolonel Bourg 124 and Maire 19 buildings as well as the current lease with the City of Antwerp on the fire station, the shares of Bestone SA/NV have been pledged in favour of a bank under certain conditions.
- In the context of other assignments of lease receivables, Cofinimmo has taken various commitments and granted certain guarantees, namely with regard to the assignment of the investment receivables of the prison in Leuze after the execution of the works.

CALL OPTIONS/PREFERENTIAL RIGHTS

- With regard to the leases signed with the Buildings Agency (Belgian Federal State) relating to, among other properties, the courthouse of Antwerp and the police station of Termonde/Dendermonde, a call option has been granted in favour of the Agency, which, at the end of the lease, can leave the premises, extend the contract or buy the building;
- Cofinimmo has granted a call option to the HEKLA Police Zone in Antwerp on the property granted under leasehold to this entity, to be taken up on the expiry of the leasehold;
- The Cofinimmo group is committed to and benefits from, on behalf of its subsidiaries Pubstone and Pubstone Properties, a preferential right on future developments (hospitality industry) to be realised in partnership with AB InBev, and AB InBev benefits from a preferential right on future developments (hospitality industry);
- Cofinimmo (and Pubstone group) is committed to and benefits from preferential rights on the shares of Pubstone SA/NV and Pubstone group; and InBev Belgium benefits from a purchase right on the shares of Pubstone SA/NV and Pubstone group;
- Leopold Square and InBev Belgium benefit reciprocally from a preferential right on the shares of Pubstone Properties;
- Cofinimmo benefits from a call option on shares in companies holding real estate in Germany;
- Cofinimmo has granted a put option to the shareholders of Aspria Roosevelt SA/NV relating to the sale of 100% of the shares of this company which owns the Solvay Sports site in Brussels for the construction of a new sport and wellness centre to be operated by the Aspria group. This put option has been exercised leading to the acquisition of the company in the first quarter of 2021. In addition, Cofinimmo has granted a purchase option to the former shareholders of this company;
- In the context of a leasehold relating to a car park in Breda, Superstone has agreed with Amphia, the bare owner, a right of first offer in the context of the transfer of the leasehold right and a call option under certain conditions;
- Superstone has granted the seller a call option relating to a building in Almere and a building in Voorschoten at the end of the lease agreement with the tenant;
- Cofinimmo has granted various preferential rights and/or call options on leasehold, at market value, on part of its portfolio of nursing and care homes and clinics;
- Cofinimmo has granted a preferential right of first refusal, at market value, on the residual rights of ownership of an office building in Brussels;
- Cofinimmo has granted a put option and has been granted a call option (cross option agreement) on an office building located in Brussels;
- Cofinimmo has call options on subsoil for which the leasehold rights to which they are encumbered - relating to buildings for nursing homes - are held by subsidiaries of Cofinimmo;
- Cofinimmo has been granted a call option and granted a put option (exercisable in 2023) on the shares of a French real estate company by and in favour of another shareholder of this company. It also has a pre-emptive right in the event that the other shareholders would sell their shares;
- In the context of its equity investment in a Belgian property company, Cofinimmo became the holder, in the same way as the other shareholders and under certain conditions, of a preferential right, a pre-emptive right, a follow-on right, a follow-on obligation, a put option and a call option relating to the company's shares.

FINANCING OPERATIONS

- Cofinimmo has entered into various commitments not to undertake certain actions ('negative pledge') at the end of various financing contracts;
- Cofinimmo is committed to find a buyer for the Notes maturing in 2027 and issued by Cofinimmo Lease Finance (see page 42 of the 2001 annual financial report) in the event that a withholding tax would be applicable on the interest on these Notes due to a change in tax legislation affecting a holder residing in Belgium or the Netherlands;
- When requesting the conversion of convertible bonds which it issued, Cofinimmo has the choice, under certain conditions, between delivering new and/or existing shares, paying an amount in cash or a combination of both;
- Cofinimmo will have the option of acquiring in 2023, at their intrinsic value, all the bonds redeemable in shares issued by Cofinimur I either in cash or by delivery of Cofinimmo ordinary shares, in the latter case with the agreement of two-thirds of the holders.

GUARANTEES

- Cofinimmo has granted various guarantees in connection with the disposal of the shares of a company that it held and received guarantees from the buyers for the solidarity commitments that it had made with the sold company;
- Cofinimmo has granted various guarantees in connection with the disposal of the shares of companies that it held;
- With regard to its lease agreements, Cofinimmo receives a rental guarantee (in cash or as a bank guarantee) of an amount generally representing three to six months of rent;
- Within the context of calls for tenders, Cofinimmo regularly issues commitments to obtain bank guarantees.

INVESTMENT COMMITMENTS

- Cofinimmo is committed to finance the major renovation of the rehabilitation centre as well as the demolition and redevelopment of the nursing and care home on a site located in Hillegersberg, a municipal entity of Rotterdam. The acquisition price of the current site (acquired in December 2018) and the budget for the future works is 25 million EUR;
- In May 2020, Cofinimmo acquired an old nursing and care home located in a residential area of The Hague, the capital of the South-Holland province. Cofinimmo chose to have the site renovated completely, including a small extension at the back of the building. In order to carry out these renovation works, Cofinimmo has concluded a turnkey construction contract for which a budget of approximately 10 million EUR is foreseen;
- Cofinimmo signed an agreement to acquire, under certain conditions, the companies that will develop 8 eco-friendly healthcare campuses in the Land of North Rhine-Westphalia (Germany). The total conventional value of this transaction will amount to approximately 250 million EUR. Cofinimmo will acquire a participation in the capital of the companies that will develop the innovative healthcare sites. The payment of the shares will be staggered over time (from 2020 to 2022);
- Within the framework of the above-mentioned transaction, Cofinimmo concluded an exclusive partnership with the local design and project management office, which will develop the 8 projects. Cofinimmo has the option of fully integrating the platform into its structure in due course;
- Since the announcement of its establishment in Spain in September 2019, Cofinimmo is committed to seven construction projects still in progress for a total investment of 79 million EUR. These consists of the construction of 6 nursing and care homes (one in Murcia, one in Valencia, two in Galicia and two in Catalonia) and the redesign of a nursing and care home in Andalusia;
- Cofinimmo entered the Finnish healthcare real estate sector with a construction project of a medical centre for the acquisition of which the group signed an agreement for a total investment budget of 20 million EUR for the plot of land and the works;
- In 2020, Cofinimmo signed an agreement to acquire in 2021, under conditions precedent, the shares of the company owning a pot of land in Genappe (Walloon Brabant). This company was acquired in February 2021;
- In December 2020, Cofinimmo made (via its French branch) a binding offer under certain conditions relating to the acquisition of 5 assets in France. These assets, which consist of four nursing and care homes (EHPAD), one of which is currently under construction, and one assisted-living facility, have been acquired during the first quarter of 2021.

Note 39. Ongoing development projects

The group has ongoing development projects of approximately 358 million EUR (31.12.2019: 101 million EUR) with respect to capital expenditures contracted for at the balance sheet date but not yet incurred, for the construction of new property and extensions. Renovation works are not included in this figure.

Note 40. Consolidation criteria and scope

CONSOLIDATION CRITERIA

The consolidated financial statements group the financial statements of the parent company and those of the subsidiaries and joint ventures, as drawn up at the closing date.

Consolidation is achieved by applying the following consolidation methods.

Full consolidation for the subsidiaries

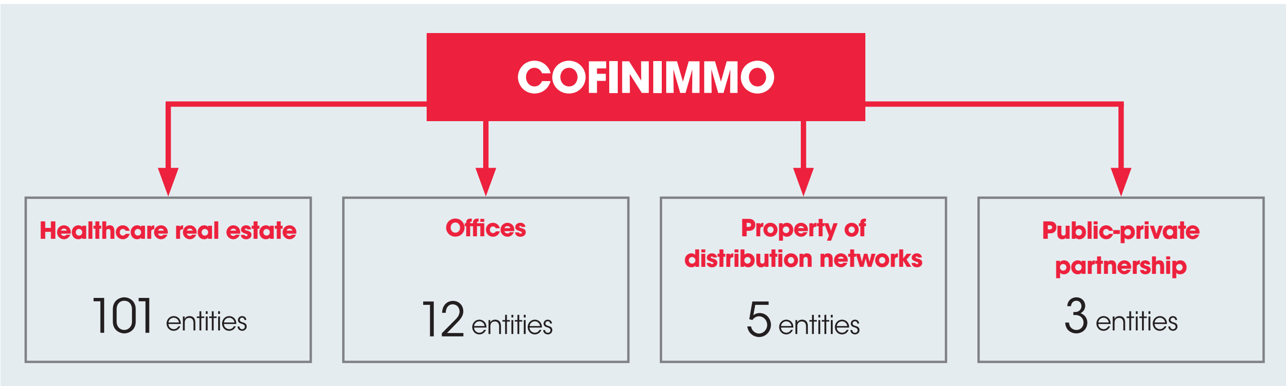
Full consolidation consists of incorporating all the assets and liabilities of the subsidiaries, as well as income and charges. Minority interests are shown in a separate item of both the balance sheet and the income statement.

The full consolidation method is applied when the parent company holds exclusive control.

The consolidated financial statements have been prepared at the same date as that on which the consolidated subsidiaries prepared their own financial statements.

Consolidation under the equity method for associates and joint ventures

The equity method consists of replacing the book value of the securities by the shareholders' equity of the entity (more details are provided in Note 2, paragraph C).



Name and address of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
GERMANY		
COFINIMMO DIENSTLEISTUNGS-GmbH HRB 114372 Registered address: Frankfurt-am-Main Business address: Neue Mainzer Straße 75 - D-60311 Frankfurt-am-Main	100	100
GESTONE Bickenbach GmbH HRB 166000 Großer Burstah 45 - D-20457 Hamburg	100	-
GESTONE Deutschland GmbH HRB 115151 Registered address: Frankfurt-am-Main Business address: Neue Mainzer Straße 75 - D-60311 Frankfurt-am-Main	100	100
STERN BETEILIGUNGS GmbH HRB 112550 Registered address: Frankfurt-am-Main Business address: Neue Mainzer Straße 75 - D-60311 Frankfurt-am-Main	100	100
BELGIUM		
BALEN SA/NV 0656 747 705 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
BEIRESTONE 1 SA/NV 0759 959 564 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
BENOSTONE CO 1 SA/NV 0755 869 827 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
BESTONE SA/NV 0670 681 160 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
BESTONE SQUARE SA/NV 0755 538 641 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
BUILDING GREEN ONE SA/NV 0501 599 965 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
CAREINPRO SA/NV 0663 738 831 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
COFINIMMO SERVICES SA/NV 0437 018 652 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
COPADE SA/NV 0631 930 353 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
COUVENT DE LA CHARTREUSE SA/NV 0822 171 901 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
CURA INVEST SA/NV 0465 524 972 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
DILHOME SA/NV 0440 040 104 Boulevard de la Woluwe 58 - 1200 Brussels	100	-
FPR LEUZE SA/NV 0839 750 279 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GECARE 1 0720 629 826 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE CO 10 SA/NV 0751 676 853 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
GESTONE CO 11 SA/NV 0751 677 150 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
GESTONE CO 12 SA/NV 0751 677 348 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-

Name and address of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
GESTONE CO 13 SA/NV 0722 900 319 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE CO 7 SA/NV 0748 688 857 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
GESTONE CO 8 SA/NV 0751 676 556 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
GESTONE CO 9 SA/NV 0751 676 754 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
GESTONE SA/NV 0655 814 822 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE II SA/NV 0670 681 259 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE III SA/NV 0696 911 940 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE IV SA/NV 0683 716 475 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE V SA/NV 0722 901 804 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
GESTONE VI SA/NV 0722 902 495 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
IMMO PA33 2 SA/NV 0845 713 108 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
LEOPOLD SQUARE SA/NV 0465 387 588 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
LEX 85 SA/NV 0811 625 031 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
LIGNE INVEST SA/NV 0873 682 661 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
LS OFFICES SA/NV 0755 537 849 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
MUZIKANTENWIJK SA/NV 0539 837 068 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
PLOEGDRIES SA/NV 0660 852 684 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
POLYSERVE SA/NV 0444 997 792 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
PRIME BEL RUE DE LA LOI-T SA/NV 0463 603 184 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
PROFILIA SA/NV 0876 135 375 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
PUTHOF SA/NV 0418 940 129 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
QUATRO BUILD SA/NV 0885 032 255 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
RHONE ARTS SA/NV 413.742.414 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100

Name and address of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
RHEASTONE SA/NV 0893 787 296 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
RUSTHUIS MARTINAS SA/NV 0677 685 451 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
STERN-FIIS SA/NV 0691.982.756 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
STERN-FIIS II SA/NV 0696.912.831 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
STERN-FIIS III SA/NV 0696.912.930 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
STERN-FIIS IV SA/NV 0696.913.029 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
TEN BERGE SA/NV 0427 208 586 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
TRIAS BEL SOUVERAIN-T SA/NV 0597 987 776 Boulevard de la Woluwedal 58 - 1200 Brussels	100	100
VIADUCTSTRAAT SA/NV 0554 921 261 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
VORDENSTEIN VASTGOED SA/NV 0831 985 826 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
XL TRONE SA/NV 0715 937 303 Boulevard de la Woluwedal 58 - 1200 Brussels	100	-
SPAIN		
COFIHEALTHCARE SPAIN 1 SL NIF B-88542717 Calle Maldonado 4, 28006 Madrid	100	-
COFIHEALTHCARE SPAIN 2 SL NIF B-88542667 Calle Maldonado 4, 28006 Madrid	100	-
COFIHEALTHCARE SPAIN 3 SL NIF B-88542600 Calle Maldonado 4, 28006 Madrid	100	-
GLORIA HEALTH CARE PROPERTIES SL NIF B-88347885 Registered address: Calle Maldonado 4, 28006 Madrid	100	100
GLORIA HEALTH CARE PROPERTIES 2 SL NIF B-88415385 Registered address: Calle Maldonado 4, 28006 Madrid	100	100
IBERI HEALTHCARE PROPERTIES SL NIF B-88347869 Registered address: Calle Maldonado 4, 28006 Madrid	100	100
FINLAND		
KIINTEISTÖ Oy VAASANPUISTIKKO 22 VAASA 2910835-7 Petersgatan 5 B 11 - 00140 Helsinki	100	-
POLARISTONE CO 1 Oy 3007096-6 Petersgatan 5 B 11 - 00140 Helsinki	100	-
FRANCE		
COFINIMMO INVESTISSEMENTS ET SERVICES SA 487 542 169 13 rue du Docteur Lancereaux - 75008 Paris	100	100
COFINIMUR I SA 537 946 824 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI AC NAPOLI 428 295 695 13 rue du Docteur Lancereaux - 75008 Paris	100	100

Name and address of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
SCI BEAULIEU 444 644 553 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI CUXAC II 343 262 341 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI DE L'ORBIEU 383 174 380 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI DU DONJON 377 815 386 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SNC DU HAUT CLUZEAU 319 119 921 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SARL HYPOCRATE DE LA SALETTE 388 117 988 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI LA NOUVELLE PINEDE 331 386 748 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI RESIDENCE FRONTENAC 348 939 901 13 rue du Docteur Lancereaux - 75008 Paris	100	100
SCI SOCIBLANC 328 781 844 13 rue du Docteur Lancereaux - 75008 Paris	100	100
COFINEA I SAS 538 144 122 13 rue du Docteur Lancereaux - 75008 Paris	100	51
LUXEMBOURG		
COFINIMMO LUXEMBOURG SA/NV B100044 19 rue Aldringen - L-1118 Luxembourg	100	100
KAISERSTONE SA/NV B202584 19 rue Aldringen - L-1118 Luxembourg	100	100
MASCHSEE PROPERTIES SARL B240471 19 rue Aldringen - L-1118 Luxembourg	100	94.9
UHLENHORST PROPERTIES SARL B240610 19 rue Aldringen - L-1118 Luxembourg	100	94.9
WELLNESSTONE SA/NV B197443 19 rue Aldringen - L-1118 Luxembour	100	100
WELLNESSTONE GP SARL B238555 19 rue Aldringen - L-1118 Luxembourg	100	100
MONACO		
MANUJACQ 73 SC 03180 20 avenue de Fontvieille - 98000 Monaco	100	-
NETHERLANDS		
SUPERSTONE NV 530704488 Verlengde Poolseweg 16 - 4818 CP Breda	100	100
SUPERSTONE 2 NV 77325001 Verlengde Poolseweg 16 - 4818 CP Breda	100	-
SUPERSTONE 3 NV 78160162 Verlengde Poolseweg 16 - 4818 CP Breda	100	-
SUPERSTONE 4 NV 81142579 Verlengde Poolseweg 16 - 4818 CP Breda	100	-
SUPERSTONE 5 NV 81144016 Verlengde Poolseweg 16 - 4818 CP Breda	100	-

Subsidiaries held by Cofinimmo group with minority interests (non-controlling interests)

Name and addresses of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
GERMANY		
ARCON-TRUST DRITTE IMMOBILIENANIAGEN GMBH HRB 55365 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	89.9	89.9
PFLEGE PLUS + OBJEKT ALSDORF GMBH & CO. KG HRA 124930 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT BOCHUM GMBH & CO. KG HRA 124935 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT BOTTROP GMBH & CO. KG HRA 124934 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT ERFSTADT/LIBLAR GMBH & CO. KG HRA 124933 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT FRIEDRICHSTADT GMBH & CO.KG HRA 124938 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT GELSENKIRCHEN GMBH & CO.KG HRA 124986 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT GOSLAR GMBH & CO. KG HRA 124957 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT HAAN GMBH & CO. KG HRA 124931 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT WEIL AM RHEIN GMBH & CO. KG HRA 124936 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT WEILERWIST GMBH & CO. KG HRA 124937 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PFLEGE PLUS + OBJEKT SWISTTAL GMBH & CO. KG HRA 50992 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PRESIDENTIAL NORDIC 1 GMBH & CO. KG HRA 50316 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
PRESIDENTIAL NORDIC 2 GMBH & CO. KG HRA 50317 Registered address: Hamburg Business address: Großer Burstah 45 - 20457 Hamburg	94.9	94.9
BELGIUM		
BELLIARD III-IV PROPERTIES SA/NV 0475 1620121 Boulevard de la Woluwedal 58 - 1200 Brussels	99.9	99.9
PUBSTONE SA/NV 0405 819 096 Boulevard de la Woluwedal 58 - 1200 Brussels	99.9	99.9
PUBSTONE GROUP SA/NV 0878 010 643 Boulevard de la Woluwedal 58 - 1200 Brussels	90	90

Name and addresses of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
LUXEMBOURG		
BAD SCHONBORN PROPERTIES SCS B129973 19 rue Aldringen – L-1118 Luxembourg	89.9	-
GREAT GERMAN NURSING HOMES SCS B123141 19 rue Aldringen – L-1118 Luxembourg	94.9	94.9
NETHERLANDS		
PUBSTONE PROPERTIES BV 81.85.89.723.B.01 Verlengde Poolseweg 16 – 4818 CP Breda	90[1]	90[1]

Associates and joint ventures

Name and addresses of the registered office List of fully consolidated subsidiaries	Direct and indirect interests and voting rights (in %)	
	31.12.2020	31.12.2019
BELGIUM		
BPG CONGRES SA/NV 0713.600.789 Boulevard de la Woluwedal 58 – 1200 Brussels	51	51
BPG HOTEL SA/NV 0713.600.888 Boulevard de la Woluwedal 58 – 1200 Brussels	51	51
ALDEA GROUP NV 843.673.732 Guldensporenpark 117A – 9820 Merelbeke	26.6	-
FRANCE		
SCI FONCIERE CRF 98 rue Didot – 75014 Paris	39	-
GERMANY		
DZI 1. Vorrat GmbH HRB 88521 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
DZI 2. Vorrat GmbH HRB 88513 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
DZI 3. Vorrat GmbH HRB 90853 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
DZI 4. Vorrat GmbH HRB 90795 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
DZI 5. Vorrat GmbH HRB 91480 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
Residenzwohnen Jahnshöfe GmbH HRB 88503 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
Seniorenquartier Viersen GmbH HRB 88496 Am Kielsgraben 8 – 40789 Monheim am Rhein	99.99	-
Seniorenquartier Dreeskamp GmbH HRB 88448 Am Kielsgraben 8 – 40789 Monheim am Rhein	25	-

1. Economic interest.

NON-CONTROLLING INTERESTS[1]

Non-controlling interests represent third-party interests in subsidiaries neither directly nor indirectly held by the group.

Cofinimur I

At the end of 2011, Cofinimmo acquired, through its subsidiary Cofinimur I, a portfolio of agencies and offices from the MAAF group in which Foncière ATLAND held 2.35 % of the shares. As a reminder, in the fourth quarter of 2019, Cofinimmo purchased this 2.35 %.

Pubstone

At the end of 2007, Cofinimmo acquired a portfolio of pubs and restaurants owned until then by Immobrew SA/NV, a subsidiary of InBev Belgium and renamed Pubstone SA/NV. At 31.12.2020, InBev Belgium owns an indirect 10 % stake in the Pubstone structure.

In addition, following the restructuring of the Pubstone group in December 2013, InBev Belgium owns 10 % direct minority interests in Pubstone Properties BV.

Anheuser-Busch InBev (AB InBev) is the world's largest brewer by volume of beer brewed. For further information about the group: **www.ab-inbev.com**

Aspria

Cofinimmo acquired two sport and wellness centres in Germany. The Aspria group holds a 5.1 % interest in Aspria Maschsee BV and Aspria Uhlenhorst BV.

In the fourth quarter of 2020, Cofinimmo purchased this 5.1 %.

It is worth mentioning that the holding of these minority interests by companies outside of the group, and therefore not controlled by Cofinimmo, is considered immaterial with regard to the group's total shareholders' equity: at 31.12.2020, the minority interests amount to 75 million EUR compared to Cofinimmo's shareholders' equity of 2,649 million EUR, i.e. 2.8 %.

Change in non-controlling interests

(x 1,000 EUR)	Cofinimur I		Pubstone	Aspria Maschsee	Aspria Uhlenhorst	Total
	ATLAND	MCB holders	AB InBev	Aspria	Aspria	
AT 31.12.2018	1,751	66,933	14,016	890	644	84,234
Interests on income statement	69	3,522	1,878	95	111	5,674
MCB Coupons	0	-2,843	0	0	0	-2,843
Dividends	-55	0	-2,227	-455	-268	-3,005
Other	-1,765	330	0	0	0	-1,435
AT 31.12.2019	0	67,942	13,667	530	486	82,625
Interests on income statement	0	-3,748	175	-4	-11	-3,588
MCB Coupons	0	-3,009	0	0	0	-3,009
Dividends	0	0	-1,296	0	0	-1,296
Other	0	856	0	-525	-475	-144
AT 31.12.2020	0	62,041	12,546	0	0	74,587

1. The term 'non-controlling interests' as defined under IFRS 12 corresponds to minority interests.

Associates and joint ventures

On 31.12.2020, the Cofinimmo group owns associates (Aldea Group, SCI Foncière CRF and 8 companies which will develop eco-friendly healthcare campuses in the Land of North Rhine-Westphalia) and the joint ventures (BPG Congres and BPG Hotel) recognised using the equity consolidation method, since the group exercises control over these companies pursuant to contractual cooperation agreements with its associated shareholders.

In view of their share in the result of the Cofinimmo group in 2020, these associates and joint ventures are considered as immaterial.

General information

Company	BPG Congres	BPG Hotel	Cofinea	8 healthcare campuses to be developed in Germany	Aldea group	SCI Foncière CRF
Segment	Other	Other	Healthcare real estate	Healthcare real estate	Healthcare real estate	Healthcare real estate
Country	Belgium	Belgium	France	Germany	Belgium	France
% held by Cofinimmo group	51%	51%	100%	99.99%	26%	39%
Partner shareholders	CFE (49%)	CFE (49%)	0%	DZI B.V.	Miscellaneous	French Red Cross
Date of company creation	2018	2018	2012	2018-2019	2015	2000
Accounting period	Ends on 31 December	Ends on 31 December	Ends on 31 December	Ends on 31 December	Ends on 31 December	Ends on 31 December

	31.12.2020	31.12.2020	31.12.2020	31.12.2020	31.12.2020	31.12.2020
Amount of the Cofinimmo share in the result (x 1,000 EUR)						
Share in the result of associates or joint ventures	53	-9	244	-30	-135	-2,596
Amount of the interest at Cofinimmo (x 1,000 EUR)						
Participations in associates and joint ventures	838	673	0	74	20,000	46,441

RISKS AND COMMITMENTS RELATED TO THE PARTNER SHAREHOLDERS

The partnership within the framework of BPG Congres and BPG Hotel was concluded with the CFE group as part of the NEO II public-private partnership project. Regarding this project, on 16.10.2020, the public authorities involved in the NEO II project, namely the city of Brussels, the Brussels-Capital Region and the scrl NEO, put an end to the development of the convention centre and hotel project on the Heysel, in view of the uncertainties linked to the current health crisis.

Cofinimmo holds 51% of the shares of these structures. However, the partnership agreement stipulates that all decisions, particularly with regard to investments and divestments, are taken in mutual consent, which implies a joint control of the company.

On 15.12.2020, Cofinimmo acquired a 26.6% stake in the capital of the Aldea group. Cofinimmo becomes a partner of Aldea to support the further growth of this group and exercise a significant influence.

On 24.12.2020, Cofinimmo stepped into the capital of a property company (société civile immobilière - 'SCI') created by the French Red Cross and which owns six sites. The stake in the capital of the company amounts to 39%, which also enables Cofinimmo to exercise a significant influence.

In November 2020, Cofinimmo acquired a participation in the capital of 8 companies which will develop 8 eco-friendly healthcare campuses in the Land of North Rhine-Westphalia, in Germany. The projects are pre-let to Schönes Leben Gruppe, with which 'Dach und Fach' leases have been concluded for a term of 25 years. The payment of the shares will be staggered over time (from 2020 to 2022), period during which Cofinimmo will exercise a significant influence on those 8 companies.

Note 41. Sales options permitted for non-controlling shareholders

The group has committed vis-à-vis the non-controlling shareholders of certain subsidiaries to acquire their shares in the companies, if they were to exercise their put options.

The exercise price of such options permitted for non-controlling shareholders is recognised in the line 'Other non-current financial liabilities' (see Note 25).

It concerns the following companies: Great German Nursing Homes SARL, Pflege Plus + Objekt Alsdorf GmbH, Pflege Plus + Objekt Bochum GmbH, Pflege Plus + Objekt Bottrop GmbH, Pflege Plus + Objekt Erftstadt/Liblar GmbH, Pflege Plus + Objekt Friedrichstadt GmbH, Pflege Plus + Objekt Gelsenkirchen GmbH, Pflege Plus + Objekt Goslar GmbH, Pflege Plus + Objekt Haan GmbH, Pflege Plus + Objekt Swisttal GmbH, Pflege Plus + Objekt Weil am Rhein GmbH, Pflege Plus + Objekt Weilerswist GmbH, Presidential Nordic 1 GmbH & Co. KG, Presidential Nordic 2 GmbH & Co. KG, ARCON-TRUST dritte Immobilienanlagen GmbH and Bad Schonborn Properties S.C.S.

Note 42. Payments based on shares

STOCK OPTION PLAN

In 2006, Cofinimmo launched a stock option plan whereby 8,000 stock options were granted to the group's management. This plan was relaunched during each of the following years until 2016 included. Since 2017, the stock option plan has no longer been proposed.

When they are exercised, the beneficiaries will pay the exercise price (per share) of the year in which the stock options were granted, in exchange for the delivery of securities. In the event of voluntary or involuntary departure (excluding premature termination for serious reasons) of a beneficiary, the stock options accepted and vested may be exercised after the end of the third calendar year following the year in which the stock options were granted. Options that have not been vested are cancelled, except when retiring. In the event of the involuntary departure of a beneficiary for serious reasons, all stock options accepted but not exercised, whether vested or not, are cancelled. These conditions governing the acquisition and the exercise periods in the event of a departure, whether voluntary or involuntary, will apply without prejudice to the powers of the board of directors for the members of the executive committee or the powers of the executive committee for the other participants to authorise waivers to these provisions in favour of the beneficiary, based on objective and relevant criteria.

Number of stock options

Year of the plan	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Granted	6,825	7,525	3,000	3,320	4,095	8,035	5,740	7,215	6,730	7,300	8,000
Cancelled	-1,600	-1,600		-500	-1,067	-1,386	-250	-695	-2,125	-2,050	-2,350
Exercised	-725	-1,525	-350	-770	-1,428	-5,049	-5,370	-6,303	-1,730	-2,450	-5,250
Expired							-120	-217			
AT 31.12.2020	4,500	4,400	2,650	2,050	1,600	1,600	0	0	2,875	2,800	400
Exercisable at 31.12.2020	4,500	4,400	2,650	2,050	1,600	1,600	0	0	2,875	2,800	400
Strike price (in EUR)	108.44	95.03	88.75	88.12	84.85	97.45	93.45	86.06	122.92	143.66	129.27
Last exercise date	15.06.2026	16.06.2025	16.06.2024	16.06.2023	18.06.2022	14.06.2021	13.06.2020	11.06.2019	12.06.2023	12.06.2022	13.06.2021
Fair value of the options at the date of granting (x 1,000 EUR)	200.86	233.94	102.99	164.64	168.18	363.90	255.43	372.44	353.12	261.27	216.36

Cofinimmo applies the IFRS 2 standard by recognising, over the vesting period (namely three years), the fair value of the stock options at the date of granting according to the progressive acquisition method. The annual cost of the progressive vesting is recognised under the item 'Personnel charges' on the income statement.

Note 43. Average number of people linked by an employment contract or by a permanent service contract

	2020	2019
Average number of people linked by an employment contract or by a permanent service contract	132	130
Employees	127	125
Executive management personnel	5	5
Full-time equivalent	124	120

Note 44. Related-party transactions

The emoluments and insurance premiums, borne by Cofinimmo and its subsidiaries, for the benefit of the members of the board of directors, and recognised on the income statement, amount to 3,750,017 EUR, of which 348,000 EUR is attributed to post-employment benefits.

The chapter 'Corporate governance statement' of this document includes the composition of the various decision-making bodies and the tables on the remuneration of the non-executive and executive directors. The difference between the amount on the income statement and that stated in the tables is explained by movements in provisions.

The directors are not beneficiaries of the profit-sharing scheme, which exclusively concerns the employees of the group.

During the second quarter of 2020, Cofinimmo repurchased Orpea's participation, which amounted to 49 %, in Cofinéa I SAS, a company under French law in which Cofinimmo held 51 % of the capital. As result of this transaction, the group now holds all the shares of Cofinéa I SAS. As a reminder, at the end of 2012, Cofinimmo signed a joint venture with the entity Cofinéa I SAS, a company incorporated under French Law. Cofinimmo owned 51 % of its capital and the ORPEA group 49 %.

Note 45. Events after closing date

No major event that could have a considerable impact on the results as at 31.12.2020 took place after the closing date.

Dividend

The amount of the dividend proposed to shareholders at the ordinary general meeting of 12.05.2021 will be 165,326,308.80 EUR for the shares and 92,075.00 EUR for the own shares held by the subsidiary Gestone III SA/NV (for more details, see Note 20).

Construction of an extension adjacent to a healthcare complex in Leuven (BE)

On 14.01.2021, Cofinimmo signed an agreement relating to the acquisition of 100 % of the shares of the limited liability company Home Vogelzang OG. This company owns, for the 30 years to come, the rights in rem in a plot of land located in Leuven, in Flemish Brabant. An extension will be added to an existing complex located on the plot of land. The conventional value for the calculation of the share price amounts to approximately 15 million EUR. The project will be leased through a leasehold to VZW Home Vogelzang, which already operates the existing nursing and care home and assisted-living units and holds the permit to operate this extension. The leasehold is of the triple net type and has a term of 27 years, counting from the provisional acceptance of the extension. The annual fee, which is in line with the market, will be due from the delivery of the works and will be indexed annually according to the Belgian consumer price index. At the expiration of the rights in rem, the building will automatically accrue to VZW Home Vogelzang. In principle, this transaction will therefore be recognised in Cofinimmo's accounts as a finance lease.

Acquisition of a plot of land in Genappe (BE)

On 12.02.2021, Cofinimmo acquired 100 % of the shares of a company owning a plot of land in Genappe (Walloon Brabant). This plot of land will see the construction of a new nursing and care home. The investment budget (including the plot of land and the works) amounts to approximately 19 million EUR. Senior Living Group will operate the new nursing and care home as from the delivery of the works. In this context, a triple net lease has been concluded for a fix term of 28 years. The rent will be indexed according to the Belgian health index. The gross rental yield amounts to more than 4.5 %.

Acquisition of four nursing and care homes and one assisted-living facility in Normandy (FR)

On 01.02.2021, Cofinimmo acquired four nursing and care homes (EHPAD), one of which is currently under construction, and one assisted-living facility, in the department of Orne or Calvados, in Normandy, via its French branch. The total investment for the five sites will eventually amount to approximately 44 million EUR. The acquisition price for the sites in operation amounts to approximately 30 million EUR, whereas the investment budget for the building under construction amounts to approximately 14 million EUR (plot of land included). All the sites are already let to DomusVi, a leading operator in Europe.

Acquisition of a new nursing and care home in Vantaa (FI)

On 21.01.2021, Cofinimmo acquired a nursing and care home under construction in Vantaa, in the Helsinki metropolitan area. The total investment budget for the plot of land and the works amounts to approximately 12 million EUR. The asset is already pre-let to Esperi Care Oy, a major care provider in Finland. The double net lease will have a 15-year fixed term and the gross rental yield will be in line with current market conditions. The rent will be indexed annually according to the Finnish consumer price index.

Acquisition of six nursing and care homes and one rehabilitation clinic (IE)

On 18.01.2021, Cofinimmo entered the Irish healthcare real estate sector with the acquisition of six nursing and care homes and one rehabilitation clinic in the counties of Cavan, Dublin, Kildare, Meath and Louth. The total investment amounts to approximately 93 million EUR. For each of the seven sites a triple net lease has been concluded for a fix term of 15 years. The rents will be indexed annually according to the Irish consumer price index and the gross rental yield will be in line with current market conditions.

Launch of the contribution of the office portfolio into a subsidiary (BE)

On 03.02.2021, Cofinimmo announced the launch of the contribution of its office portfolio into a subsidiary to allow future investors, in due time, to participate in the capital of the subsidiary (of which the control would be maintained) while benefiting from Cofinimmo's very experienced management and investment platform. Meanwhile, the group will be able to recycle a part of the capital that has been invested in this portfolio.

The contribution into this subsidiary fits into the value creation strategy for the office portfolio. Thanks to its 35 years of experience in office real estate, Cofinimmo relies on a management model that offers an integrated services platform. Cofinimmo's office portfolio is currently mainly composed of 77 buildings with a total surface area of about 550,700 m² and an approximate value of 1.4 billion EUR, representing around 30 % of the company's total portfolio. It is mainly located in the Brussels Central Business District ('CBD'), as a result of the re-centralisation to that area, initiated mid-2018. Simultaneously, the internal teams follow the dynamics of the market demands with regards to flexibility and innovation and collaborate to achieve the best possible results in terms of energy efficiency and ESG (Environment, Social, Governance). The specialised offices subsidiary will have the status of an institutional regulated real estate company ('IRREC / SIRI / IGVV'). The board of directors approved the launch of the process leading to the contribution of the office portfolio into a subsidiary, which naturally derives from the strategy that was established mid-2018. The contribution is currently scheduled to be completed during the last quarter of 2021 at the earliest. This operation will have no effect on the consolidated accounts nor on the dividend.

Capital increase of March 2021

Cofinimmo SA/NV launched on 03.03.2021 a capital increase in cash via accelerated bookbuilding (the 'ABB') with international institutional investors, within the authorised capital, with cancellation of the preferential subscription right of existing shareholders and without granting an irreducible allocation right to existing shareholders (the 'capital increase').

The company successfully completed the ABB. 1,487,603 new shares, which corresponds to approximately 5.5% of the outstanding capital prior to the capital increase, were placed with institutional investors at an issue price of 121.00 EUR per share. The issue price represents a discount of 4.3% compared with the last trading price on 03.03.2021 of 126.40 EUR per share. The gross amount of the capital increase amounts to approximately 180 million EUR.

The net proceeds will finance Cofinimmo's growth in European healthcare real estate, by refinancing investments completed over the past few months and by supporting further investments in the form of acquisitions and developments.

The issue, delivery and admission to trading on the Euronext Brussels regulated market of the new shares took place on 08.03.2021.

Since then, the company's capital amounts to 1,529,928,939.83 EUR and is represented by:

- 28,549,520 shares without par value. All these shares confer a voting right at the General Meeting of Shareholders and represent the new denominator of the participation rates.
- 1,502,196 bonds convertible in shares, issued on 15.09.2016.

In case of conversion of the convertible bonds, a maximum number of 1,643,933 shares conferring the same number of voting rights would be created.

Nursing and care home Prince Royal – Brussels (BE)

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

— Statutory auditor's report to the shareholders' meeting of Cofinimmo SA/NV for the year ended 31 December 2020 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Cofinimmo SA/NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 13 May 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2022. We have performed the statutory audit of the consolidated financial statements of Cofinimmo SA/NV for 28 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 5,253,614 (000) EUR and the consolidated income statement shows a profit for the year then ended of 119,222 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Valuation of investment properties • Investment properties measured at fair value (EUR 4,869 million) represent 93 per cent of the consolidated balance sheet total as at 31 December 2020. Changes in the fair values of the investment properties have a significant impact on the consolidated net result for the period and equity. • The portfolio includes completed investments and properties under construction, in renovation and acquisitions. Divestments of investment properties are individually significant transactions. • The portfolio is valued at fair value, with development properties valued by the same methodology with a deduction for all costs necessary to complete the development together with a remaining allowance for risk. The key inputs into the valuation exercise are yields and current market rent, which are influenced by prevailing market forces, comparable transactions and the specific characteristics of each property in the portfolio. • The group uses professionally qualified external valuers to fair value the Group's portfolio at three -monthly intervals. The valuers are engaged by the Directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuers used by the group have considerable experience in the markets in which the group operates. • In their report as of 31 December 2020, the experts draw attention to a material valuation uncertainty clause with regard to the effects of the COVID-19 pandemic on the valuation for a part of the investment property portfolio. This uncertainty is applicable for specific segments whose aggregate value accounts for approximately 23% of the consolidated portfolio. • Therefore, the audit risk appears in the assumptions and critical judgment linked to those key inputs, in particular the yield. **Reference to disclosures** • We refer to the financial statements, including notes to the financial statements: Note 2, Significant accounting policies; Note 22, Investment property.	• We considered the internal control implemented by management and we carried out testing related to the design and implementation of controls over investment properties. • We assessed the competence, independence and integrity of the external valuers. • We discussed with the external valuers and challenged the valuation process, performance of the portfolio and significant assumptions and critical judgement areas. • We benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the yield. • We performed audit procedures to assess the integrity and completeness of information provided to the independent valuers related to rental income, key rent contract characteristics and occupancy. • We agreed the amounts per the valuation reports with the accounting records and from there we agreed the related balances with the financial statements. • As part of our audit procedures performed on the acquisitions and divestments of properties we examined significant contracts and documentation on the accounting treatment applied to these transactions. • We assessed the appropriateness of the disclosures provided on the fair value of investment properties. • Furthermore, we assessed whether the material valuation uncertainty, which is applicable to some segments, has been disclosed in an appropriate manner in the notes to the financial statements.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements, i.e.:

- the required components of the Cofinimmo SA/NV annual report in accordance with Articles 3:32 of the Code of companies and associations, which appear in the following chapters: Risk Factors, Management report – Transactions and performances in 2020, Management report - Management of financial resources, Management report – Summary of the consolidated accounts, Management report - Events after 31 December 2020, Management report – 2021 Outlook, Corporate governance statement – Internal Control and Risk Management

are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Zaventem, 10 March 2021.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Rik Neckebroeck

FINANCIAL STATUTORY STATEMENTS

Comprehensive result (income statement) (abbreviated format)

(x 1,000 EUR)	2020	2019
A. Net result		
Rental income	127,127	123,959
Writeback of lease payments sold and discounted	9,444	8,784
Rental-related expenses	-740	-50
Net rental income	**135,831**	**132,693**
Recovery of property charges	468	250
Recovery income of charges and taxes normally payable by the tenant on rented properties	9,572	15,780
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease	-231	-1,110
Charges and taxes normally payable by the tenant on rented properties	-11,015	-20,808
Property result	**134,625**	**126,805**
Technical costs	-3,602	-3,609
Commercial costs	-1,168	-789
Taxes and charges on unlet properties	-2,569	-3,189
Property management costs	-15,505	-14,594
Other property charges	0	0
Property charges	**-22,843**	**-22,182**
Property operating result	**111,782**	**104,623**
Corporate management costs	-6,645	-6,255
Operating result before result on the portfolio	**105,137**	**98,368**
Gains or losses on disposals of investment properties	2,452	10,953
Gains or losses on disposals of other non-financial assets	0	0
Changes in the air value of investment properties	5,283	59,457
Other result on the portfolio	-5,503	-4,342
Result on the portfolio	**2,231**	**66,068**
Operating result	**107,368**	**164,436**
Financial income	71,831	81,539
Net interest charges	-23,266	-22,823
Other financial charges	-638	-563
Changes in the fair value of financial assets and liabilities	-30,191	-22,918
Financial result	**17,737**	**35,236**
Pre-tax result	**125,105**	**199,672**
Corporate tax	-2,331	-2,130
NET RESULT	122,774	197,542
B. Other elements of the comprehensive result recyclable in the income statement		
Change in the effective part of the fair value of authorised cash flow hedging instruments	0	0
Impact of the recycling on the income statement of hedging instruments for which the relationship with the hedged risk was terminated	0	0
Convertible bonds	7,721	-9,930
OTHER ELEMENTS OF THE COMPREHENSIVE RESULT	7,721	-9,930
C. Comprehensive result	130,495	187,612

Appropriations and deductions

(x 1,000 EUR)	2020	2019
A. Net result	122,774	197,542
B. Transfer from/to reserves	34,427	-52,506
Transfer to the reserve of the positive balance of changes in the fair value of property assets	-5,283	-67,246
Financial year	-5,283	-67,246
Previous years	0	0
Transfer to the reserve of the negative balance of changes in the fair value of property assets	9,738	0
Financial year	9,738	0
Previous years	0	0
Transfer to the reserve of the estimated transaction costs and rights resulting from the hypothetical disposal of investment properties	0	6,453
Transfer to the reserve of the balance of the changes in the fair value of authorised hedging instruments qualifying for hedge accounting	0	0
Financial year	0	0
Previous years	0	0
Transfer to the reserve of the balance of the changes in the fair value of authorised cash flow hedging instruments not qualifying for hedge accounting	20,448	24,394
Financial year	20,448	24,394
Previous years	0	0
Transfer from/to other reserves	-10	-4
Transfer from the result carried forward from previous years	9,534	-16,103
C. Distribution	-80,571	-7,517
Distribution provided for in article 13, § 1, 1st paragraph of the royal decree of 13.07.2014	-80,571	-7,517
D. Remuneration for financial year other than distribution	-85,258	-137,519
Dividends	-84,848	-137,054
Profit-sharing scheme	-410	-465
E. Result to be carried forward	19,198	78,327

Statement of financial situation (balance sheet) (abbreviated format)

(x 1,000 EUR)	2020	2019
Non-current assets	**4,997,091**	**4,294,833**
Intangible assets	2,172	934
Investment properties	2,343,818	2,320,615
Other tangible assets	1,422	1,264
Non-current financial assets	2,554,110	1,875,080
Finance lease receivables	95,569	95,994
Other long-term receivables	0	946
Trade receivables and other non-current assets	0	0
Current assets	**68,324**	**106,557**
Assets held for sale	3,320	28,764
Current financial assets	0	2
Finance lease receivables	2,030	1,937
Trade receivables	15,449	12,321
Tax receivables and other current assets	19,390	19,451
Cash and cash equivalents	1,033	832
Accrued charges and deferred income	27,102	43,249
TOTAL ASSETS	5,065,416	4,401,389

Shareholders' equity	2,575,301	2,447,381
Capital	1,450,210	1,385,227
Share premium account	883,442	806,214
Reserves	118,875	58,398
Net result for the financial year	122,774	197,542
Liabilities	2,490,115	1,954,008
Non-current liabilities	**1,370,514**	**998,931**
Provisions	25,329	24,151
Non-current financial debts	1,246,813	893,487
Credit institutions	389,672	282,493
Other	857,141	610,994
Other non-current financial liabilities	90,436	73,348
Deferred taxes	7,937	7,946
Current liabilities	**1,119,601**	**955,077**
Current financial debts	1,035,945	870,363
Other current financial liabilities	206	96
Trade debts and other currect debts	67,622	72,685
Accrued chargers and deferred income	15,829	11,933
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,065,416	4,401,389

Calculation of the debt-to-assets ratio

(x 1,000 EUR)		2020	2019
Non-current financial debts		1,246,813	893,487
Other non-current financial liabilities (except hedging instruments)	+	390	326
Current financial debts	+	1,035,945	870,363
Trade debts and other current debts	+	67,622	72,685
Uncalled amounts of acquired securities	+	180	180
Total debt	=	**2,350,950**	**1,837,041**
Total assets		5,065,416	4,401,389
Hedging instruments	-	382	2,122
Total assets (except hedging instruments)	=	**5,065,034**	**4,399,267**
DEBT-TO-ASSETS RATIO	/	46.42%	41.76%

Nursing and care home Vivalys – Brussels (BE)

Obligation to distribute dividends according to the royal decree of 13.07.2014 concerning RRECs

(x 1,000 EUR)	2020	2019
Net result	**122,774**	**197,542**
Depreciation (+)	963	908
Impairments (+)	134	46
Writeback of impairments (-)	-18	0
Writeback of lease payments sold and discounted (-)	-9,444	-8,784
Other non-cash elements (+/-)	23,128	27,338
Result on disposal of property assets (+/-)	-2,452	-10,953
Changes in fair value of investment properties (+/-)	4,455	-60,793
Corrected result (A)	**139,539**	**145,305**
Capital gains and losses realised[1] on property assets during the financial year (+/-)	-38,784	-132,971
Realised gains[1] on property assets during the year, exempt from the obligation to distribute if reinvested within four years (-)	-42	-2,938
Realised gains on property assets previously exempt from the obligation to distribute and that were not reinvested within four years (+)	0	0
Net gains on realisation of property assets not exempt from the distribution obligation (B)	**-38,826**	**-135,909**
TOTAL (A+B) x 80 %	80,571	7,517
Debt decrease (-)	0	0
Obligation to distribute dividends	80,571	7,517

Reconciliation between balance sheet and balance sheet after proposed allocation (proforma A) and balance sheet after proposed distribution (proforma B)

(x 1.000 EUR)	As at 31.12.2020	Capital increase of 08.03.2021	Allocation proposed at the general meeting of 12.05.2021	Proforma A 31.12.2020	Distribution proposed at the general meeting of 12.05.2021	Proforma B 31.12.2020
Total balance sheet	**5,065,416**	**177,850**	**0**	**5,243,266**	**0**	**5,243,266**
Provision	-25,329	0	0	-25,329	0	-25,329
Liabilities	-2,464,786	0	0	-2,464,786	0	-2,464,786
Net assets	**2,575,301**	**177,850**	**0**	**2,753,151**	**0**	**2,753,151**
Distribution of dividends and profit-sharing plan	0	0	0	0	-165,829	-165,829
Net assets after distribution	**2,575,301**	**177,850**	**0**	**2,753,151**	**-165,829**	**2,587,322**
Capital	1,450,210	79,719	0	1,529,929	0	1,529,929
Unavailable share premiums	356,214	0	0	356,214	0	356,214
Available share premiums	527,227	98,131		625,359	0	625,359
Reserve of the positive balance of changes in the fair value of property assets	113,884	0	-4,455	109,430	0	109,430
Reserve of the estimated transaction costs and rights resulting from the hypothetical disposal of investment properties	0	0	0	0	0	0
Reserve of the balance of the changes in the fair value of authorised hedging instruments qualifying for hedge accounting	-32,102	0	-20,448	-52,550	0	-52,550
Reserve of the balance of the changes in the fair value of authorised hedging instruments not qualifying for hedge accounting	0	0	0	0	0	0
Reserve for treasury shares	-1,875	0	0	-1,875	0	-1,875
Other reserves declared non-distributable by the general meeting	1,608	0	10	1,618	0	1,618
Legal reserve	0	0	0	0	0	0
Result carried forward	37,360	0	147,666	185,026	-165,829	19,197
Annual result	122,774	0	-122,774	0	0	0
Total equity	**2,575,301**	**177,850**	**0**	**2,753,151**	**-165,829**	**2,587,322**

1. Compared to the acquisition value plus the capitalised renovation costs.

Non-distributable equity according to article 7:212 of the code of companies and associations

(x 1,000 EUR)	2020	2019
Total balance sheet	**5,243,266**	**4,401,389**
Provision	-25,329	-24,151
Liabilities	-2,464,786	-1,929,857
Net assets	**2,753,151**	**2,447,381**
Distribution of dividends and profit-sharing plan	-165,829	-145,036
Net assets after distribution	**2,587,322**	**2,302,345**
Paid-up capital or, if greater, subscribed capital	1,529,929	1,385,227
Share premium account unavailable for distribution according to the articles of association	356,214	806,214
Reserve for the positive balance of changes in the fair value of property assets	109,430	134,502
Reserve for the estimated transaction costs and transfer duties resulting from the hypothetical disposal of investment properties	0	-61,854
Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge account	0	0
Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting	-52,550	-39,823
Reserve for treasury shares	0	0
Other reserves declared non-distributable by the general meeting	1,618	2,017
Legal reserve	0	0
Non-distributable equity according to article 7:212 of Code of companies and associations	**1,944,641**	**2,226,284**
Margin remaining after distribution	**642,681**	**76,061**

The general meeting of 28.07.2020 decided to reduce the unavailable 'Share Premiums' account by 450,000,000 EUR by transfer to an available 'Share Premiums' account.

Cofinimmo is a regulated real estate company (RREC) and is subject to a minimum dividend distribution obligation which is, under article 45, 2° of the law of 12.05.2014 relating to regulated real estate companies (RREC Act), set at 80 % of its operating profit determined in accordance with the diagram in Chapter III of Annex C of the royal decree of 13.07.2014 on regulated real estate companies (RD RREC). As a public limited company, it is also subject to article 7:212 of the Code of companies and associations (CCA) which provides that "no distribution may be made when the net assets, as shown in the annual accounts, are, or would become, following such a distribution, lower than the amount of the paid-up capital or, if this amount is higher, of the capital called up, increased by all the reserves which the law or the articles of association do not allow to distribute."

The cumulative application of the two rules may reveal an inconsistency: it is not inconceivable that the distribution of 80 % of the operating profit referred to above collides with the application of article 7:212 of the CCA, in particular in the event of sales of buildings at market value which have been subject to writedowns in the past (hitherto unrealised and deducted from reserves) be sold at market value. In the event of the disposal of such buildings, these writedowns become 'realised' and negatively affect the margin defined by article 7:212 of the CCA.

The board of directors therefore proposed to transfer an amount from the unavailable 'Share Premiums' account to an available 'Share Premiums' account. It is specified that the company does not intend to distribute this amount, but simply to create an adequate margin for distribution capacity which allows in particular to take timely arbitration decisions within the portfolio while respecting both the RREC Act and the CCA. The attention of shareholders is drawn to the fact that the transfer of 450,000,000 EUR to an 'available' account could lead, by the distribution of the result, to the equity of the company falling below the level of equity contributed by the shareholders and increased by non-distributable reserves.

This proposed resolution was subject to approval by a special majority of at least three quarters of the votes cast and was adopted.

Consolidated statement of changes in shareholders' equity

(x 1,000 EUR)	At 31.12.2018	Allocation of the net result
Capital	**1,232,176**	**0**
Share premiums	**664,203**	**0**
Reserves	**40,598**	**145,186**
Reserve of the balance of changes in the fair value of property assets	-84,005	9,486
Reserve of estimated transaction costs resulting from the hypothetical disposal of investment properties	-57,107	-444
Reserve of the balance of changes in the fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is applied	0	0
Reserve of the balance of changes in the fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is not applied	2,492	-6,292
Distributable reserve	824	0
Non-distributable reserve	-964	-109
Reserve of the change in the fair value of the convertible bond attributable to the change of 'own' credit risk	-1,697	0
Deferred result	181,055	142,544
Net result of the financial year	**145,186**	**-145,186**
TOTAL SHAREHOLDERS' EQUITY	2,082,162	0

(x 1,000 EUR)	At 31.12.2019	Allocation of the net result
Capital	**1,385,227**	**0**
Share premiums	**806,214**	**0**
Reserves	**58,398**	**197,542**
Reserve of the balance of changes in the fair value of property assets	67,257	67,246
Reserve of estimated transaction costs resulting from the hypothetical disposal of investment properties	-55,403	-6,453
Reserve of the balance of changes in the fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is applied	0	0
Reserve of the balance of changes in the fair value of authorised hedging instruments to which the hedging accounting defined in IFRS is not applied	-3,800	-24,394
Distributable reserve	824	0
Non-distributable reserve	-1,076	4
Reserve of the change in the fair value of the convertible bond attributable to the change of 'own' credit risk	-11,627	0
Deferred result	62,223	161,139
Net result of the financial year	**197,542**	**-197,542**
TOTAL SHAREHOLDERS' EQUITY	**2,447,381**	**0**

1. In accordance with the FSMA circular of 02.07.2020.

Dividends/ coupons	Share issue	Exercise of option on Cofinimmo shares (Stock Option Plan, treasury shares)	Acquisition/ Disposals of treasury shares	Hedging of cash flows	Transfer between distributable reserves and non-distributable reserves on asset disposals	Other	Result of the financial year	At 31.12.2019
0	153,051	0	0	0	0	0	0	1,385,227
0	142,011	0	0	0	0	0	0	806,214
-123,391	0	0	384	0	0	-4,379	0	58,398
0	0	0	0	0	141,776	0	0	67,257
0	0	0	0	0	2,148	0	0	-55,403
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	-3,800
0	0	0	0	0	0	0	0	824
0	0	0	-3	0	0	0	0	-1,076
0	0	0	0	0	0	-9,930	0	-11,627
-123,391	0	0	387	0	-143,924	5,551	0	62,223
0	0	0	0	0	0	0	197,542	197,542
-123,391	295,062	0	384	0	0	-4,379	197,542	2,447,381

Dividends/ coupons	Share issue	Exercise of option on Cofinimmo shares (Stock Option Plan, treasury shares)	Acquisition/ Disposals of treasury shares	Hedging of cash flows	Transfer between distributable reserves and non-distributable reserves on asset disposals	Other	Result of the financial year	At 31.12.2020
0	64,983	0	0	0	0	0	0	1,450,210
0	77,227	0	0	0	0	0	0	883,442
-145,036	0	0	254	0	0	7,717	0	118,875
0	0	0	0	0	40,426	-61,043	0	113,884
0	0	0	0	0	810	61,043	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	-28,195
0	0	0	0	0	0	0	0	824
0	0	0	-18	0	0	0	0	-1,090
0	0	0	0	0	0	7,721	0	-3,906
-145,036	0	0	272	0	-41,236	-4	0	37,360
0	0	0	0	0	0	0	122,774	122,774
-145,036	142,210	0	254	0	0	7,717	122,774	2,575,301

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATUTORY STATEMENTS

— Statutory auditor's report to the shareholders' meeting of Cofinimmo SA/NV for the year ended 31 December 2020 - Annual accounts

In the context of the statutory audit of the annual accounts of Cofinimmo SA/NV (the "company"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 13 May 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2022. We have performed the statutory audit of the annual accounts of Cofinimmo SA/NV for 28 consecutive periods.

Report on the annual accounts

Unqualified opinion

We have audited the annual accounts of the company, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The annual accounts show total assets of 5,065,416 (000) EUR and the income statement shows a profit for the year ended of 122,774 (000) EUR.

In our opinion, the annual accounts give a true and fair view of the company's net equity and financial position as of 31 December 2020 and of its results for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Valuation of investment properties • Investment properties measured at fair value (EUR 2.347 million) represent 46 per cent of the balance sheet total as at 31 December 2020. Changes in the fair values of the investment properties have a significant impact on the net result for the period and equity. • The portfolio includes completed investments and properties under construction and acquisitions. Divestments of investment properties are individually significant transactions. • Cofinimmo NV/SA uses professionally qualified external valuers to fair value the company's portfolio at three - monthly intervals. The valuers are engaged by the Directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuers used by Cofinimmo NV/SA have considerable experience in the markets in which the company operates. • The portfolio is valued at fair value, with development properties valued by the same methodology with a deduction for all costs necessary to complete the development together with a remaining allowance for risk. The key inputs into the valuation exercise are yields and current market rent, which are influenced by prevailing market forces, comparable transactions and the specific characteristics of each property in the portfolio. • In their report as of 31 December 2020, the experts draw attention to a material valuation uncertainty clause with regard to the effects of the COVID-19 pandemic on the valuation for a part of the investment property portfolio. This uncertainty is applicable for specific segments whose aggregate value accounts for approximately 23% of the consolidated portfolio. • Therefore, the audit risk appears in the assumptions and critical judgment linked to those key inputs, in particular the yield. **Reference to disclosures** • We refer to the annual accounts, including notes to the annual accounts: Note 2, Significant accounting policies; Note 22, Investment property.	• We considered the internal control implemented by management and we carried out testing related to the design and implementation of controls over investment properties. • We assessed the competence, independence and integrity of the external valuers. • We discussed and challenged the valuation process, performance of the portfolio and significant assumptions and critical judgement areas. • We benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the yield. • We performed audit procedures to assess the integrity and completeness of information provided to the independent valuers related to rental income, key rent contract characteristics and occupancy. • We agreed the amounts per the valuation reports with the accounting records and from there we agreed the related balances with the financial statements. • As part of our audit procedures performed on the acquisitions and divestments of properties we examined significant contracts and documentation on the accounting treatment applied to these transactions. • We assessed the appropriateness of the disclosures provided on the fair value of investment properties. • Furthermore, we assessed whether the material valuation uncertainty, which is applicable to some segments, has been disclosed in an appropriate manner in the notes to the financial statements.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of the annual accounts in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate to the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, for the documents to be filed according to the legal and regulatory requirements, for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the company's compliance with the Code of companies and associations and the company's articles of association.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts those documents to be filed according to the legal and regulatory requirements and compliance with certain obligations referred to in the Code of companies and associations and the articles of association, as well as to report on these matters.

Aspects regarding the directors' report

In our opinion, after performing the specific procedures on the directors' report on the annual accounts, the directors' report on the annual accounts is consistent with the annual accounts for that same year and has been established in accordance with the requirements of article 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the annual accounts and other information disclosed in the annual report, i.e.:

- Risk Factors, Management report – Transactions and performances in 2020, Management report – Appropriation of company results, Management report - Events after 31.12.2020, Management report – Management of financial resources, Corporate governance statement – Internal Control and Risk Management;

is free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

Statement on the social balance sheet

The social balance sheet, to be filed at the National Bank of Belgium in accordance with article 3:12, § 1, 8° of the Code of companies and associations, includes, both in form and in substance, all of the information required by this Code, including those relating to wages and training, and is free from any material inconsistencies with the information available to us in the context of our mission.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the company during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit of the annual accounts, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the annual accounts.

Other statements

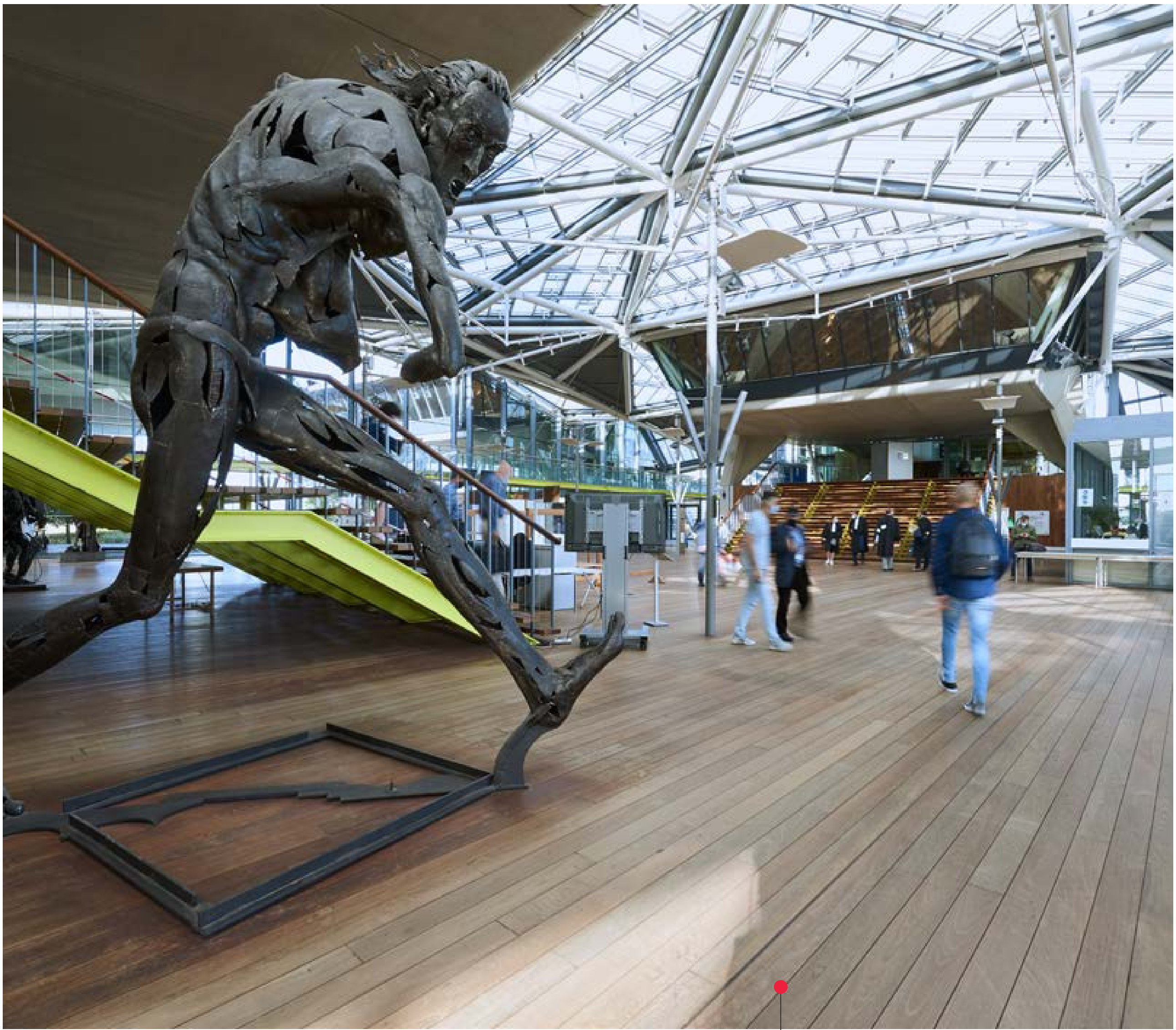
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the company's articles of association, the Code of companies and associations.
- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) N° 537/2014.
- We have assessed the financial consequences for the company relating to the decision taken in respect of the conflict of interest as described in the board of directors' report. We refer to the Corporate Governance statement included in the Management report for a detailed description of the conflict of interest for the board of directors.

Zaventem, 10 March 2021.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Rik Neckebroeck

Appendices to the ESG report



Courthouse (public lobby 'Salle des pas perdus') – Antwerp (BE)

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EPRA PERFORMANCE INDICATORS

— Cofinimmo is constantly seeking quality and transparency in its communication towards its stakeholders. To this end, it applies the sustainability Best Practices Recommendations (sBPR), promulgated by EPRA

In September 2020, the European association of listed real estate companies EPRA granted Cofinimmo, among other leading European listed companies, an sBPR award for the ninth consecutive year for the quality of its sustainability report.

Organisational boundaries

The data is calculated based on information in the possession of Cofinimmo as landlord, and Cofinimmo Services and Superstone as managers of real estate portfolios. It also includes the data collected from the buildings' occupants. In this way, an operational control approach is adopted. Surface areas under operational control (directly managed) include Cofinimmo's head office, the operational multi-tenant leases, and medical office buildings (398.003 /2.317.911 m^2). Their 'GHG' emissions are considered as scope 1 and 2.

Cofinimmo has no operational control over consumption in buildings in the following segments: healthcare real estate to the exclusion of medical office buildings, property of distribution networks, PPP, and single-tenant office buildings, which together represent 83 % of the portfolio. These buildings are indirectly managed and their GHG emissions are considered as scope 3.

It is important to note that, for non-financial indicators, all the buildings of the portfolio are included, without distinction between operational and financial leases.

Coverage

Coverage is always expressed in m^2 per segment. The surface areas used match the surface area of the buildings as in chapter 'Property report' (see pages 138-147). The surface area used for the calculation of the intensity of the different environmental performance indicators is listed in a table at the beginning of the environmental performance indicators (see page 303).

By absolute indicator, the coverage is expressed as the number of buildings compared to the total number of buildings per line and as a percentage of surface area compared to the total surface area per line.

For electricity, fuels and waste, the directly managed portfolio coverage is approximately 95 %, the coverage for water and waste is approximately 90 %.

Consumption estimations

For all the meters, the consumption estimations are made using the same formula and based on the data mentioned on annual invoices. In order to obtain an annual consumption corresponding to a calendar year, an extrapolation of the consumption is made on the basis of the last recorded annual consumption for the missing period (for example: the consumption for the period going from June 2019 to May 2020 will be used as a basis for estimating the consumption for the period going from June 2020 to December 2020). For fuel, the formula takes into account degree-days. The method has been validated and this data is verified for a sample of sites during the third-party assurance.

Should the private consumption for multi-tenant buildings be incomplete because some tenants did not send the necessary information, the missing private consumption is estimated based on the known average private consumption for other floors in the same building.

The portion of estimated data is higher in 2020 due to the desire to close the non-financial data prior to the audit committee meeting. For Cofinimmo's head office, no data has been estimated. By absolute indicator, the proportion of estimated data is expressed in percentage compared to the total per line.

Third-party assurance

All the environmental, social and governance performance indicators included on pages 303-318 have been subject to a third-party assurance by Deloitte Réviseurs d'Entreprises/Bedrijfsrevisoren SC s.d.f. SCRL (see the 'Statutory Auditor's report'), in accordance with ISAE 3000. This report provides an external and objective perspective on the data and helps ensure that it accurately reflects reality. No observations were made. The monitored indicators correspond to the 28 performance indicators recommended by EPRA and represent 21 Global Reporting Initiative disclosures (GRI). They are considered to be material for the real estate sector.

Medical office building Sionsberg – Dokkum (NL)

Limitations on consumption

Consumption data is provided directly by the tenant for a sample of surface areas (56% of portfolio indirectly managed), comprising a mix of operational and financial leases.

In total, 100% of the consumption data for the private spaces of multi-tenant buildings is obtained by the landlord's property manager (50%) or by the distribution network's manager with the formal agreement of the tenant (50%).

Cofinimmo can only act on the consumption of the shared technical equipment of its assets whether multi-tenant office buildings, healthcare properties for which Cofinimmo Services and Superstone handle property management, or the head office (17% of the portfolio).

Normalisation

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

Normalised consumption = Recorded consumption x NDD / DD

The environmental intensity indicators are always expressed per unit of surface area.

Analysis per segment

In addition to the distinction between buildings under or outside of operational control, a distinction is made between the following segments: healthcare real estate, property of distribution networks and PPP, and offices. The impact of Cofinimmo's head office is transparently communicated on a separate line. Segmentation is therefore done in the same way as for the financial analysis.

Since environmental legislation as well as GHG emissions conversion factors are different in each country, indicators are then analysed geographically without the operational control distinction.

Cofinimmo's head office

In complete transparence, each indicator states the head office measurements as well as the evolution of the measurements on a separate line. For the head office, no estimate has been made and the coverage is 100 % for each indicator. Being part of Cofinimmo's portfolio, the head office is included in the consolidated results of the office segment.

The social indicators related to the employees cover all employees (140 persons) in Belgium (126 persons), in France (3 persons), in the Netherlands (6 persons), in Germany (4 persons) and in Spain (1 person). All the other indicators only cover de surface areas in Belgium (3,868 m^2), since the surface areas occupied in France (93 m^2), the Netherlands (35 m^2) and Germany (approximately 30 m^2) are not material.

Performance

The results relating to electricity, fuel, and water consumption, as well as waste, cover both the buildings under Cofinimmo's operational control and those under the operational control of the tenants. In 2020, no data could be collected on urban heat.

The findings on the environmental indicators below concern the 2019-2020 like-for-like analysis. On a like-for-like basis, there was a 16.1% decrease in emissions, with the following breakdown:
- a 17.3% decrease in scopes 1 and 2;
- a 15.6% decrease in scope 3.

This is in line with our objective of reducing the energy intensity of our portfolio by 30%.

Water consumption per m^2 is almost five times higher in the healthcare real estate segment than in the office segment. With a like-for-like asset mix, a decrease in water consumption of 5.5% is observed. An action plan is implemented for further monitoring in the directly managed portfolio.

With a like-for-like asset mix, the quantities of waste in tonnes decreased by 25.4% and 43% of the collected waste is recycled.

While energy, water, and waste reductions in the office segment are partially impacted by the lockdown, consumption in the health-care sector is impacted to a lesser degree by the health crisis. The overall reductions in the portfolio are therefore the result of a combination of activities aiming at reducing consumption and temporarily reduced occupancy

The 8 buildings with BREEAM or BREEAM-equivalent certifications represent approximately 5% of the portfolio. In the context of ISO 14001 certification, the principles of BREEAM and/or BREEAM In-Use certification also apply to the overall portfolio. As with what is required for a BREEAM certification, the same approach is followed for property management, project management and development.

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

All the 2020 data were taken from the energy accounting system.

The material stakes relating to energy intensity and GHG emissions are included in the chapter on pages 107-109. The objectives relating to the coverage of energy intensity and GHG emissions are included in the 'Dashboard' (see pages 319-323).

The ratio between the base salary and the salary for women and men is increasing at the executive committee level, demonstrating more equal remuneration. For the other levels, the decrease in the ratio is explained by the types of positions held by men at each level.

Park Lane office building – Brussels periphery (BE)

63%
ELECTRICITY COVERAGE

61%
FUEL COVERAGE

52%
WATER COVERAGE

25%
WASTE COVERAGE

2,317,911 m²
SURFACE OF PORTFOLIO

Publication

The environmental and social indicators are published in full in this chapter (see pages 303-318).

The information relating to the governance indicators is published in the 'Corporate Governance Statement' chapter (see pages 180-207).

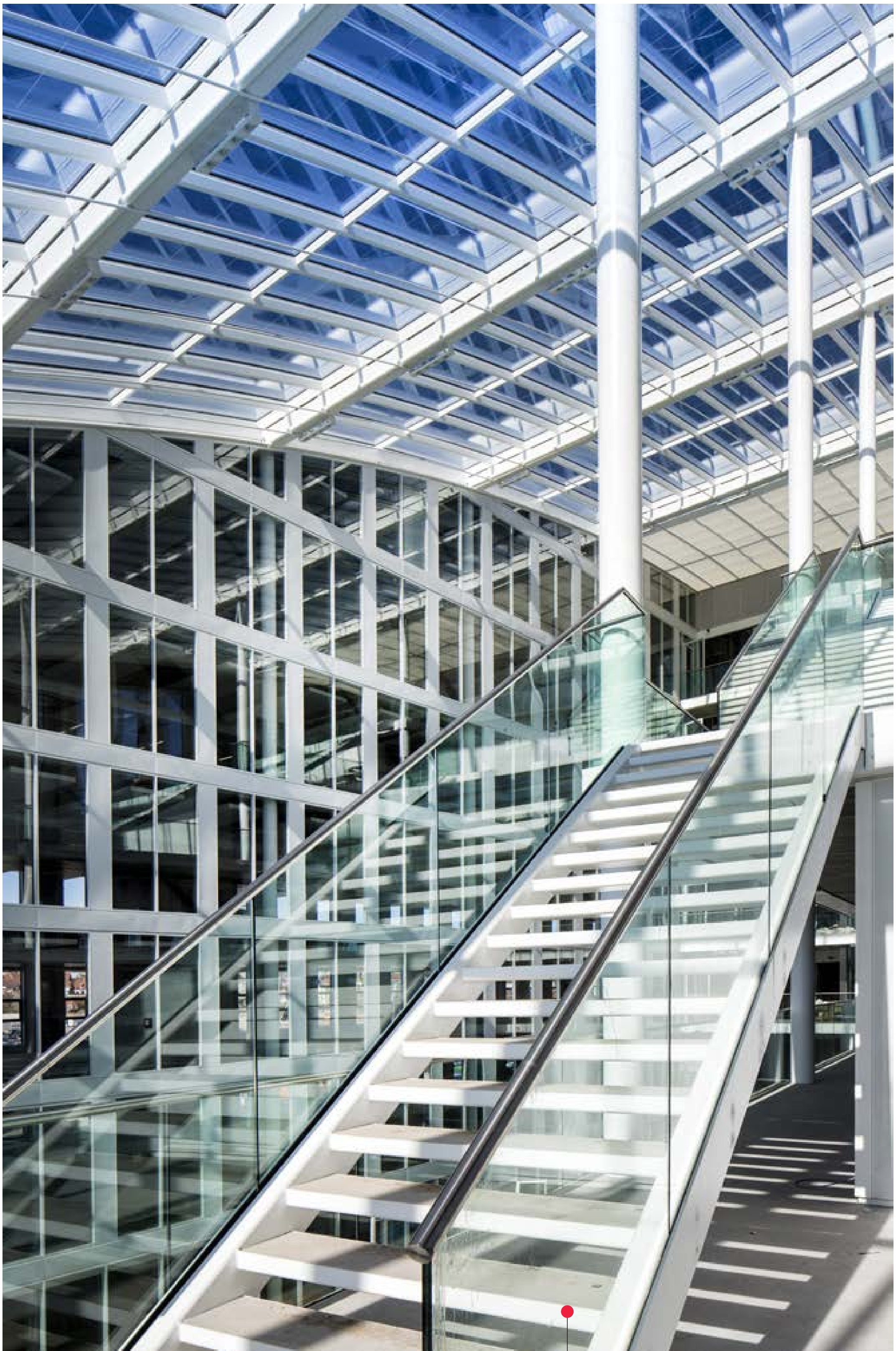
Reporting period

The indicators cover the period from 01.01.2020 to 31.12.2020. A comparison is made with the 2019 figures. No adjustments were made to the 2019 historical data on an individual basis.

Materiality

A comprehensive materiality analysis was carried out and is documented in the chapter 'Major trends and their impacts on the ESG strategy' (see pages 96-99).

This analysis showed that all the EPRA performance indicators are material and therefore listed on the following pages.



Port/Haven 86C ('Bruxelles Environnement'/ 'Leefmilieu Brussel') – Brussels CBD (BE)

PORTFOLIO COVERAGE BY INDICATOR AND SEGMENT (M^2)

	Total surface area	Elec-Abs	Elec-LfL	Fuels-Abs	Fuels-LfL	Indir-Abs	Indir-LfL	Dir-Abs	Dir-LfL	Water-Abs	Water-LfL	Waste-Abs	Waste-LfL
Healthcare real estate	1,198,123	728,654	548,832	677,707	485,819	728,654	548,832	0	0	559,241	384,094	0	0
Distribution networks	375,325	19,692	6,429	19,170	5,645	19,692	6,429	0	0	0	0	0	0
PPP	148,124	138,855	127,571	138,855	127,571	138,855	127,571	0	0	111,732	28,316	100,448	28,316
Single-tenant offices	198,336	195,136	155,487	198,011	177,551	195,136	155,487	0	0	184,597	151,786	121,585	95,247
TOTAL indirectly managed	**1,919,908**	**1,082,337**	**838,319**	**1,033,743**	**796,586**	**1,082,337**	**838,319**	**0**	**0**	**855,570**	**564,196**	**222,033**	**123,563**
Medical office buildings	45,773	30,080	27,611	24,565	18,969	30,080	27,611	24,565	18,969	26,687	17,137	16,913	16,913
Multi-tenant offices – shared	348,362	348,362	341,104	348,362	337,411	348,362	341,104	348,362	337,411	324,011	285,660	337,754	330,496
Private (purchase by landlord)	202,169	202,169	194,911	0	0	202,169	194,911	0	0	0	0	0	0
Private (purchase by tenant)	146,193	146,193	146,193	0	0	146,193	146,193	0	0	0	0	0	0
Head office	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868	3,868
TOTAL directly managed	**398,003**	**382,310**	**372,583**	**376,795**	**360,248**	**382,310**	**372,583**	**376,795**	**360,248**	**354,566**	**306,665**	**358,535**	**351,277**
TOTAL	2,317,911	1,464,647	1,210,902	1,410,538	1,156,834	1,464,647	1,210,902	376,795	360,248	1,210,136	870,861	580,568	474,840

	Total surface area	Elec-Abs	Elec-LfL	Fuels-Abs	Fuels-LfL	Indir-Abs	Indir-LfL	Dir-Abs	Dir-LfL	Water-Abs	Water-LfL	Waste-Abs	Waste-LfL
Healthcare real estate (BE)	564,439	486,056	377,253	452,396	322,561	486,056	377,253	0	0	350,957	228,467	0	0
Healthcare real estate (FR)	214,035	155,081	150,565	155,081	140,946	155,081	150,565	0	0	155,081	146,015	0	0
Healthcare real estate + medical office buildings (NL)	162,702	85,784	48,625	64,439	36,200	85,784	48,625	24,565	18,969	29,761	20,211	16,913	16,913
Healthcare real estate (DE)	281,655	31,813	0	30,356	5,081	31,813	0	0	0	50,129	6,538	0	0
Healthcare real estate (ES)	21,065	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL Healthcare real estate	**1,243,896**	**758,734**	**576,443**	**702,272**	**504,788**	**758,734**	**576,443**	**24,565**	**18,969**	**585,927**	**401,231**	**16,913**	**16,913**
TOTAL Offices	**550,566**	**547,366**	**500,459**	**550,241**	**518,830**	**547,366**	**500,459**	**352,230**	**341,279**	**512,476**	**441,314**	**463,207**	**429,611**

For 2020, no information is available for the indicators concerning warm urban systems (DH&C-Abs and DH&C-LfL).

Environmental performance indicators

ENERGY INTENSITY (KWH/M²/YEAR)

Based on disclosures GRI 302-3 and CRE1

Ratio between total energy consumed from all sources, i.e. electricity, fuel, urban heating and refrigeration, divided per surface unit. Total of energy consumed where the numerator corresponds to the sum of the three following indicators in absolute value: electricity, energy coming from urban heating, fuels.

	Elec-Int			DH&C-Int			Fuels-Int			Energy-Int			Energy-Int LfL		
	2020	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ
Healthcare real estate	55	59	-7.8%	0	32	-	106	117	-9.9%	160	176	-9.0%	172	187	-7.7%
Distribution networks	56	37	50.9%	-	-	-	94	71	32.1%	151	109	38.6%	71	106	-32.5%
PPP	43	43	0.2%	-	-	-	72	69	4.1%	114	112	2.6%	114	112	2.0%
Single-tenant offices	150	173	-13.2%	-	-	-	76	87	-11.6%	227	260	-12.7%	261	270	-3.1%
TOTAL indirectly managed	**70**	**77**	**-8.0%**	**0**	**32**	**-**	**95**	**104**	**-8.1%**	**166**	**180**	**-7.9%**	**178**	**188**	**-5.7%**
Medical office buildings	79	77	3.8%	0	0	-	37	49	-24.8%	116	126	-7.4%	125	127	-1.4%
Multi-tenant offices	85	98	-13.6%	-	-	-	75	77	-2.2%	160	175	-8.6%	159	178	-10.4%
Head office	79	93	-14.4%	-	-	-	56	83	-32.6%	135	176	-23.0%	135	176	-23.0%
TOTAL directly managed	**84**	**96**	**-12.6%**	**0**	**0**	**-**	**73**	**76**	**-4.1%**	**157**	**172**	**-8.9%**	**157**	**174**	**-10.0%**
TOTAL	74	82	-10.2%	0	32	-	89	95	-6.4%	163	178	-8.0%	171	184	-7.0%

1. The values shown represent the total consumption for the building, without distinction between the private and shared areas.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. No information is available for the distribution networks in France and the Netherlands.
4. For distribution networks, the significant increase is due to the fact that the coverage has doubled for a more representative sample.

	Elec-Int			DH&C-Int			Fuels-Int			Energy-Int			Energy-Int LfL		
	2020	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ
Healthcare real estate (BE)	44	49	-11.4%	-	-	-	115	128	-10.6%	158	177	-10.8%	171	177	-3.7%
Healthcare real estate (FR)	80	90	-11.1%	-	-	-	88	113	-21.4%	168	203	-16.9%	169	203	-16.8%
Healthcare real estate + medical office buildings (NL)	85	92	-8.5%	0	0	-	63	98	-36.4%	147	191	-22.9%	187	192	-2.3%
Healthcare real estate (DE)	46	39	18.4%	0	32	-	93	82	13.0%	138	120	15.1%	0	0	-
Healthcare real estate (ES)	0	0	-	-	-	-	0	0	-	0	0	-	0	0	-
TOTAL Healthcare real estate	**56**	**60**	**-7.2%**	**0**	**32**	**-**	**103**	**115**	**-10.3%**	**159**	**175**	**-9.1%**	**171**	**185**	**-7.5%**
TOTAL Offices	**108**	**121**	**-10.7%**	**-**	**-**	**-**	**76**	**80**	**-5.8%**	**184**	**201**	**-8.7%**	**191**	**206**	**-7.5%**

1. No information is available for healthcare real estate in Spain.

TOTAL ELECTRICITY CONSUMPTION (MWH/YEAR)

Based on disclosures GRI 302-1 and 302-2

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

	Number of buildings	Coverage in m²	Elec-Abs		Elec-LfL			Electricity from renewable sources	Estimated electricity consumption
			2020	2019	2020	2019	Δ		
Healthcare real estate	125/205	61%	39,883	38,063	30,325	34,485	-12.1%	1.4%	0.6%
Distribution networks	33/1,176	5%	1,107	300	205	250	-18.1%	0.0%	11.7%
PPP	6/7	94%	5,919	5,428	5,289	5,428	-2.5%	0.0%	9.3%
Single-tenant offices	27/28	98%	29,363	28,122	27,542	28,022	-1.7%	0.9%	6.8%
TOTAL indirectly managed	**191/1,416**	**56%**	**76,272**	**71,912**	**63,361**	**68,184**	**-7.1%**	**1.1%**	**3.8%**
Medical office buildings	14/15	66%	2,389	2,149	2,136	2,149	-0.6%	0.0%	1.4%
Multi-tenant offices – shared	48/48	100%	15,608	18,459	15,397	17,567	-12.3%	2.5%	0.0%
Private (purchase by landlord)	24/24	100%	6,942	8,293	6,732	7,807	-13.8%	0.0%	0.3%
Private (purchase by tenant)	24/24	100%	6,934	8,889	6,934	8,560	-19.0%	0.0%	24.8%
Head office	1/1	100%	306	358	306	358	-14.4%	1.6%	0.0%
TOTAL directly managed	**63/64**	**96%**	**32,180**	**38,148**	**31,506**	**36,440**	**-13.5%**	**1.2%**	**5.5%**
TOTAL	254/1,480	63%	108,452	110,060	94,867	104,625	-9.3%	1.1%	4.3%

1. The values shown represent the total consumption of the buildings, without distinction between the private and shared areas, except for the multi-tenant offices directly for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption purchased by the landlord and by the tenant
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. No information available for the distribution networks in France and in the Netherlands.

	Number of buildings	Coverage in m²	Elec-Abs		Elec-LfL			Electricity from renewable sources	Estimated electricity consumption
			2020	2019	2020	2019	Δ		
Healthcare real estate (BE)	69/83	86%	21,165	18,548	15,679	18,548	-15.5%	0.5%	1.0%
Healthcare real estate (FR)	36/49	72%	12,398	13,547	12,148	13,547	-10.3%	0.0%	0.0%
Healthcare real estate + medical office buildings (NL)	29/42	53%	7,253	4,539	4,634	4,539	2.1%	6.4%	0.8%
Healthcare real estate (DE)	5/43	11%	1,456	3,578	0	0	-	0.0%	0.5%
Healthcare real estate (ES)	0/3	0%	0	0	0	0	-	0.0%	0.0%
TOTAL Healthcare real estate	**139/220**	**61%**	**42,272**	**40,212**	**32,462**	**36,634**	**-11.4%**	**1.3%**	**0.6%**
TOTAL Offices	**76/77**	**99%**	**59,153**	**64,120**	**56,912**	**62,313**	**-8.7%**	**1.1%**	**6.3%**

1. No information is available for healthcare real estate in Spain.

TOTAL FUEL CONSUMPTION (MWH/YEAR)

Based on disclosures GRI 302-1 and 302-2

The types of fuel used are gas and fuel oil, and pellets.

	Number of buildings	Coverage in m²	Fuels-Abs		Fuels-LfL			Estimated fuel consumption
			2020	2019	2020	2019	Δ	
Healthcare real estate	116/205	57%	71,580	68,172	56,887	60,235	-5.6%	20.2%
Distribution network	31/1,176	5%	1,808	498	224	378	-40.8%	7.4%
PPP	6/7	94%	9,968	8,800	9,220	8,800	4.8%	24.7%
Single-tenant offices	27/28	100%	15,142	15,936	14,931	15,853	-5.8%	13.3%
TOTAL indirectly managed	**180/1,416**	**54%**	**98,498**	**93,407**	**81,262**	**85,266**	**-4.7%**	**19.4%**
Medical office buildings	12/15	54%	909	934	909	934	-2.6%	0.0%
Multi-tenant offices	48/48	100%	26,195	27,699	24,939	26,338	-5.3%	7.4%
Head office	1/1	100%	217	322	217	322	-32.6%	0.0%
TOTAL directly managed	**61/64**	**95%**	**27,321**	**28,955**	**26,065**	**27,593**	**-5.5%**	**7.1%**
TOTAL	241/1,480	61%	125,820	122,362	107,327	112,859	-4.9%	16.7%

1. The values of fuels used consist of 95.4% of heating gas and 4.6% of heating oil.
2. The values shown represent the total consumption for the building, without distinction between the private and shared areas.
3. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
4. The like-for-like analysis is based on the total consumption of the building, without distinction between the private and shared areas.
5. No information available for the distribution networks in France and in the Netherlands.
6. The types of fuel used are not from renewable sources.

	Number of buildings	Coverage in m²	Fuels-Abs		Fuels-LfL			Estimated fuel consumption
			2020	2019	2020	2019	Δ	
Healthcare real estate (BE)	64/83	80%	51,925	41,392	41,704	41,392	0.8%	27.6%
Healthcare real estate (FR)	36/49	72%	13,721	15,870	12,396	15,870	-21.9%	0.5%
Healthcare real estate + medical office buildings (NL)	23/42	40%	4,032	3,560	3,328	3,560	-6.5%	1.5%
Healthcare real estate (DE)	5/43	11%	2,810	8,284	369	346	6.4%	0.1%
Healthcare real estate (ES)	0/3	0%	0	0	0	0	-	0.0%
TOTAL Healthcare real estate	**128/220**	**56%**	**72,489**	**69,106**	**57,796**	**61,168**	**-5.5%**	**20.0%**
TOTAL Offices	**76/77**	**100%**	**41,555**	**43,958**	**40,087**	**42,513**	**-5.7%**	**9.5%**

1. No information is available for healthcare real estate in Spain.
2. The types of fuel used are not from renewable sources.

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

Normalised consumption = Recorded consumption x NDD / DD

	Number of buildings	Coverage in m²	Normalised consumption MWh		Normalised like-for-like consumption MWh			Normalised intensity kWh/m²		
			2020	2019	2020	2019	Δ	2020	2019	Δ
Healthcare real estate	116/205	57%	88,006	74,777	69,942	66,071	5.9%	130	129	1.0%
Distribution networks	31/1,176	5%	2,223	547	275	414	-33.6%	116	78	48.1%
PPP	6/7	94%	12,255	9,652	11,336	9,652	17.4%	88	76	16.6%
Single-tenant offices	27/28	100%	18,617	17,480	18,357	17,389	5.6%	94	95	-0.9%
TOTAL indirectly managed	**180/1,416**	**54%**	**121,101**	**102,457**	**99,910**	**93,527**	**6.8%**	**117**	**114**	**3.0%**
Medical office buildings	12/15	54%	1,118	1,024	1,118	1,024	9.1%	45	54	-15.7%
Multi-tenant offices	48/48	100%	32,206	30,383	30,662	28,889	6.1%	92	84	9.6%
Head office	1/1	100%	267	353	267	353	-24.4%	69	91	-24.4%
TOTAL directly managed	**61/64**	**95%**	**33,591**	**31,760**	**32,046**	**30,266**	**5.9%**	**89**	**83**	**7.5%**
TOTAL	241/1,480	61%	154,692	134,217	131,956	123,793	6.6%	110	105	4.9%

1. The 15/15 DD in Uccle/Ukkel for 2019 was 1,734.
2. The 15/15 DD in Uccle/Ukkel for 2020 was 1,547.
3. The NDD in Uccle/Ukkel was 1,902 (base year 2015).
4. The evolution of fuel consumption in a constant climate is vastly different per segment, which results in an increase. An action plan is implemented for further monitoring in the multi-tenant office segment

TOTAL URBAN HEATING AND REFRIGERATION CONSUMPTION (MWH/YEAR)

Based on disclosure GRI 302-2

	Number of buildings	Coverage in m²	DH&C-Abs		DH&C-LfL			Energy from renewable sources	Estimated energy intensity
			2020	2019	2020	2019	Δ		
Healthcare real estate	0/205	0%	0	211	0	0	-	0.0%	0.0%
TOTAL indirectly managed	**0/1,416**	**0%**	**0**	**211**	**0**	**0**	**-**	**0.0%**	**0.0%**

1. The conversion factor used is 278 kWh/GJ.
2. Cofinimmo's buildings are not supplied with urban refrigeration.
3. No information is available for healthcare real estate in Germany supplied by urban heating systems.

TOTAL DIRECT AND INDIRECT GHG EMISSIONS (TONNES OF CO_2E/YEAR)

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

Scope 1: amount of GHG emitted directly through the use of fuel on-site per year in the directly managed buildings.

Scope 2: amount of GHG emitted indirectly through the purchase of electricity per year in the directly managed buildings.

Scope 3: amount of GHG emitted directly through the on-site use of fuel per year and amount of GHG emitted indirectly and, through the purchase of electricity and urban heating per year in indirectly managed buildings.

Total: total direct and indirect GHG emissions.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-LfL		
	2020	2019	2020	2019	2020	2019	2020	2019	Δ
Healthcare real estate	21,451	23,207	0	0	21,451	23,207	16,072	19,741	-18.6%
Distribution networks	558	173	0	0	558	173	80	135	-40.2%
PPP	3,044	3,069	0	0	3,044	3,069	2,784	3,069	-9.3%
Single-tenant offices	8,066	8,668	0	0	8,066	8,668	7,715	8,630	-10.6%
TOTAL indirectly managed	**33,119**	**35,116**	**0**	**0**	**33,119**	**35,116**	**26,652**	**31,575**	**-15.6%**
Medical office buildings	853	939	186	228	1,039	1,167	949	1,167	-18.7%
Multi-tenant offices - shared	2,638	3,138	5,549	6,875	8,187	10,013	7,894	9,520	-17.1%
Private (purchase by landlord)	1,173	1,410	0	0	1,173	1,410	1,138	1,327	-14.3%
Private (purchase by tenant)	1,172	1,511	0	0	1,172	1,511	1,172	1,455	-19.5%
Head office	52	61	44	79	96	139	96	139	-30.9%
TOTAL directly managed	**5,888**	**7,059**	**5,780**	**7,181**	**11,667**	**14,240**	**11,248**	**13,608**	**-17.3%**
TOTAL	39,006	42,175	5,780	7,181	44,786	49,356	37,900	45,184	-16.1%

1. The values shown represent the total emissions of buildings, without distinction between the private and shared areas, except for multi-tenant offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings..
3. The CO_2 emission factor for electricity varies per country (Source: IEA 2020).
   Belgium: 169 g CO_2e/Kwh
   France: 53.9 g CO_2e/Kwh
   Netherlands: 357 g CO_2e/Kwh
   Germany: 350 g CO_2e/Kwh
4. The CO_2 emission factor for gas is 205 g CO_2e/kWh (Source: Bilan Carbone).
5. No information is available for the distribution networks in France and the Netherlands.
6. The CO_2 emission factor for fuel oil is 284.84 g CO_2e/kWh (Source: DEFRA 2020).
7. The coverage and proportion of estimated emissions are associated with the coverage and proportion of estimated energy on pages 305-307.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-LfL		
	2020	2019	2020	2019	2020	2019	2020	2019	Δ
Healthcare real estate (BE)	14,234	13,249	0	0	14,234	13,249	11,199	13,249	-15.5%
Healthcare real estate (FR)	3,728	4,724	0	0	3,728	4,724	3,409	4,724	-27.8%
Healthcare real estate + medical office buildings (NL)	3,230	2,624	186	228	3,416	2,852	2,337	2,852	-18.1%
Healthcare real estate (DE)	1,111	3,550	0	0	1,111	3,550	76	84	-10.5%
Healthcare real estate (ES)	0	0	0	0	0	0	0	0	-
TOTAL Healthcare real estate	**22,304**	**24,146**	**186**	**228**	**22,490**	**24,373**	**17,021**	**20,908**	**-18.6%**
TOTAL Offices	**13,101**	**14,787**	**5,593**	**6,954**	**18,695**	**21,741**	**18,015**	**21,072**	**-14.5%**

The conversion factors used above are based on location.

Taking into account the market conversion coefficients, the line 'TOTAL directly managed' (excluding private consumption of the offices) of indirect emissions becomes 0 following the green electricity contract that Cofinimmo Services and Superstone have signed for all the surfaces under operational control.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-LfL		
	2020	2019	2020	2019	2020	2019	2020	2019	Δ
Healthcare real estate	21,451	23,207	0	0	21,451	23,207	16,072	19,741	-18.6%
Distribution networks	558	173	0	0	558	173	80	135	-40.2%
PPP	3,044	3,069	0	0	3,044	3,069	2,784	3,069	-9.3%
Single-tenant offices	8,066	8,668	0	0	8,066	8,668	7,715	8,630	-10.6%
TOTAL indirectly managed	**33,119**	**35,116**	**0**	**0**	**33,119**	**35,116**	**26,652**	**31,575**	**-15.6%**
Medical office buildings	0	0	186	228	186	228	186	228	-18.2%
Multi-tenant offices – shared	0	0	5,549	6,875	5,549	6,875	5,291	6,534	-19.0%
Private (purchased by landlord)	0	0	0	0	0	0	0	0	-
Private (purchased by tenant)	1,172	1,511	0	0	1,172	1,511	1,172	1,455	-19.5%
Head office	0	0	44	79	44	79	44	79	-43.3%
TOTAL directly managed	**1,172**	**1,511**	**5,780**	**7,181**	**6,952**	**8,693**	**6,694**	**8,295**	**-19.3%**
TOTAL	34,291	36,627	5,780	7,181	40,070	43,808	33,346	39,870	-16.4%

1. The values shown represent the total emissions of buildings, without dinstinction between the private and shared areas, except for multi-tenant offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. The CO_2 emission factor for electricity varies per country (Source: IEA 2020) if the type of contract is unknown.
   Belgium: 169 g CO_2e/kWh
   France: 53.9 g CO_2e/kWh
   Netherlands: 357 g CO_2e/kWh
   Germany: 350 g CO_2e/kWh
4. The CO_2 emission factor for gas is 205 g CO_2e/kWh (Source: Bilan Carbone).
5. No information is available for the distribution networks in France and the Netherlands and healthcare real estate in Spain.
6. The CO_2 emission factor for fuel oil is 284.84 g CO_2e/kWh (Source: DEFRA 2020).
7. The coverage and proportion of estimated emissions are associated with the coverage and proportion of estimated energy on pages 305-307.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		GHG-LfL		
	2020	2019	2020	2019	2020	2019	2020	2019	Δ
Healthcare real estate (BE)	14,234	13,249	0	0	14,234	13,249	11,199	13,249	-15.5%
Healthcare real estate (FR)	3,728	4,724	0	0	3,728	4,724	3,409	4,724	-27.8%
Healthcare real estate + medical office buildings (NL)	2,377	1,685	186	228	2,563	1,912	1,574	1,912	-17.7%
Healthcare real estate (DE)	1,111	3,550	0	0	1,111	3,550	76	84	-10.5%
Healthcare real estate (ES)	0	0	0	0	0	0	0	0	-
TOTAL Healthcare real estate	**21,451**	**23,207**	**186**	**228**	**21,637**	**23,434**	**16,258**	**19,969**	**-18.6%**
TOTAL Offices	**9,238**	**10,179**	**5,593**	**6,954**	**14,832**	**17,132**	**14,223**	**16,698**	**-14.8%**

The above-mentioned emissions of the head office only reflect the emissions associated with energy consumption. The total carbon footprint of the head office is published in the chapter 'Energy intensity and GHG emissions'. The values below show the total emissions of the head office per scope.

	GHG-Indir-Abs		GHG-Dir-Abs		GHG-Abs		
	2020	2019	2020	2019	2020	2019	Δ
Infrastructure	0	0	38	60	38	60	-36.7%
Company cars	0	0	206	280	206	280	-26.4%
TOTAL Scopes 1 + 2	**0**	**0**	**244**	**340**	**244**	**340**	**-28.2%**
Cat. 1 – Paper purchase	1	2	0	0	1	2	-50.0%
Cat. 2 – Equipments	166	176	0	0	166	176	-5.7%
Cat. 3 – Scopes 1 + 2 – upstream	59	82	0	0	59	82	-28.0%
Cat. 5 – Waste	2	2	0	0	2	2	0.0%
Cat. 6 – Business trips	26	62	0	0	26	62	-58.1%
Cat. 7 – Home-work commuting	16	47	0	0	16	47	-66.0%
Cat. 9 – Visitors	3	16	0	0	3	16	-81.3%
TOTAL Scope 3	**273**	**387**	**0**	**0**	**273**	**387**	**-29.5%**
TOTAL Head office	**273**	**387**	**244**	**340**	**517**	**727**	**-28.9%**

GHG EMISSIONS INTENSITY (KG CO_2E/M^2/YEAR)

Based on disclosures GRI 305-4 and CRE3

Total amount of GHG emitted directly and indirectly per m^2 and per year.

	GHG-Indir-Int		GHG-Dir-Int		GHG-Int		GHG-Int-LfL		
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	Δ
Healthcare real estate	29.4	36.2	0.0	0.0	29.4	36.2	29.3	36.0	-18.6%
Distribution networks	28.3	21.4	0.0	0.0	28.3	21.4	12.5	20.9	-40.2%
PPP	21.9	24.1	0.0	0.0	21.9	24.1	21.8	24.1	-9.3%
Single-tenant offices	41.3	53.5	0.0	0.0	41.3	53.5	49.6	55.5	-10.6%
TOTAL indirectly managed	**30.6**	**37.4**	**0.0**	**0.0**	**30.6**	**37.4**	**31.8**	**37.7**	**-15.6%**
Medical office buildings	28.4	33.4	7.6	12.0	35.9	45.4	34.4	42.3	-18.7%
Multi-tenant offices – shared	7.6	8.6	15.9	19.1	23.5	27.7	23.1	27.9	-17.1%
Private (purchase by landlord)	5.8	6.7	0.0	0.0	5.8	6.7	5.8	6.8	-14.3%
Private (purchase by tenant)	8.0	9.8	0.0	0.0	8.0	9.8	8.0	10.0	-19.5%
Head office	13.4	15.7	11.5	20.3	24.9	36.0	24.9	36.0	-30.9%
TOTAL directly managed	**15.4**	**17.8**	**15.3**	**18.7**	**30.7**	**36.6**	**30.2**	**36.5**	**-17.3%**
TOTAL	26.6	31.6	4.1	5.6	30.7	37.2	31.3	37.3	-16.1%

1. The values shown represent the total emissions of the buildings, without distinction between the private and shared areas, except for multi-tenant offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants..
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. The CO_2 emission factor for electricity varies per country (Source: IEA 2020).
   Belgium: 169 g CO_2 e/kWh
   France: 53.9 g CO_2 e/kWh
   Netherlands: 357 g CO_2 e/kWh
   Germany: 350 g CO_2 e/kWh
4. The CO_2 emission factor for gas is 205 g CO_2e/kWh (Source: Bilan Carbone).
5. No information is available for the distribution networks in France and the Netherlands and healthcare real estate in Spain.
6. The CO_2 emission factor for fuel oil is 284.84 g CO_2e/kWh (Source: DEFRA 2020).

	GHG-Indir-Int		GHG-Dir-Int		GHG-Int		GHG-Int-LfL		
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	Δ
Healthcare real estate (BE)	29.3	35.1	0.0	0.0	29.3	35.1	29.7	35.1	-15.5%
Healthcare real estate (FR)	24.0	31.4	0.0	0.0	24.0	31.4	22.6	31.4	-27.8%
Healthcare real estate + medical office buildings (NL)	37.6	53.4	2.2	4.6	39.8	58.1	48.1	58.6	-18.1%
Healthcare real estate (DE)	34.9	38.3	0.0	0.0	34.9	38.3	0.0	0.0	-
Healthcare real estate (ES)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
TOTAL Healthcare real estate	**29.4**	**36.1**	**0.2**	**0.3**	**29.6**	**36.4**	**29.5**	**36.3**	**-18.6%**
TOTAL Offices	**23.9**	**27.9**	**10.2**	**13.1**	**34.2**	**41.0**	**36.0**	**42.1**	**-14.5%**

The conversion factors used above are based on location.

Taking into account the market conversion coefficients, the line 'TOTAL directly managed' (excluding private consumption of the offices) of indirect emissions becomes 0 following the green electricity contract that Cofinimmo Services and Superstone have signed for all the surfaces under operational control.

	GHG-Indir-Int		GHG-Dir-Int		GHG-Int		GHG-Int-LfL		
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	Δ
Healthcare real estate	29.4	36.2	0.0	0.0	29.4	36.2	29.3	36.0	-18.6%
Distribution networks	28.3	21.4	0.0	0.0	28.3	21.4	12.5	20.9	-40.2%
PPP	21.9	24.1	0.0	0.0	21.9	24.1	21.8	24.1	-9.3%
Single-tenant offices	41.3	53.5	0.0	0.0	41.3	53.5	49.6	55.5	-10.6%
TOTAL indirectly managed	**30.6**	**37.4**	**0.0**	**0.0**	**30.6**	**37.4**	**31.8**	**37.7**	**-15.6%**
Medical office buildings	0.0	0.0	7.6	12.0	7.6	12.0	6.7	8.2	-18.2%
Multi-tenant offices – shared	0.0	0.0	15.9	19.1	15.9	19.1	15.5	19.2	-19.0%
Private (purchase by landlord)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Private (purchase by tenant)	8.0	9.8	0.0	0.0	8.0	9.8	8.0	10.0	-19.5%
Head office	0.0	0.0	11.5	20.3	11.5	20.3	11.5	20.3	-43.3%
TOTAL directly managed	**3.1**	**3.8**	**15.3**	**18.7**	**18.4**	**22.6**	**18.0**	**22.3**	**-19.3%**
TOTAL	23.4	27.4	4.1	5.6	27.5	33.0	27.5	32.9	-16.4%

1. The values shown represent the total emissions of buildings, without distinction between the private and shared areas, except for multi-tenant offices for which there is a breakdown of the consumption of the shared technical equipment of the buildings and the private consumption of the tenants.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. The CO_2 emission factor for electricity varies per country (Source: IAE 2020) if the type of contract is unknown.
   Belgium: 169 g CO_2e/kWh
   France: 53.9 g CO_2e/kWh
   Netherlands: 357 g CO_2e/kWh
   Germany: 350 g CO_2e/kWh
4. The CO_2 emission factor for gas is 205 g CO_2e/kWh (Source: Bilan Carbone).
5. No information is available for the distribution networks in France and in the Netherlands and healthcare real esate in Spain.
6. The CO_2 emission factor for fuel oil is 284.84 g CO_2e/kWh (Source: DEFRA 2020).

	GHG-Indir-Int		GHG-Dir-Int		GHG-Int		GHG-Int-LfL		
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	Δ
Healthcare real estate (BE)	29.3	35.1	0.0	0.0	29.3	35.1	29.7	35.1	-15.5%
Healthcare real estate (FR)	24.0	31.4	0.0	0.0	24.0	31.4	22.6	31.4	-27.8%
Healthcare real estate + medical office buildings (NL)	27.7	34.3	2.2	4.6	29.9	38.9	32.4	39.3	-17.7%
Healthcare real estate (DE)	34.9	38.3	0.0	0.0	34.9	38.3	0.0	0.0	-
Healthcare real estate (ES)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
TOTAL Healthcare real estate	**28.3**	**34.7**	**0.2**	**0.3**	**28.5**	**35.0**	**28.2**	**34.6**	**-18.6%**
TOTAL Offices	**16.9**	**19.2**	**10.2**	**13.1**	**27.1**	**32.3**	**28.4**	**33.4**	**-14.8%**

The head office's GHG emissions intensity is expressed as a FTE to account for the relative impacts of mobility-related emissions.

2009	6.9 tCO_2e/FTE (101)
2014	8.0 tCO_2e/FTE (108)
2017	5.4 tCO_2e/FTE (129)
2019	6.0 tCO_2e/FTE (120)
2020	4.1 tCO_2e/FTE (125)

TOTAL WATER CONSUMPTION BY SUPPLY SOURCE (M³/YEAR)

Based on disclosure GRI 303-5

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

	Number of buildings	Coverage in m²	Water-Abs		Water-LfL			Estimated water consumption
			2020	2019	2020	2019	Δ	
Healthcare real estate	93/205	47%	527,154	376,751	376,493	369,864	1.8%	1.2%
PPP	4/7	75%	40,324	33,377	34,558	33,377	3.5%	15.6%
Single-tenant offices	26/28	93%	24,725	33,147	21,301	29,186	-27.0%	4.8%
TOTAL indirectly managed	**123/1,416**	**45%**	**592,203**	**443,275**	**432,352**	**432,428**	**0.0%**	**2.3%**
Medical office buildings	12/15	58%	5,169	4,190	3,740	4,190	-10.7%	10.1%
Multi-tenant offices	44/48	93%	59,399	89,966	52,484	80,102	-34.5%	8.4%
Head office	1/1	100%	351	569	351	569	-38.3%	0.0%
TOTAL directly managed	**57/64**	**89%**	**64,919**	**94,725**	**56,575**	**84,861**	**-33.3%**	**8.5%**
TOTAL	180/1,480	52%	657,122	538,000	488,927	517,288	-5.5%	2.9%

1. The values shown are the total consumption for the building, without distinction between the private and shared areas.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. No information is available for the distribution networks.

	Number of buildings	Coverage in m²	Water-Abs		Water-LfL			Estimated water consumption
			2020	2019	2020	2019	Δ	
Healthcare real estate (BE)	48/83	62%	310,729	191,180	206,237	184,293	11.9%	1.9%
Healthcare real estate (FR)	36/49	72%	175,433	180,210	165,585	180,210	-8.1%	0.0%
Healthcare real estate + medical office buildings (NL)	13/42	18%	7,109	6,367	5,680	6,367	-10.8%	7.4%
Healthcare real estate (DE)	8/43	18%	39,052	3,184	2,731	3,184	-14.2%	0.8%
Healthcare real estate (ES)	0/3	0%	0	0	0	0	-	0.0%
TOTAL Healthcare real estate	**105/220**	**47%**	**532,323**	**380,941**	**380,233**	**374,054**	**1.7%**	**1.3%**
TOTAL Offices	**71/77**	**93%**	**84,475**	**123,682**	**74,136**	**109,857**	**-32.5%**	**7.3%**

1. For offices, the 2020 consumption is significantly impacted by the lockdown resulting from the health crisis, which explains the significant decrease.
2. No information is available for healthcare real estate in Spain.

WATER CONSUMPTION PER SURFACE AREA (M^3/M^2/YEAR)

Based on disclosure GRI CRE2

Total volume of water per m² and per year.

	Water-Int			Water-Int-LfL		
	2020	2019	Δ	2020	2019	Δ
Healthcare real estate	0.94	0.94	-0.2%	0.98	0.96	1.8%
PPP	0.36	1.18	-69.4%	1.22	1.18	3.5%
Single-tenant offices	0.13	0.20	-31.8%	0.14	0.19	-27.0%
TOTAL indirectly managed	**0.69**	**0.74**	**-6.9%**	**0.77**	**0.77**	**0.0%**
Medical office buildings	0.19	0.22	-12.6%	0.22	0.24	-10.7%
Multi-tenant offices	0.18	0.28	-34.4%	0.18	0.28	-34.5%
Head office	0.09	0.15	-38.3%	0.09	0.15	-38.3%
TOTAL directly managed	**0.18**	**0.27**	**-33.4%**	**0.18**	**0.28**	**-33.3%**
TOTAL	0.54	0.57	-5.1%	0.56	0.59	-5.5%

1. The values shown are the total consumption for the building, without disctinction between the private and shared areas.
2. Cofinimmo has no control over the private consumption of the tenants of the buildings. It can only influence the consumption of the shared technical equipment of the directly managed buildings.
3. No information is available for the distribution networks.
4. At Cofinimmo's head office, and within the framework of COVID-19, the traditional taps were replaced by electronic taps in all the toilets. This is not only a sanitary action, but also an environmental improvement aiming at reducing water consumption.

	Water-Int			Water-Int-LfL		
	2020	2019	Δ	2020	2019	Δ
Healthcare real estate (BE)	0.89	0.79	12.7%	0.90	0.81	11.9%
Healthcare real estate (FR)	1.13	1.23	-8.3%	1.13	1.23	-8.1%
Healthcare real estate + medical office buildings (NL)	0.24	0.29	-17.5%	0.28	0.32	-10.8%
Healthcare real estate (DE)	0.78	0.49	60.0%	0.42	0.49	-14.2%
Healthcare real estate (ES)	0.00	0.00	-	0.00	0.00	-
TOTAL Healthcare real estate	**0.91**	**0.91**	-0.4%	**0.95**	**0.93**	**1.7%**
TOTAL Offices	**0.16**	**0.25**	-34.1%	**0.17**	**0.25**	**-32.5%**

1. For offices, the 2020 consumption is significantly impacted by the lockdown resulting from the health crisis, which explains the significant decrease.
2. No information is available for healthcare real estate in Spain.

Nursing and care home – Niebüll (DE)

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL ROUTE (TONNES/YEAR)

Based on disclosures GRI 306-3 and 306-4

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

	Number of buildings	Coverage in m²	Waste-Abs 2020			Waste-Abs 2019			Waste-LfL 2020			Waste-LfL 2019			Δ
			REC	INC	Total	REC	INC	Total	REC	INC	Total	REC	INC	Total	
PPP	2/7	68%	34	88	122	14	67	81	13	58	71	14	67	81	-13.1%
Single-tenant offices	19/28	61%	93	109	201	116	178	294	68	99	167	60	131	191	-12.7%
TOTAL indirectly managed	**21/1,416**	**12%**	**127**	**197**	**324**	**130**	**245**	**376**	**81**	**157**	**238**	**75**	**198**	**273**	**-12.8%**
Medical office buildings	8/15	37%	24	77	100	23	76	99	24	77	100	23	76	99	1.5%
Multi-tenant offices	46/48	97%	373	395	768	528	613	1,141	369	386	756	506	585	1,091	-30.7%
Head office	1/1	100%	6	5	11	15	4	19	6	5	11	15	4	19	-39.0%
TOTAL directly managed	**55/64**	**90%**	**403**	**477**	**880**	**566**	**692**	**1,259**	**399**	**468**	**867**	**544**	**665**	**1,209**	**-28.2%**
TOTAL	76/1,480	25%	530	674	1,204	697	938	1,634	480	625	1,105	618	863	1,482	-25.4%

1. Waste is collected at the Source: by type: general waste, paper, cardboard, plastic, cans, glass, etc.
2. The breakdown of waste by disposal route varies based on the type of waste.
3. The values shown represent the total quantities for the buildings, without distinction between the private and shared areas.
4. Cofinimmo has no control over the private quantities of building tenants. It can only influence the quantities of the directly managed buildings.
5. Waste classified as hazardous is processed directly by the tenants. The total quantity of hazardous waste in the records of the directly managed buildings accounts for 0.2% of the total weight.
6. Conversion factor by type: general waste 60 kg/m³, paper/cardboard 50 kg/m³, plastic/cans 30 kg/m³ and glass 320 kg/m³.
7. No information is available for indirectly managed healthcare real estate and distribution networks.

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

Quantity of waste per m² and per year.

	Waste-Abs Recycled		Waste-LfL Recycled		Waste-Int 2020 tonnes/m²			Waste-Int 2019 tonnes/m²			Δ
	2020	2019	2020	2019	REC	INC	Total	REC	INC	Total	
PPP	28%	17%	18%	17%	0.34	0.88	1.22	0.50	2.38	2.88	-57.6%
Single-tenant offices	46%	39%	41%	32%	0.76	0.89	1.66	0.81	1.24	2.04	-18.8%
TOTAL indirectly managed	**39%**	**35%**	**34%**	**27%**	**0.57**	**0.89**	**1.46**	**0.76**	**1.42**	**2.18**	**-33.0%**
Medical office buildings	24%	24%	24%	24%	1.41	4.53	5.94	1.38	4.47	5.85	1.5%
Multi-tenant offices	49%	46%	49%	46%	1.10	1.17	2.27	1.49	1.73	3.23	-29.6%
Head office	54%	79%	54%	79%	1.59	1.38	2.97	3.85	1.03	4.88	-39.0%
TOTAL directly managed	**46%**	**45%**	**46%**	**45%**	**1.12**	**1.33**	**2.45**	**1.51**	**1.85**	**3.36**	**-27.1%**
TOTAL	44%	43%	43%	42%	0.91	1.16	2.07	1.27	1.72	2.99	-30.7%

1. Recycling and incineration with energy recovery are the only disposal routes applicable. The proportion of incineration with energy recovery is therefore the balance of the recycled proportion.

TYPE AND NUMBER OF ASSETS WITH CERTIFICATIONS (KWH/M²)

Based on disclosure GRI CRE8

Total number of buildings that have received a certification by type (Cert-Tot).

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

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

	Number of buildings	Coverage in m²	Energy performance			LfL energy performance		
			2020	2019	Δ	**2020**	2019	Δ
Healthcare real estate	105/205	40%	241	248	-2.7%	249	249	-0.1%
Distribution networks	277/1,176	15%	295	310	-4.9%	295	296	-0.4%
PPP	2/7	0%	816	271	201.1%	816	816	0.0%
Single-tenant offices	11/28	59%	237	264	-10.2%	268	271	-0.9%
TOTAL indirectly managed	**395/1,416**	**34%**	**245**	**258**	**-4.8%**	**257**	**258**	**-0.3%**
Medical office buildings	15/15	100%	286	294	-2.7%	286	297	-3.7%
Multi-tenant offices	26/48	51%	187	194	-3.5%	187	184	1.4%
Head office	1/1	100%	238	238	0.0%	238	238	0.0%
TOTAL directly managed	**42/64**	**57%**	**208**	**213**	**-2.7%**	**208**	**208**	**-0.1%**
TOTAL	437/1,480	38%	236	244	-3.5%	242	242	-0.2%

1. PEB certification is regulated differently per country and per segment.
2. For some PEB certifications, the score is 0 kWh/m² due to a lack of information. These certifications are excluded from the average..
3. The certifications relating to the PPP segment refers to 2 caretaker's houses of 237 m² in total which are to be considered as not material for the segment. Other certifications relating to the PPP segment are not available for 2020.

	Number of buildings	Coverage in m²	Energy performance			LfL energy performance		
			2020	2019	Δ	**2020**	2019	Δ
Healthcare real estate (BE)	11/83	3%	125	125	0.0%	125	125	0.0%
Healthcare real estate (FR)	39/49	85%	397	390	1.6%	404	404	0.0%
Healthcare real estate + medical office buildings (NL)	42/42	100%	219	244	-10.1%	237	241	-1.7%
Healthcare real estate (DE)	26/43	53%	106	92	15.2%	93	93	0.0%
Healthcare real estate (ES)	2/3	71%	205	0	-	0	0	-
TOTAL Healthcare real estate	**118/220**	**42%**	**245**	**253**	**-3.0%**	**253**	**254**	**-0.5%**
TOTAL Offices	**38/77**	**54%**	**207**	**216**	**-4.2%**	**213**	**212**	**0.5%**

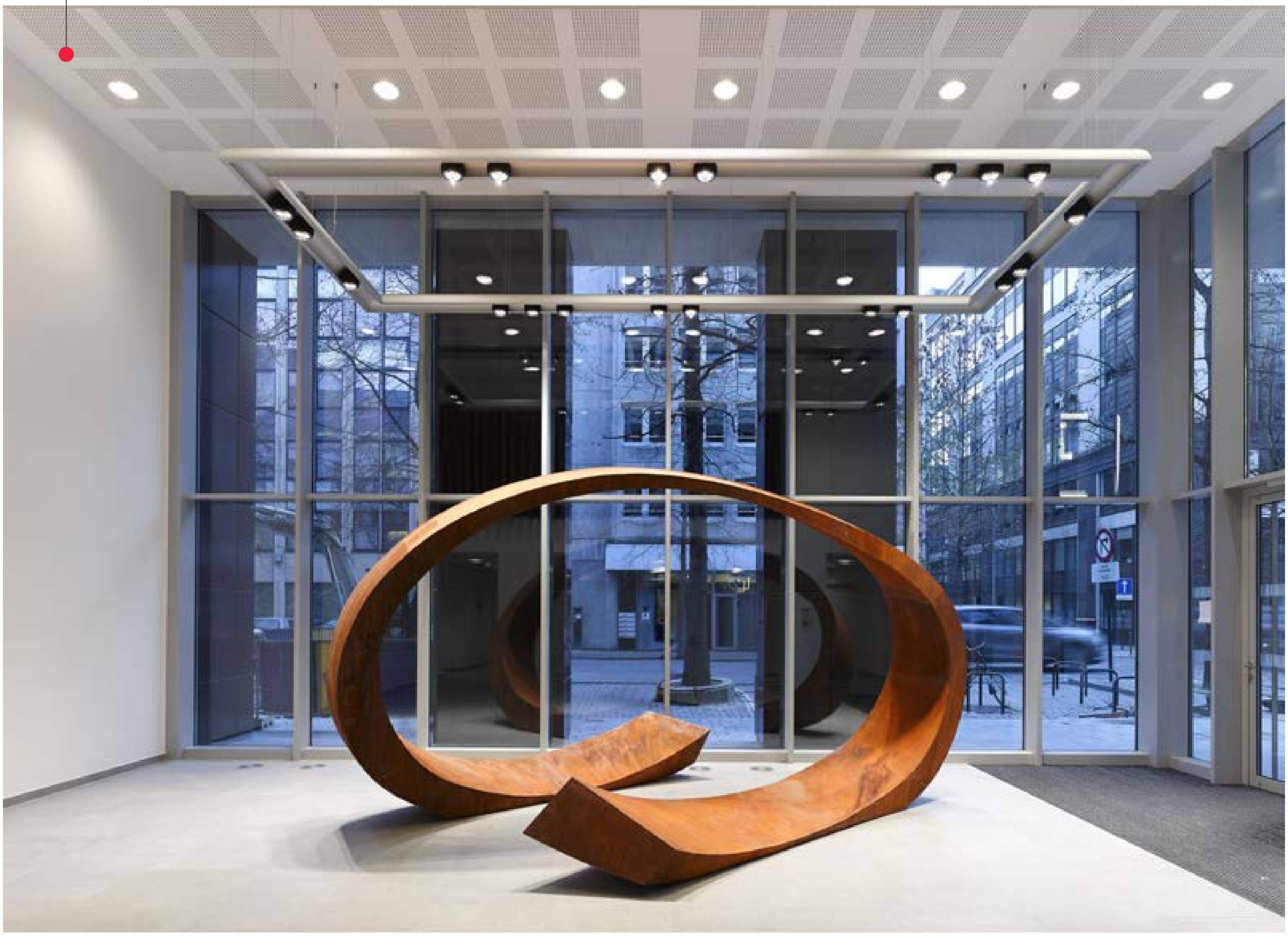
The environmental impact of buildings with at least a B certification is quantified at 12% of revenues.

The table shows the number of buildings that have received at least one BREEAM or BREEAM-equivalent certification.

	Number of buildings	Coverage in m²	BREEAM In-Use	BREEAM In-Use	BREEAM	BREEAM	BREEAM
			Good	Very Good	Good	Very Good	Excellent
PPP	2/7	25%	-	-	19%	-	6%
Single-tenant offices	2/28	13%	-	-	-	-	13%
TOTAL indirectly managed	**4/1,416**	**3%**	**-**	**-**	**1.5%**	**-**	**1.8%**
Multi-tenant offices	3/48	11%	2%	-	-	3%	6%
Head office	1/1	100%	-	100%	-	-	-
TOTAL directly managed	**4/64**	**10%**	**1.5%**	**1%**	**-**	**2.5%**	**5%**
TOTAL	8/1,480	4.5%	0.3%	0.2%	1.2%	0.4%	2.4%

1. For healthcare real estate and property of distribution networks, no BREEAM or BREEAM-equivalent certification is available. The certification of the PPP asset, namely Excellent is HQE.
2. All the certified buildings are located in Belgium, to the exception of the HQE-certified asset located in France.
3. In the context of the ISO 14001 certification, the principles of BREEAM and/or BREEAM In-Use certification are also applicable to the entire portfolio.
4. A rotation policy is applied for BREEAM certification favouring the certification of buildings not certified in the past, which goes beyond a simple extension of the certifications already obtained. The number of buildings that have thus obtained BREEAM certification at one time or another amounts to 28.

Guimard 10-12 office building – Brussels CBD (BE)



Social performance indicators

GOVERNANCE BODIES AND EMPLOYEE GENDER DIVERSITY (IN %)

Based on disclosure GRI 405-1

Diversity-Emp	2020		2019		Δ	Δ
	Women	Men	Women	Men	With respect to 50 % goal	Women
Board of directors (including non-independent members)	42%	58%	42%	58%	-16%	0%
Executive committee	40%	60%	40%	60%	-20%	0%
Managers	29%	71%	27%	73%	-42%	7%
Employees (including managers)	58%	42%	61%	39%	16%	-5%

1. In 2019, 32% of women and 8% of men worked part-time.
2. In 2020, 10% of women and 2% of men worked part-time.

GENDER SALARY AND REMUNERATION RATIO (% WOMEN/MEN)

Based on disclosure GRI 405-2

Diversity-Pay	2020	2019	Δ
Board of directors	71%	88%	-19%
Executive committee	75%	73%	3%
Managers	88%	90%	-2%
Employees	79%	88%	-10%

1. The chairman is male, which explains the difference at the Board level. Non-independent members are excluded from calculation, because they are included in the Executive Committee.
2. The CEO is male, which explains the difference at the Executive Committee level.
3. The difference at the manager level can be explained by the fact that there are more male operational managers.
4. At employee level, there is a difference because many women have an administrative assistant function.

EMPLOYEE TRAINING AND DEVELOPMENT (NUMBER OF HOURS)

Based on disclosure GRI 404-1

Emp-Training	Total			Average		
	2020	2019	Δ	2020	2019	Δ
Women	2,865	2,063	39%	36	28	29%
Men	992	2,481	-60%	18	52	-65%
Employees	3,857	4,544	-15%	29	37	-22%

1. The denominator for the average per employee is 135 people (= total number of employees).
2. Belgian regulations require companies to provide an average of five days or 40 hours of training per employee. The reduction in 2020 compared to this target is mainly linked to the lockdown. Following the lockdown, trainings are replaced by webinars which have not been included in the results.

EMPLOYEE PERFORMANCE APPRAISALS (IN %)

Based on disclosure GRI 404-3

Emp-Dev	2020	2019	Δ
Employees	100%	100%	0%

RECRUITMENT OF NEW EMPLOYEES AND EMPLOYEE TURNOVER

Based on disclosure GRI 401-1

Emp-Turnover	Departures					New hires				
	2020		2019		Δ	2020		2019		Δ
	Total	%	Total	%		Total	%	Total	%	
Employees	12	8.9%	23	18.7%	-48 %	25	18.5%	18	14.6%	39%

1. The denominator is 135 people (= total number of employees).
2. As at 31.12.2020, one manager position was still open.

EMPLOYEE HEALTH AND SAFETY

Based on disclosure GRI 403-9

H&S-Emp	2020	2019	Δ
Short-term absenteeism	1.0%	1.5%	-33%
Long-term absenteeism	3.2%	2.9%	10%
Number of work-related accidents	0	0	-
Hours lost/worked hours	0%	0%	-
Number of accidents/worked hours	0%	0%	-

1. According to Belgian legislation, the denominator is the total number of working days including leave days.
2. Short term means absenteeism of 20 days or less while long term means more than 20 days.
3. The number of absenteeism days per employee amounts to 9.2 days.

ASSET HEALTH AND SAFETY ASSESSMENTS (% OF BUILDINGS IN M²)

Based on disclosure GRI 416-1

H&S-Asset	2020	2019	Δ
Medical office buildings	67%	20%	235%
Multi-tenant offices	96%	99%	-3%
Head office	100%	100%	0%
TOTAL directly managed	**93%**	**91%**	**2%**

1. The assessment is based on the annual monitoring of fire audits and asbestos monitoring.
2. In the indirectly managed portfolio, these assessments are carried out as part of the due diligence process at the time of acquisition. Annual monitoring is then the responsibility of the tenants.

ASSET HEALTH AND SAFETY COMPLIANCE (NUMBER OF ACCIDENTS)

Based on disclosure GRI 416-2

H&S-Comp	2020	2019	Δ
Medical office buildings	0	0	-
Multi-tenant offices	0	0	-
Head office	0	0	-
TOTAL directly managed	**0**	**0**	**-**

1. In 2020, no infringements related to fire audits and asbestos monitoring with a financial or health impact on the occupant were detected.
2. In the indirectly managed portfolio, annual monitoring is the responsibility of the tenants. During the monitoring visits, no violations with financial or health impact were found.

COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS AND DEVELOPMENT PROGRAMMES (% OF BUILDINGS IN M²)

Based on disclosure GRI 413-1

Comty-Eng	2020	2019	Δ
Medical office buildings	-	-	-
Multi-tenant offices	100%	100%	0%
Head office	100%	100%	0%
TOTAL directly managed	**88%**	**89%**	**-1%**

1. The accessibility of office buildings has been assessed in the chapter 'Mobility' (see page 110). The strategy also foresees individual actions for each building, such as the opening of a garden to the public (see the chapter 'Aesthetics, respect for public spaces and diversity of districts' on pages 118-119).
2. The commitment relating to the head office is described in the GRI content index (see page 329).

Governance performance indicators

COMPOSITION OF THE HIGHEST GOVERNANCE BODY

Based on disclosure GRI 102-22

NOMINATING AND SELECTING THE HIGHEST GOVERNANCE BODY

Based on disclosure GRI 102-24

CONFLICTS OF INTEREST

Based on disclosure GRI 102-25

The Gov-Board, Gov-Selec and Gov-CoI indicators are described in the chapter 'Corporate governance statement' (see pages 180-207).

DASHBOARD

Actions taken in 2020	Progress in 2020	Future actions	Deadline
Business ethics			
1. Maximise the transparency of the company's non-financial information.			
Scope: Cofinimmo group **Measurement of objective:** scores obtained in the different surveys			
• Received an EPRA Sustainability sBPR Award for the ninth consecutive year.	Gold Award	• Continually and actively participate in the GRESB, MSCI, Sustainalytics, ISS ESG and CDP surveys and ratings. • Publish non-financial information in a combined annual financial report and obtain third-party assurance. • Prepare the annual financial report based on risks and opportunities associated with climate change as recommended by TCFD.	2021
• Prepared a sustainability report in line with GRI standards: Core option and received third-party assurance for it.	Limited assurance on EPRA performance indicators, the GRI Content Index and the green and social portfolio		
• Participated in the GRESB survey with a score which went from 45 % to 67 % in seven years.	67 %		
• Reviewed the sustainable financing framework, confirmed by Vigeo Eiris Second Party Opinion.	Reasonable assurance (highest level of assurance)		
• 'Prime' rating for the first time according to the ISS ESG rating methodology.	C (Prime)		
• Renewed participation in the Carbon Disclosure Project.	B (management band)		
2. ISO 14001 certification for the Environmental Management System.			
Scope: portfolio in Belgium **Measurement of objective:** certification renewal / extension			
• Renewed ISO 14001:2015 certification for the fourth time. • Published an ESG policy.	100 %	• Extend the ISO 14001:2015 certification annually. • Understand the European Green Deal and define Cofinimmo's contribution.	2021
3. Annually review the materiality matrix for the company's sustainability topics.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Survey polling major investors to understand their needs in terms of ESG.	100 %	• New customer satisfaction survey for the healthcare segment. • Stakeholders' contribution in the health real estate segment to challenge material issues. • In-depth portfolio risk analysis of physical risks associated with climate change.	2021
4. Promote the collaboration agreement signed by Cofinimmo and the tenant in order to actively promote sustainability and encourage all parties to reduce the environmental impact of leased property: sharing of consumption data, initiatives to reduce consumption, better waste sorting, etc.			
Scope: Cofinimmo group **Measurement of objective:** coverage in m^2 of buildings			
• Converted the green charter into a green clause as soon as the lease is signed with a new tenant. • 63 % of surface areas covered by a collaboration agreement in order to share consumption data (in the form of a green clause, a green charter, a proxy, or a simple email exchange).	63 %	• 75 % of surface areas in healthcare real estate covered by a sustainable collaboration agreement.	2021
5. Include a separate clause in contracts and calls for tenders regarding the adoption of sustainability practices by subcontractors as a selection criterion.			
Scope: Cofinimmo group **Measurement of objective:** % of contracts			
• ESG policy is included in any general contractor contract. Cofinimmo encourages its suppliers to adopt an environmentally friendly behaviour. • Cofinimmo reiterated its commitment as a signatory to the UN Global Compact Charter, which encompasses ten principles of fundamental corporate responsibility in the fields of human rights, labour, environment, and the fight against corruption. • 2019 sustainability report published as 'communication in progress' on the UN Global Compact Charter website.	100 %	• Publish the 2020 annual financial report as 'communication in progress' on the UN Global Compact Charter website. • Prepare a supplier policy addressing environmental and social aspects in the value chain. • Prepare a tax compliance policy in line with OECD recommendations.	2021

Actions taken in 2020	Progress in 2020	Future actions	Deadline
6. Mobilise employees.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Disclosed the results of the employee engagement survey. • Donated smartphones to a local organisation for distribution through the Red Cross in order to bridge the digital divide.	100 %	• Implement the action plan following the results of the employee engagement survey. • Define an overall ESG objective in the annual individual objectives of each employee. • Implement an HR policy dealing with the training, diversity, safety, and well-being topics.	2021
Profitability for investors and access to capital			
7. Develop a financial strategy that is consistent with ESG objectives.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Reviewed the green and social financing framework to ensure eligible assets.	100 %	• Studies to integrate sustainability criteria in financial models during due diligence.	2021
Innovation			
8. Develop a culture of innovation within the company.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Defined an effective and sustainable data governance practice. • Implemented the electronic signature of leases and any other digital document in general. • The generalised telework system has been applied without any problems since the lockdown in March 2020.	100 %	• Launch an effective and sustainable data governance practice. • Explore the use of innovative construction materials.	2021
Aesthetics, respect for public spaces and diversity of districts			
9. Improve the aesthetics and public space when redeveloping existing buildings.			
Scope: overall portfolio **Measurement of objective:** number of projects			
• Acceptance of the redevelopment works on the Quartz office building.	100 %	• Delivery of construction, renovation and extension works for 11 % of the portfolio. • Maximal target energy intensity of 50 kWh/m^2 for redevelopment projects.	2025
10. Receive BREEAM and BREEAM In-Use certifications.			
Scope: overall portfolio **Measurement of objective:** number of buildings since 2010			
• Extension of the BREEAM In-Use certification for Woluwe 58, Cofinimmo's head office. • BREEAM In-Use certification received for a multi-tenant office building.	28	• Confirm the BREEAM certification for in-depth renovation projects, once completed: - Quartz – BREEAM Excellent certification expected for February 2021. • Initiate the procedure to receive a BREEAM certification for 5 healthcare real estate projects in Spain. • Obtain a BREEAM In-Use Very good for at least 6 healthcare real estate properties in Belgium.	2021
11. Improve the collection of water consumption data.			
Scope: overall portfolio **Measurement of objective:** % of data coverage			
• 89 % of data collected on water consumption for the directly managed portfolio, 47 % in healthcare real estate, 75 % for PPPs and 93 % for single-tenant offices. • Monitoring system installed for 13 healthcare real estate assets in the Netherlands, in collaboration with Smartvatten.	52 %	• Increase coverage to 75 % of building surface areas.	2021

Actions taken in 2020	Progress in 2020	Future actions	Deadline
12. Ensure biodiversity.			
Scope: overall portfolio **Measurement of objective:** % of projects			
• The assessment in due dilligence reviews is based on various factors. For the environment, the presence of green areas is one of the factors taken into account for each project.	100 %	• Analyse projects carried out on undeveloped land in order to reduce environmental impact through the obtention of environmental certification.	2021
Safety and well-being			
13. Gradually decontaminate buildings still containing traces of asbestos.			
Scope: overall portfolio **Measurement of objective:** coverage in m^2 of buildings without asbestos			
• 54 % of the portfolio no longer contains traces of asbestos.	54 %	• Improve the quality of data collected for the different segments.	2021
14. Promote solidarity in order to maximise its social impact.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Various measures in response to the COVID-19 pandemic in the countries where the group is active in order to guarantee the continuity of its activities. • Targeted savings programme in order to allocate the amount collected to several initiatives related to the fight against this pandemic and its effects.	100 %	• Integrate social risk into the customer relationship for the healthcare segment by analysing and comparing existing audit tools for the qualification of health care.	2021
Employee training			
15. Develop the necessary framework for employee development.			
Scope: Cofinimmo group **Measurement of objective:** average number of days per employee			
• 3,857 hours of training were followed by 50 % of employees, representing an average of 3.5 days of training per employee. • Cofinimmo encouraged its employees to follow trainings during the COVID-19 period. This could easily be done online. Offers from the following sites were consulted: Cevora/Cefora, Forem, ONEM/VDAB, Wallangues, Studytube, Coursera and Yale.	50 %	• Continued employee training. • Define ESG training needs associated with performance appraisals.	2021
Respect for differences and cultural diversity			
16. Ensure sufficient diversity at the different levels of the company's hierarchy.			
Scope: Cofinimmo group **Measurement of objective:** % of women / % of men at executive committee level			
• Greater parity between men and women at staff level.	72 %	• Continued vigilance on a parity between men and women on the board of directors and the executive committee.	2021
17. Audit and research potential improvements related to the accessibility of buildings to people with reduced mobility (PRM).			
Scope: overall portfolio **Measurement of objective :** % of multi-tenant offices			
• 25 % of the buildings have been audited since 2013.	25 %	• Continued vigilance on accessibility within the framework of the construction sites.	2021
Mobility			
18. Inform clients about the accessibility of buildings using alternative transport modes to the car.			
Scope: office portfolio **Measurement of objective:** % of office buildings			
• Progressive set-up of multi-modal sheets for office buildings.	66 %	• Analyse parking spaces management tools.	2021
19. Promote the use of alternative transport modes to the car by improving facilities.			
Scope: office portfolio **Measurement of objective:** % of bicycle parking spaces			
• 2 % of parking spaces are equipped with charging stations in the office segment. • 18 % of bicycle parking spaces are available in the office segment.	18 %	• Gradually improve infrastructure for cyclists by: - increasing bicycle parking spaces; - improving the type of bicycle parking spaces; - increasing the number of showers.	2021

Actions taken in 2020	Progress in 2020	Future actions	Deadline
20. Increase the rate of use of car parks by sharing them or through a conversion into car parks for semi-public or public use.			
Scope: office portfolio **Measurement of objective:** % of shared or public parking spaces			
• Assessed the implementation of public parking spaces in the context of the renewal of the environmental permit for 15 % of the parking spaces subject to COBRACE in Brussels. • 4 % of the parking spaces available in the office portfolio are converted into shared and public parking spaces.	4 %	• Study conducted for the gradual conversion of 1,200 parking spaces into public parking as permits are renewed.	2030
21. Implement a mobility plan.			
Scope: Cofinimmo group **Measurement of objective:** completion of planned actions			
• Raise awareness among staff members as to alternative transport modes by implementing a new green mobility plan.	100 %	• Revision of the three-year mobility plan including the set-up of new objectives, postponed to 2021 due to the health crisis.	2021
Energy intensity and GHG emissions			
22. Increase renewable energy production.			
Scope: overall portfolio **Measurement of objective:** number of buildings			
• Renewal of the green electricity supply contract for the supply points directly managed. • Several tenants in healthcare real estate have taken steps to install photovoltaic panels in the indirectly managed portfolio.	26 %	• Raise tenant awareness about investing in renewable energy sources during construction/ renovation/extension projects. • Commitment to the green electricity supply until 2030.	2030
23. Improve the portfolio's energy performance with a building renovation programme.			
Scope: overall portfolio **Measurement of objective:** % surface area			
• 3.6 % of the real estate portfolio underwent redevelopment or large-scale renovation, which improved the energy performance (excluding new constructions and acquisitions).	3.6 %	• Cofinimmo is planning to refurbish 8.8 % of its portfolio between 2021 and 2025 (excluding new constructions and acquisitions).	2025
24. Better monitoring of the energy intensity of buildings.			
Scope: overall portfolio **Measurement of objective:** % of surface areas			
• Consumption data has been collected for 61 % of the healthcare real estate segment and 99 % of the office segment.	63 %	• Increase the consumption data for the healthcare real estate segment to 75 %.	2021
25. Reduce the energy intensity of buildings by 30 % to reach the level of 130 kWh/m^2 by 2030.			
Scope: overall portfolio **Measurement of objective:** in kWh/m^2			
• Decreased the energy intensity by 8 % compared to 2019 by reaching 163 kWh/m^2. • Official validation of the global objective by the 'science based targets initiative'. • Confirmed commitment to the Belgian alliance for climate action (BACA).	163 kWh/m^2	• Program the actions identified in the energy cadastre. • Acquisition policy with a target average energy intensity of 85 kWh/m^2. • Reduce the performance of the portfolio under operational control by 10 %.	2030
26. Partially recycle materials during renovation projects.			
Scope: office portfolio **Measurement of objective:** number of projects			
• In 2020, the opportunity to recuperate materials prior to demolition did not occur in any of the redevelopment projects.	n/a	• Calculate the embedded carbon for at least one redevelopment project in each geographical area. • Material recovery considered for new renovation projects.	2021

Actions taken in 2020	Progress in 2020	Future actions	Deadline
27. Receive electronic invoices from suppliers and send invoices to clients in digital format.			
Scope: Cofinimmo group **Measurement of objective:** number of invoices received/sent digitally			
• In 2020, 28,521 invoices were received. In total, 89 % of all invoices received in digital format were directly attached in an e-mail. The remaining invoices, received in paper format, were scanned. • Likewise, for 82 % of lease contracts, all documents (rent bills and rental-related expenses breakdowns, etc.) were sent in digital format.	89 %	• 90 % of invoices will be received in digital format. • 85 % of tenants will receive their rent bills and rental-related expenses breakdowns in digital format.	2021
28. Improve waste sorting in multi-tenant office buildings by raising awareness among occupants.			
Scope: office portfolio **Measurement of objective:** % of recycled waste compared to the 70 % target			
• 44 % of collected waste are recycled. • Waste reduction from 2.99 tonnes/m² to 2.07 tonnes/m².	63 %	• Improve waste sorting and reduce the overall weight of waste per m² by raising awareness among tenants in the portfolio under operational control.	2021
29. Annual assessment of the head office's carbon footprint.			
Scope: Cofinimmo group **Measurement of objective:** emissions in tonnes CO_2e per employee			
• Aim to reduce the carbon footprint by 50 % by 2030 in line with the science based targets initiative, through an advanced mobility policy.	4.1 tonnes CO_2e/FTE	• Assess the impact of the application of the mobility policy implemented in 2020, which offers a mobility budget to all the employees.	2021

Quartz office building – Brussels CBD (BE)

LINK BETWEEN TOPICS OF COFINIMMO AND SDGs

17 UN goals to transform our world

The UN sustainable development goals are intended to provide incentives for all countries – poor, rich and with middle income – to take action to promote prosperity while protecting the planet. They recognise that poverty can only be eradicated if it is coupled with strategies to increase economic growth and address a range of social needs, including education, health, social protection and employment opportunities, while combatting climate change and protecting the environment.

	SDG	Topics	Pages
3	Good health and well-being	• Gradually decontaminate buildings still containing traces of asbestos. • Promote solidarity in order to maximise its social impact.	120-123
4	Quality education	• Develop the necessary framework for employee development.	115
6	Clean water and sanitation	• Improve collection of water consumption data.	312-313
7	Affordable and clean energy	• Increase production of renewable energy. • Improve the portfolio's energy performance with a building renovation programme.	107-109
8	Decent work and economic growth	• Mobilise employees. • Develop a financial strategy that is consistent with ESG objectives.	125-135
9	Industry, innovation and infrastructure	• Develop a culture of innovation within the company.	136-137
10	Reduced inequalities	• Ensure sufficient diversity at the different levels of the company's hierarchy. • Audit and research potential improvements related to the accessibility of buildings to people with reduced mobility (PRM).	113-114
11	Sustainable cities and communities	• Improve the aesthetics and public space when redeveloping existing buildings. • Receive BREEAM and BREEAM In-Use certifications. • Inform clients about the accessibility of buildings using alternative transport modes to the car. • Promote the use of alternative transport modes to the car by improving facilities. • Increase the rate of use of car parks by sharing them or through a conversion into car parks for semi-public or public use. • Implement a mobility plan. • Ensure biodiversity.	110-111 118-119
12	Responsible consumption and production	• Partially recycle materials during renovation projects. • Receive electronic invoices from suppliers and send invoices to clients in digital format. • Improve waste sorting in multi-tenant offices by raising awareness among occupants.	322-323
13	Measures relating to the fight against climate change	• Reduce the energy intensity of buildings by 30 % to reach the level of 130 kWh/m² by 2030. • Annual assessment of the head office's carbon footprint.	107-109
16	Peace, justice and strong institutions	• Maximise the transparency of the company's non-financial information. • ISO 14001 certification for the Environmental Management System.	319
17	Partnerships for the implementation of goals	• Annually review the materiality matrix for the company's sustainability topics. • Promote the collaboration agreement signed by Cofinimmo and the tenant in order to actively promote sustainability and encourage all parties to reduce the environmental impact of leased property: sharing of consumption data, initiatives to reduce consumption, better waste sorting, etc. • Include a separate clause in contracts and calls for tenders regarding the adoption of sustainability practices by subcontractors as a selection criterion.	96-105

GRI CONTENT INDEX

— All the GRI standards (see pages 330-331) have been reviewed by the auditor, Deloitte Réviseurs d'Entreprises/Bedrijfsrevisoren (see the 'Statutory auditor's report'). Cofinimmo is not subject to the European legislation on non-financial reporting (EU Directive 2014/95). The ESG report is therefore a voluntary initiative which complies with the legal requirements of the transposition of this directive into Belgian law and follows the Euronext guidance on ESG reporting issued in January 2020

Universal standards

GRI 102: GENERAL DISCLOSURES 2016		PAGES	
1. ORGANISATIONAL PROFILE			
102-1	Name of the organisation		Cofinimmo SA/NV
102-2	Activities, brands, products and services	12-19 100-101	
102-3	Location of operations		Boulevard de la Woluwedal 58, 1200 Brussels, Belgium
102-4	Ownership and legal form	13	
102-5	Markets served	20	
102-6	Scale of the organisation	20, 100	
102-7	Scale of the organisation	20-21	
102-8	Information on employees and other workers	178, 300 317-318	In 2020, Cofinimmo called on 4 external consultants and 18 temporary workers. All employees are recruited for an indefinite term. Social data are consolidated by the social secretariat Securex for Belgium and by the human resources department for the other countries with the support of an external advisor.
102-9	Supply chain	100-101	
102-10	Significant changes to the organisation and its supply chain	22-23	
102-11	Precautionary principle or approach	174-176	
102-12	External initiatives	21, 319	Participation in GRESB, MSCI, Sustainalitycs, ISS ESG and CDP surveys and ratings.
102-13	Membership of associations		The Shift, Women on Board, UPSI, IiP, EPRA, RICS, GRESB, BACA.
2. STRATEGY			
102-14	Statement from senior decision-maker	95	
102-15	Key impacts, risks and opportunities	2-6	
3. ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behaviour	125 174-176	https://www.cofinimmo.com/about-us/governance/
4. GOVERNANCE			
102-18	Governance structure	177	
102-21	Consulting stakeholders on economic, environmental and social topics	102-105	
102-22	Composition of the highest governance body and its committees	180-187	
102-24	Nominating and selecting the members of the highest governance body	183-184	
102-25	Conflicts of interest	188-190	

5. STAKEHOLDER ENGAGEMENT		PAGES	
102-40	List of stakeholder groups	105	
102-41	Collective bargaining agreements		There is no trade union representation within Cofinimmo due to a lack of candidates in the compulsory employee elections held every four years. Normally, the social elections should have taken place in November 2020, but as no candidates came forward following COVID-19, the procedure ended in April 2020. During the compulsory social elections, Cofinimmo informs all employees of their right to free association and collective bargaining. Cofinimmo is part of Joint Committee 200 which governs the status of employees.
102-42	Identifying and selecting stakeholders	102-105	
102-43	Approach to stakeholder engagement	102-105	
102-44	Key topics and concerns raised	106-137	In the countries where Cofinimmo operates, complaints and feedback mechanisms are required by legislation. This accounts for 100 % of the relevant activities.
6. REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	271-274	
102-46	Defining report content and topic boundaries	96-99	
102-47	List of material topics	97	
102-48	Restatements of information		No significant restatement of information compared to information communicated in the 2019 Sustainability report.
102-49	Changes in reporting		No substantial changes in the content and boundaries of topics compared to information communicated in the 2019 Sustainability report.
102-50	Reporting period		Social and financial year from 01.01.2020 to 31.12.2020.
102-51	Date of most recent report		The most recent ESG report covers the ESG strategy for 2019.
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		Hanna De Groote, Head of ESG.
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	326-329	
102-56	External assurance	330-331	Deloitte Réviseurs d'Entreprises/Bedrijfsrevisoren SC s.f.d. SCRL performed a limited assurance audit on the performance indicators, the compliance of the ESG report with the GRI Standards Core option, as well as the green & social portfolio.
GRI 103: MANAGEMENT APPROACH 2016			
103-1	Explanation of the material topic and its boundary	106-137	
103-2	The management approach and its components	106-137	
103-3	Evaluation of the management approach	106-137	

Topic-specific standards

GRI 200: ECONOMIC STANDARDS		PAGES	
	Net result from core activities per share	20	
	Net Asset Value (NAV) (in fair value) per share	20	
	Dividend	20	
	Average cost of debt	20	
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	126	
GRI 205: ANTI-CORRUPTION 2016			
205-3	Confirmed incidents of corruption and actions taken	125	
GRI 300: ENVIRONMENTAL STANDARDS			
CRE1	Relative energy consumption	304	
CRE2	Relative water consumption	313	
CRE3	Relative GHG emissions	310-311	
CRE8	Total number of assets being granted a certification per type and per level	315-316	https://www.cofinimmo.com/sustainability/performance-data/
GRI 301: MATERIALS 2016			
Reason for omission: Given the number of renovation and/or redevelopment projects each year, the publication of these disclosures is not material compared to the impact of Cofinimmo's other activities. However, the group remains vigilant as to whether actions are required for recycled materials in its construction sites.			
GRI 302: ENERGY 2016			
302-1	Energy consumption within the organisation	305-307	
302-2	Energy consumption outside of the organisation	305-307	
302-3	Energy intensity	304	
302-4	Reduction of energy consumption	107	
GRI 303: WATER AND EFFLUENTS 2018			
303-5	Water consumption	312	
GRI 304: BIODIVERSITY 2016			
Reason for omission: The activities of Cofinimmo do no impact protected areas and take mainly place in the city. Biodiversity disclosures are therefore not applicable for these activities. However, Cofinimmo remains vigilant as to whether actions are required.			
GRI 305: EMISSIONS 2016			
305-1	Direct (Scope 1) GHG emissions	308-309	
305-2	Indirect (Scope 2) GHG emissions	308-309	
305-3	Other indirect (Scope 3) GHG emissions	308-309	
305-4	GHG emissions intensity	310-311	
305-5	Reduction of GHG emissions	107	
GRI 306: WASTE 2020			
306-3	Waste generated	314	
306-4	Waste diverted from disposal	314	
GRI 400: SOCIAL STANDARDS			
	Operations with a significant real or potential negative impact on local communities	110-111 118-119	
	Deployment of the company's strategy relating to active citizenship	122-123	
GRI 401: EMPLOYMENT 2016			
401-1	New employee hires and employee turnover	179, 317	

GRI 402: LABOUR/MANAGEMENT RELATIONS 2016		PAGES	
402-1	Minimum notice periods regarding operational changes		The minimum notice period for operational changes is six weeks. In 2020, no mergers/divestitures with an impact on the number of employees took place.
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	Occupational health and safety management system	116	Cofinimmo follows the Code of well-being at work. This Code is applicable to all employees.
403-2	Hazard identification, risk assessment, and incident investigation	114, 121	The role of the internal prevention advisor is carried out by the Human Resources Department. As required by law, Cofinimmo has drawn up an inventory of risks and established a written assessment of these risks for the health, safety and well-being of employees. Every employee has the right to stop work if he or she reasonably believes that a serious danger is imminent.
403-4	Worker participation, consultation, and communication on occupational health and safety		Cofinimmo, which does not present any major risks, is allowed to operate without a joint employer-employee committee but with the help of an external advisor.
403-5	Worker training on occupational health and safety		Cofinimmo organises an annual evacuation exercise at the head office and offers all employees fire-fighting and basic counselling training.
403-6	Promotion of worker health		Any employee may, on his/her own initiative, consult the occupational physician for any problem relating to his/her work or workstation. Employees under the age of 40 are entitled to a medical check-up every 3 years, from the age of 40 every 2 years and annually from the age of 50.
403-7	Prevention and reduction of health and safety impacts at work, directly related to business relationships	116	
403-9	Work-related injuries	318	
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	115, 317	
404-3	Percentage of employees receiving regular performance and career development reviews	317	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	178-179, 318	
405-2	Ratio of basic salary and remuneration of women to men	317	
GRI 406: NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective actions taken		No incidents of discrimination were reported in 2020.
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		In 2020, no operations or suppliers in which the right to freedom of association and collective bargaining may have been at risk were claimed. Respect for human rights is a red line in the collaboration with the partners. In addition, exposure is low given Cofinimmo's geography and business.
GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments and development programs	318	
GRI 415: PUBLIC POLICY 2016			
415-1	Political contributions		No financial or in kind political contributions were made in 2020.
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories	120-122	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	318	

AUDITOR'S REPORT

— Statutory Auditor's report on the limited review performed on the Non-Financial Data, the GRI Content Index and the Sustainable Finance Framework Data in the document '2020 Annual Integrated Report' Cofinimmo NV/SA for the year ending on 31 December 2020

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

- a selection of environmental, social and governance indicators ('the Non-Financial Data');
- the GRI Content Index ('the GRI Content Index');
- a selection of key green & social bond, loan, sustainable notes indicators of Cofinimmo NV/SA ('the Sustainable Finance Framework Data') and the compliance of the green & social bonds, loans and sustainable notes with the International Capital Market Association's (ICMA) related principles.

This report replaces our report of 18 March 2021, which featured a clerical error in the 'Scope' section.

The Non-Financial Data, the GRI Content Index, and the Sustainable Finance Framework Data ('the Data') are published in the Cofinimmo NV/SA document '2020 Annual Integrated Report' for the year ending on December 31, 2020 ('the Document').

The Data are selected by Cofinimmo NV/SA. The Non-Financial Data are published under section 'ESG Report' of the Document, the GRI Content Index is published under section 'Annexes of the ESG report' of the Document and the Sustainable Finance Framework Data are published under section 'ESG Report' of the Document and marked with the symbol ✔.

Responsibility of the Company

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

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

For the Sustainable Finance Framework Data, Cofinimmo NV/SA has been advised by the research and ESG (environmental, social and governance) services agency Vigeo Eiris and Cofinimmo NV/SA has based the Sustainable Finance Framework Data on the 'International Capital Market Association' (ICMA)'s issued Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Linked Loan Principles (SLLP) ('Green & Social Bonds, Loans, Sustainable Notes Reporting Framework').

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

Responsibility of the Statutory Auditor

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

- to express a limited assurance conclusion for the Non-Financial Data and the corresponding GRI Content Index;
- to express a limited assurance conclusion for the identified Sustainable Finance Framework Data, including the verification of the allocation of funds and the compliance of the selected projects with the eligibility criteria.

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

Scope

We have taken into account the perimeter according to:

- the scope of our work has been limited to the Data covering the year 2020;
- the scope of the Non-Financial Data linked to environment is defined by Cofinimmo NV/SA. This area covers 2,317,911 m^2 of real estate portfolio of Cofinimmo NV/SA. Coverage varies according to the different indicators;
- the scope of the Sustainable Finance Framework Data covers the 4 buildings financed by Cofinimmo's green & social bonds, 7 buildings financed by Cofinimmo's green & social loans, and 42 buildings financed by Cofinimmo's sustainable notes.

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

Nature and scope of the work

We have carried out the following procedures:

General:

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

The Non-Financial Data:

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

The GRI Content Index:

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

The Sustainable Finance Framework Data:

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

Conclusion

The Non-Financial Data:

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

The GRI Content Index:

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

The Sustainable Finance Framework Data:

- based on our work, as described in this report,
  - o nothing came to our attention that causes us to believe that Sustainable Finance Framework Data have not been prepared, in all material respects, in accordance with the Green & Social Bonds, Loans, Sustainable Notes Reporting Framework; and
  - o we have not identified material errors regarding the allocation of the funds and the compliance of the selected projects financed by the green & social bonds, loans, sustainable notes with the eligibility criteria.

Zaventem, 1 April 2021.
The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Rik Neckebroeck

Cross-reference table

CROSS-REFERENCE TABLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table includes the headings provided for in Annexes I and II of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 and refers to the pages of this universal registration document where the information relating to each of these headings is mentioned.

SECTION 1	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	PAGES
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	7
Item 1.2	A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the registration document for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.	7
Item 1.3	Where a statement or report attributed to a person as an expert, is included in the registration document, provide the following details for that person: a) name; b) business address; c) qualifications; d) material interest if any in the issuer. If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the registration document with the consent of the person who has authorised the contents of that part of the registration document for the purpose of the prospectus.	7, 208
Item 1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	7, 208
Item 1.5	Provide a statement that: a) the universal registration document has been filed with the Financial Services and Markets Authority (FSMA), as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with article 9 of that regulation; b) the universal registration document may be used for the purposes of a public offer of securities or the admission of securities to trading on a regulated markand if it is approved by the Financial Services and Markets Authority (FSMA) together with any amendments thereto and a securities note and summary approved in accordance with regulation (EU) 2017/1129.	6, 7
SECTION 2	**STATUTORY AUDITORS**	
Item 2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	208
Item 2.2	If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.	n/a
SECTION 3	**RISK FACTORS**	
Item 3.1	A description of the material risks that are specific to the issuer, in a limited number of categories, in a section headed 'Risk Factors'. In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence shall be set out first. The risks shall be corroborated by the content of the registration document.	2 to 6

SECTION 4	INFORMATION ABOUT THE ISSUER	
Item 4.1	The legal and commercial name of the issuer	342, 346
Item 4.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI').	342
Item 4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	342
Item 4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	342, 346
SECTION 5	BUSINESS OVERVIEW	
Item 5.1	Principal activities	
Item 5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information.	12 to 21
Item 5.1.2	An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of their development.	n/a
Item 5.2	Principal markets A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.	12 to 21, 228-229
Item 5.3	The important events in the development of the issuer's business.	A, 12 to 21
Item 5.4	Strategy and objectives A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects.	24 to 29, 32, 46, 50, 52
Item 5.5	If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent, on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.	n/a
Item 5.6	The basis for any statements made by the issuer regarding its competitive position.	n/a
Item 5.7	Investments	9, 22 to 59
Item 5.7.1	A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the registration document.	9, 22 to 57
Item 5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	35
Item 5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	271
Item 5.7.4	A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets.	29, 36, 46, 50, 52
SECTION 6	ORGANISATIONAL STRUCTURE	
Item 6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	271
Item 6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	271

SECTION 7	OPERATING AND FINANCIAL REVIEW	
Item 7.1	Financial condition	
Item 7.1.1	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes. The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business. To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.	20, 75 to 83
Item 7.1.2	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of: a) the issuer's likely future development; b) activities in the field of research and development. The requirements sand out in item 7.1 may be satisfied by the inclusion of the management report referred to in Articles 19 and 29 of Directive 2013/34/EU of the European Parliament and of the Council.	20 to 93
Item 7.2	Operating results	
Item 7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	20, 75 to 83
Item 7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	n/a
SECTION 8	CAPITAL RESOURCES	
Item 8.1	Information concerning the issuer's capital resources (both short term and long term).	69 to 74, 344
Item 8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.	69 to 74
Item 8.3	Information on the borrowing requirements and funding structure of the issuer.	69 to 74, 251
Item 8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	69 to 74, 259
Item 8.5	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2.	28, 69 to 74
SECTION 9	REGULATORY ENVIRONMENT	
Item 9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	4 to 5
SECTION 10	TREND INFORMATION	
Item 10.1	A description of: a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document; b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document, or provide an appropriate negative statement.	33, 47, 50, 54 7-8
Item 10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	2

SECTION 11	PROFIT FORECASTS OR ESTIMATES	
Item 11.1	Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the registration document. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid. Such an invalid forecast or estimate is not subject to the requirements in items 11.2 and 11.3.	88 to 91
Item 11.2	Where an issuer chooses to include a new profit forecast or a new profit estimate, or a previously published profit forecast or a previously published profit estimate pursuant to item 11.1, the profit forecast or estimate shall be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate. The forecast or estimate shall comply with the following principles: a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the forecast; c) in the case of a forecast, the assumptions shall draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.	88 to 91
Item 11.3	The prospectus shall include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both: a) comparable with the historical financial information; b) consistent with the issuer's accounting policies.	7
SECTION 12	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	
Item 12.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer: a) members of the administrative, management or supervisory bodies; b) partners with unlimited liability, in the case of a limited partnership with a share capital; c) founders, if the issuer has been established for fewer than five years; d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business. Details of the nature of any family relationship between any of the persons referred to in points (a) to (d). In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person referred to in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information: a) the names of all companies and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies; b) details of any convictions in relation to fraudulent offences for at least the previous five years; c) details of any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons described in points (a) and (d) of the first subparagraph who acted in one or more of those capacities for at least the previous five years; d) details of any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies) and whether they have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years. If there is no such information required to be disclosed, a statement to that effect is to be made.	7, 180 to 182 186
Item 12.2	Administrative, management and supervisory bodies and senior management conflicts of interests. Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management. Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.	188

SECTION 13	REMUNERATION AND BENEFITS	
	In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1:	
Item 13.1	The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person. That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.	193 to 208
Item 13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits.	193 to 208
SECTION 14	BOARD PRACTICES	
	In relation to the issuer's last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1:	
Item 14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.	180 to 182
Item 14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	7 and 202-203
Item 14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	184
Item 14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	174
Item 14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).	n/a
SECTION 15	EMPLOYEES	
Item 15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	178
Item 15.2	Shareholdings and stock options With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.	198, 204-207
Item 15.3	Description of any arrangements for involving the employees in the capital of the issuer.	n/a
SECTION 16	MAJOR SHAREHOLDERS	
Item 16.1	In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest, as at the date of the registration document or, if there are no such persons, an appropriate statement to that that effect that no such person exists.	7, 161, 177
Item 16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.	7
Item 16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	n/a
Item 16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	n/a
SECTION 17	RELATED PARTY TRANSACTIONS	
Item 17.1	Details of rrelated party transactions (for which these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Council, that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable. If such standards do not apply to the issuer the following information must be disclosed: a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding; b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.	280

SECTION 18	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
Item 18.1	Historical financial information	
Item 18.1.1	Audited historical financial information covering the latest three financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year.	9
Item 18.1.2	Change of accounting reference date If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.	n/a
Item 18.1.3	Accounting standards The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002. If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with: a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU; b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.	218 to 226
Item 18.1.4	Change of accounting framework The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements. Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the prospectus. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in regulation (EC) No 1606/2002), including comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.	n/a
Item 18.1.5	Where the audited financial information is prepared according to national accounting standards, it must include at least the following: a) the balance sheet; b) the income statement; c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners; d) the cash flow statement; e) the accounting policies and explanatory notes.	21, 75, 78, 80, 83 212 to 282
Item 18.1.6	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	75, 212 to 218
Item 18.1.7	Age of financial information The balance sheet date of the last year of audited financial information may not be older than one of the following: a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the registration document; b) 16 months from the date of the registration document if the issuer includes unaudited interim financial statements in the registration document.	20
Item 18.2	Interim and other financial information	
Item 18.2.1	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact. If the registration document is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework.	n/a

Item 18.3	Auditing of historical annual financial information	
Item 18.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU of the European Parliament and Council and Regulation (EU) No 537/2014 of the European Parliament and of the Council. Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: a) the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.	282 to 285 294 to 297
Item 18.3.2	Indication of other information in the registration document that has been audited by the auditors.	92 to 93, 162
Item 18.3.3	Where financial information in the registration document is not extracted from the issuer's audited financial statements state the source of the information and state that the information is not audited.	n/a
Item 18.4	Pro forma financial information	
Item 18.4.1	In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported. This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in annex 20 and must include the information indicated therein. Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.	n/a
Item 18.5	Dividend policy	
Item 18.5.1	A description of the issuer's policy on dividend distributions and any restrictions thereon. If the issuer has no such policy, include an appropriate negative statement.	91, 160
Item 18.5.2	The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.	9
Item 18.6	Legal and arbitration proceedings	
Item 18.6.1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	7, 188
Item 18.7	Significant change in the issuer's financial position	
Item 18.7.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.	7

SECTION 19	ADDITIONAL INFORMATION	
Item 19.1	Share capital The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:	
Item 19.1.1	The amount of issued capital, and for each class of share capital: a) the total of the issuer's authorised share capital; b) the number of shares issued and fully paid and issued but not fully paid; c) the par value per share, or that the shares have no par value; and d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	191, 344
Item 19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	n/a
Item 19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	236-237, 344
Item 19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	160, 191
Item 19.1.5	Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital.	192, 344
Item 19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	n/a
Item 19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	344
Item 19.2	Memorandum and Articles of Association	
Item 19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up to date memorandum and articles of association.	342
Item 19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.	191
Item 19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	348
SECTION 20	MATERIAL CONTRACTS	
Item 20.1	A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.	n/a
SECTION 21	DOCUMENTS AVAILABLE	
Item 21.1	A statement that for the term of the registration document the following documents, where applicable, can be inspected: a) the up to date memorandum and articles of association of the issuer; b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document; c) an indication of the website on which the documents may be inspected.	7, 346, 282, 342

CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT

This cross-reference table indicates the location in the universal registration document of each of the elements that must appear in the annual financial report in accordance with Belgian law. The relevant provisions can be found in article 12 of the royal decree of 14.11.2007 on the obligations of issuers of financial instruments admitted for trading on a regulated market (the '2007 royal decree'), which refers to article 3:6 of the Code of companies and associations (CCA) as regards the management report on statutory accounts, with the latter referring to article 3:32 of the CCA as regards the management report on consolidated accounts.

Article 12 of the 2007 royal decree	PAGES
The annual financial report comprises:	
1° the audited financial statements.	211 to 297
2° the management report.	20 to 93, 138 to 147, 156 to 208
3° a declaration by the persons responsible within the issuer, clearly identified by their names and functions, certifying that, to their knowledge: a) the financial statements, established in conformity with the applicable accounting standards, give a fair and true picture of the portfolio, the financial situation and the results of the issuer and of the companies included in the scope of consolidation; b) the management report includes a fair review of the business developments, the results and the situation of the issuer and the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties they face.	7
4° the report signed by the auditor or by the person responsible for auditing the financial statements.	282 to 286, 294 to 297
§ 3. When the issuer has to prepare consolidated accounts, the audited financial statements include the consolidated accounts drawn up in accordance with international accounting standards as well as the issuer's statutory accounts drawn up in accordance with the national law of the Member State where the issuer has its registered office. In this case, statutory accounts may be presented in an abridged version, provided this is permitted by national law. When the issuer is not required to prepare consolidated accounts, the audited financial statements include the statutory accounts drawn up in accordance with the national law of the Member State where the issuer has its registered office.	211 to 297
Article 3:6 of the CCA (former Article 96 of the Company Code)	
The management report includes:	
1° at least one fair review of the business developments, results and the situation of the company, as well as a description of the main risks and uncertainties it faces;	2, 20 to 93, 138 to 147, 156 to 208
2° data on important events occurring after the financial year-end;	84-87
3° information on circumstances likely to have a significant impact on the development of the company, provided such information is not likely to seriously harm the company;	2
4° information relating to research and development activities;	n/a
5° information relating to the existence of branches of the company;	270
6° in the event that the balance sheet shows a deferred loss or the income statement shows a loss for the financial year for two successive financial years, a justification for the application of the going concern accounting rules;	n/a
7° all the information that must be inserted in it pursuant to this code, in particular articles 7:96, § 1, indent 2, 7:97, § 4, last indent, and 7:220, §§ 1 and 2;	188, 191
8° as regards the use of financial instruments by the company and where relevant for the valuation of its assets, liabilities, financial position and profits or losses: - the company's financial risk management objectives and policy, including its policy concerning the hedging of each main category of planned transactions for which hedge accounting is used; and - the company's exposure to price risk, credit risk, liquidity risk and treasury risk.	2, 69
9° where applicable, proof of the independence and of the accounting and auditing expertise of at least one member of the audit committee.	184
§ 2. For listed companies, the management report also includes a corporate governance statement, which is a specific section that contains at least the following information:	
1° the designation of the corporate governance code applied by the company, as well as an indication of where that code may be publicly consulted and, where appropriate, relevant information relating to the corporate governance practices applied alongside the code used and the legal requirements, with an indication of where this information is available;	174
2° provided that a company does not apply in full the corporate governance code referred to in 1°, an indication of the parts of the corporate governance code from which it derogates and the justified reasons for this derogation;	n/a

3° a description of the main characteristics of the company's internal control and risk management systems as part of the process of preparing financial information;	174 to 177
4° the information referred to in Article 14(4) of the Law of 2 May 2007 on the disclosure of major holdings in issuers the shares of which are admitted to trading on a regulated market and laying down miscellaneous provisions;	177
5° the composition and method of operation of the administrative bodies and their committees;	177 to 187
6° a description of: a) the diversity policy applied by the company to the members of the Board of Directors or, where applicable, the Supervisory Board and the Management Board, to other executives and to representatives responsible for the day-to-day management of the company; b) the objectives of this diversity policy; c) the procedures for implementing this policy; d) the results of this policy during the year. In the absence of a diversity policy, the company explains the reasons justifying this in the declaration. The description in any event includes an overview of the efforts made to ensure that at least one third of the members of the board of directors or, where appropriate, the supervisory board, are of a different gender from the other members;	179
7° the information that must be included in it pursuant to Article 34 of the royal decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market;	191
8° the information that must be included in it pursuant to Article 74, § 7, of the Law of 1 April 2007 on public takeover bids.	n/a
§ 3. For listed companies, the corporate governance statement referred to in paragraph 2 also includes the remuneration report, which is a specific section.	197
§ 4. A non-financial statement	n/a
Article 3:32 of the CCA (former Article 119 of the Company Code)	
§ 1. A management report on the consolidated financial statements is attached to the consolidated financial statements by the administrative body. This report includes:	
1° at least one fair review of the business developments, the results and the situation of all the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties they face. This review consists of a balanced and comprehensive analysis of the business developments, the results and the situation of all the companies included in the scope of consolidation, in relation to the volume and complexity of these activities. Insofar as is necessary to understand business developments, results or the situation of companies, the analysis must include key performance indicators of both a financial and, where applicable, non-financial nature relating to the specific activity of companies, in particular information relating to environmental and personnel issues. In providing its analysis, the management report contains, where appropriate, references to the amounts indicated in the consolidated financial statements and additional explanations relating thereto;	2, 20 to 209
2° data on important events occurring after the financial year-end;	84-87
3° provided that they are not likely to cause serious harm to a company included in the scope of consolidation, information on circumstances likely to have a significant impact on the development of the consolidated entity;	2
4° information relating to research and development activities;	n/a
5° as regards the use of financial instruments by the company and where relevant for the valuation of its assets, liabilities, financial position and result: - the financial risk management objectives and policy of all the companies included in the scope of consolidation, including their policy concerning the hedging of each main category of planned transactions for which hedge accounting is used; and - the exposure of the all the companies included in the consolidation to price risk, credit risk, liquidity risk and treasury risk;	2, 69
6° where applicable, proof of the independence and of the accounting and auditing expertise of at least one member of the audit committee of the consolidating company or of the company in which the main activity of the consortium is established;	184
7° a description of the main characteristics of the internal control and risk management systems of related companies in relation to the process of preparing the consolidated financial statements when a listed company or a public interest entity within the meaning of Article 1:12, 2, is included in the consolidation scope;	174 to 177
8° the information that must be included in it pursuant to Article 34 of the royal decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market;	191
9° the information that must be included in it pursuant to Article 74, § 7, of the Law of 1 April 2007 on public takeover bids;	n/a
§ 2. Non-financial statement	n/a

Standding document

GENERAL INFORMATION

Type and name

Cofinimmo: public regulated real estate company incorporated under Belgian law or public RREC incorporated under Belgian law.

Registered office, e-mail address and website

The registered office is located at Boulevard de la Woluwe/ Woluwedal 58, 1200 Brussels (Tel.: +32 2 373 00 00).

The board of directors may relocate the registered office of the company, provided that such relocation does not require a change in the language of the articles of association pursuant to the applicable language regulations. This decision does not require an amendment to the articles of association, unless the registered office is transferred to another Region. In this case, the board of directors has the power to amend the articles of association.

If, due to the relocation of the registered office, the language of the articles of association needs to be changed, only the general assembly has the power to take this decision subject to the rules prescribed for the amendment of the articles of association.

The company can establish administrative offices, branches, or agencies in Belgium or other countries by simple decision of the board of directors.

The company's email address is info@cofinimmo.be.

Its website is www.cofinimmo.com.

The information on the website is not part of a leaflet unless such information is incorporated by reference.

The board of directors may change the company's email address and website in accordance with the CCA.

Brussels trade register - legal entity identifier

The company is registered with the Brussels Trade Register (Registre des Personnes Morales/Rechtspersonenregister) under No. 0426 184 049. Its VAT number is BE 0426 184 049 and its Legal Entity Identifier (LEI) is 549300TM914CSF6KI389.

Constitution, legal form and publication

Cofinimmo was established as a limited liability company under Belgian Law (société anonyme/naamloze vennootschap) on 29.12.1983, by deed enacted before the notary André Nerincx in Brussels and published in the annexes of the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad) of 27.01.1984 under No. 891-11. The company has the legal form of a limited liability company incorporated under Belgian Law.

On 01.04.1996, Cofinimmo was approved as a public fixed-capital real estate investment trust (Sicafi/Bevak) incorporated under Belgian law, registered with the Financial Services and Markets Authority (FSMA).

Since 26.08.2014, it is subject to the regulated real estate companies (sociétés immobilières réglementées/gereglementeerde vastgoedvennootschappen) legal regime provided for in the Belgian Law of 12.05.2014 on regulated real estate companies (RREC). The company is also governed by the provisions of the royal decree of 13.07.2014 on regulated real estate companies.

The articles of association have been amended on various occasions, most recently on 25.08.2020 by deed enacted before the Notary Tim Carnewal in Brussels and published in the annexes to the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad) of 24.09.2020.

The company's shares are admitted to trading on a regulated market as meant by article 1:11 of the CCA.

Duration

The company is constituted for an unlimited term.

Purpose of the company

The purpose of the company is available in the section 'Articles of association'.

Financial year

The financial year starts on January 1st and ends on December 31st of each year.

Locations at which documents accessible to the public may be consulted

The company's articles of association may be consulted at the Clerk's office of the Brussels Company Court, as well as on the company's website. Cofinimmo group's statutory and consolidated accounts are filed at the National Bank of Belgium, in accordance with all applicable legal provisions. Decisions related to the appointment and dismissal of members of the board of directors are published in the annexes of the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad). Notices convening general shareholder meetings are published in the annexes of the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad) and in two daily financial newspapers. The notices and all documents related to general shareholder meetings are available simultaneously on the company's website.

All press releases and other financial information published by the Cofinimmo group over the past five years can be consulted on the company's website.

Annual financial reports and registration documents may be obtained from the registered office and consulted on the company's website. They are sent each year to the registered shareholders and to any parties expressing a wish to receive them. They include reports by the real estate valuers and the statutory auditor.

Tax regimes

BELGIUM: THE PUBLIC REGULATED REAL ESTATE COMPANY (PUBLIC RREC)

The public regulated real estate company (public RREC) has a status similar to that which exists in many countries: real estate investment trust (REIT) in the US, fiscale beleggingsinstelling (FBI) in the Netherlands, G-REIT in Germany, société d'investissements immobiliers cotée (SIIC) in France, and UK-REIT in the UK.

This regime is currently governed by the law of 12.05.2014 and the royal decree of 13.07.2014 on regulated real estate companies.

The main characteristics of the public RREC are:

- closed-end company;
- stock exchange listing;
- activity consisting of providing buildings to users; as an ancillary activity, the RREC can invest its assets in listed securities;
- the Belgian subsidiaries of a public RREC can be approved as institutional RREC;
- diversification of risk: no more than 20 % of the consolidated property portfolio invested in a single property;
- consolidated debt limited to 65% of the market value of assets; the value of mortgages and other securities is limited to 50 %of the total fair value of the properties and to 75% of the value of the mortgaged property;
- very strict rules governing conflicts of interest;
- regular valuation of the property portfolio by independent real estate valuers; properties recognised at their fair value; no amortisation;
- results (rental income and capital gains on disposals minus operating expenses and financial charges) are exempt from corporate tax;
- at least 80 % of the sum of the corrected result and of the net realised gains on disposals of property assets not exempted from compulsory distribution are subject to compulsory distribution; the decrease in debt during the financial year can however be subtracted from the amount to be distributed;
- withholding tax of 30 % unless exemption or reduction according to international convention.

Companies applying for public or institutional RREC status, or which merge with a RREC, are subject to an exit tax, which is treated in the same way as a liquidation tax, on net unrealised gains and on tax-exempt reserves, at a rate of 12.75 %, until 31.12.2019 and at a rate of 15 % as from 01.01.2020. Cofinimmo obtained its public RREC status on 26.08.2014. It had previously operated under the Sicafi/Bevak status since 01.04.1996.

BELGIUM: THE INSTITUTIONAL REGULATED REAL ESTATE COMPANY (INSTITUTIONAL RREC)

The institutional RREC, governed by the law of 12.05.2014 and the royal decree of 13.07.2014, is a 'light' version of the public RREC. It enables the public RREC to extend the taxation characteristics of its legal form to its subsidiaries and to undertake specific partnerships and projects with third parties. The institutional RREC status is acquired upon approval by the FSMA.

The main characteristics of the institutional RREC are:

- non-listed company controlled for more than 25 % by a public RREC;
- registered shares held by eligible investors or natural persons with a minimum holding of 100,000 EUR;
- no diversification or debt ratio requirement (consolidation at public RREC level);
- dividend distribution obligation;
- owned jointly or exclusively by a public RREC;
- exclusive purpose of providing buildings to users;
- no obligation to appoint a real estate valuer as real estate assets are appraised by the valuer of the public RREC;
- statutory accounts drawn up in accordance with IFRS regulations (same accounting scheme as the public RREC);
- strict rules on operations and conflicts of interest; subject to auditing by the FSMA.

BELGIUM: THE SPECIALISED REAL ESTATE INVESTMENT FUND (B-REIF – FONDS D'INVESTISSEMENT IMMOBILIER SPÉCIALISÉ 'FIIS'/GESPECIALISEERD VASTGOEDBELEGGINGSFONDS 'GVBF')

The specialised real estate investment funds ('B-REIF') are governed by the royal decree of 9.11.2016 relating to specialised real estate investment trusts Belgian Official Bulletin (Moniteur belge/Belgisch Staatsblad) of 18.11.2016. This tax system allows real estate investment in a flexible and efficient trust mechanism.

The main features of a B-REIF are:

- a light regulatory regime without the approval and direct supervision of the FSMA, subject to certain conditions being met. Only the registration on a list held by the Belgian Ministry of Finance is required;
- financial instruments issued by an B-REIF can only be acquired by eligible investors;
- the B-REIF may be exempted from the AIFM law (law of 19.04.2014 on alternative investment funds and their managers), if certain criteria are met;
- the B-REIF is subject to a minimum investment volume of at least 10,000,000 EUR at the end of the second financial year following its inclusion in the B-REIF list;
- the B-REIF is a closed fund with fixed capital and cannot be publicly traded;
- the B-REIF invests in real estate, defined broadly, but without mandatory diversification requirements or (the use of) leverage limits;
- the B-REIF draws up its statutory accounts by applying IFRS (excluding Belgian GAAP);
- the B-REIF is subject to an obligated annual distribution of 80 % of its results;
- the duration of a B-REIF is limited to ten years with the possibility of extending this period by consecutive periods of up to five years each.

FRANCE: THE SOCIÉTÉ D'INVESTISSEMENTS IMMOBILIERS COTÉE (SIIC)

The société d'investissements immobiliers cotée (SIIC) tax regime, introduced by the French finance Law for 2003 No. 2002-1575 of 30.12.2002 authorises the creation in France of real estate companies subject to a specific tax regime, similar to that of the RREC regime in Belgium.

Cofinimmo group opted, through its French branch, for the SIIC regime for the first time on 04.08.2008.

The essential characteristic of this tax regime is to introduce a system of taxation of profits at the level of the shareholder (the company is not, itself, subject to corporate tax because of its strictly real estate activities) and allows Cofinimmo to benefit from an exemption from corporate tax on the rental income and realised gains of its French branch and subsidiaries in return for an obligation to distribute 95 % of the profits from the letting of its property assets.

The main characteristics of the SIIC regime are:

- an exemption from corporate tax on the fraction of profits arising from i) the letting of buildings, ii) capital gains on property disposals, iii) capital gains on disposals of shares in subsidiaries having opted for the SIIC regime or in other companies with a similar purpose, iv) proceeds distributed by subsidiaries having opted for the SIIC regime, and v) shares in profits of companies engaged in a real estate activity;
- results distribution obligation: 95 % of the exempted profits arising from rental income, 60 % of the exempted profits arising from the disposal of properties, shares in companies and subsidiaries subject to the SIIC regime, and 100 % of the dividends distributed to them by their subsidiaries subject to corporate tax having opted for the SIIC regime;
- when opting for the SIIC regime, payment over four years of an exit tax at the reduced rate of 19 % on unrealised capital gains relating to properties and shares of companies not subject to corporate tax held by the SIIC or its subsidiaries having opted for the SIIC regime.

THE NETHERLANDS: THE FISCALE BELEGGINGSINSTELLING (FBI)

Cofinimmo obtained, through its Dutch subsidiary SuperStone, the status of fiscale beleggingsinstelling (FBI) on 01.07.2011, subject to a shareholding test as of 01.01.2021. This tax regime allows companies to benefit from a total exemption from corporate income tax under certain conditions.

The main characteristics of the FBI regime are:

- only public limited companies, limited liability companies and mutual funds can be considered FBIs;
- the FBI's statutory purpose and actual operations may only involve the investment of assets;
- investments in property assets may be financed by external capital up to no more than 60 % of the book value of the property assets;
- all other investments may be financed by external capital up to no more than 20 % of the book value of the investments;
- at least 75 % of shares or ownership interests in an unlisted FBI must be held by natural persons, entities not subject to income tax and/or listed investment companies;
- shares or ownership interests in an unlisted FBI may not be held, directly or indirectly, for 5 % or more by a natural person (or their partner);
- entities established in the Netherlands may not own 25 % or more of the shares or ownership interests of an unlisted FBI through non-resident companies or funds;
- FBI profits are subject to a 0 % corporate tax rate;
- the share of FBI profits that can be distributed must be paid to the shareholders and other beneficiaries within eight months following the close of each financial year;
- the profits on shares distributed are subject to a dividend withholding of 5 %.

GERMANY

The investments of Cofinimmo or its subsidiaries in Germany do not benefit from the G-REIT regime, which is not accessible to them.

SPAIN

The investments of Cofinimmo or its subsidiaries in Spain do not benefit from the ES-REIT regime, which is not accessible to them.

FINLAND

The investments of Cofinimmo or its subsidiaries in Finland do not benefit from the FIN-REIT regime, which is not accessible to them.

Capital

The issued capital of 1,450,210,370.80 EUR is fully paid-up. The shares have no par value. The history of share capital changes prior to 2020 is available in the annual financial reports of the previous years which are available on the Company's website www.cofinimmo.com.

CHANGES IN SHARE CAPITAL IN 2020

Date of transaction		09.06.2020	10.06.2020	
Type of transaction	Position as at 31.12.2019			Position as at 31.12.2020
Issue price (in EUR)		113.68	119.36	
Amount of share capital (in EUR)		20,750,901.02	44,232,462.98	
Amount of the net contribution to shareholders' equity (in EUR)		44,019,851.68	98,520,698.88	
Number of shares		387,226	825,408	
Total number of shares after the transaction	25,849,283	26,236,509	27,061,917	27,061,917
Amount of share capital after thetransaction (in EUR)	1,385,227,006.80	1,405,977,907.82	1,450,210,370.80	1,450,210,370.80

Description of share types

At 31.12.2020, Cofinimmo had issued 27,061,917 shares. The procedure referred to in the articles of association, as provided by law, is applicable to modify their rights.

On 15.01.2020, the extraordinary general meeting removed all references to ordinary and preference shares from the articles of association and replaced them with the word 'shares' in order to reflect the situation resulting from the conversion of all preference shares.

Authorised capital

As at 31.12.2020, the amount by which the board of directors could increase the subscribed capital within the framework of the authorised capital was 1,160,000,000.00 EUR.

On 25.08.2020, the extraordinary general meeting granted the board of directors a new authorisation for a period of five years from the date of publication of the minutes of this meeting in the annexes to the Belgian Official Bulletin (Moniteur belge/Belgisch Staatsblad).

The board of directors is therefore authorised to increase the capital on one or more occasions by a maximum amount of:

1. 725,000,000 EUR, i.e. 50 % of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for capital increases by cash contributions, providing for the possibility of exercising the preferential right or the irreducible allocation right by the shareholders of the company,
2. 290,000,000 EUR, i.e. 20 % of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for capital increases in the context of the distribution of an optional dividend,
3. 145,000,000 EUR, i.e. 10 % of the amount of the capital on the date of the extraordinary general meeting of 25.08.2020, for:
   (a) capital increases through contributions in kind,
   (b) capital increases through cash contributions without the possibility for the company's shareholders to exercise their preferential subscription right or irreducible allocation right, or
   (c) any other form of capital increase,

it being understood that the capital, within the framework of this authorisation, may under no circumstances be increased by an amount exceeding 1,160,000,000 EUR, being the cumulative amount of the various authorisations with regard to authorised capital.

Changes in treasury shares

The number of treasury shares held by Cofinimmo group as at 01.01.2020 amounted to 50,691. All these shares are entitled to a share of the results of the financial year starting 01.01.2020.

The number of treasury shares held by Cofinimmo group as at 31.12.2020 amounted to 45,084, which represents a level of self-ownership of 0.17 %.

Changes in treasury shares in 2020

Position at 01.01.2020	50.691
Transfers and disposals of shares for the stock option plan during the first half of 2020	-4.350
Disposals of shares resulting from the conversion into ordinary shares of the 1,257 preference shares I acquired due to lack of conversion	-1.257
Position at 31.12.2020	45.084

Shareholding

The shareholding structure is set out in the chapter 'Cofinimmo on the stock market' of this universal registration document. It is also available on the company's website.

Nursing and care home – Cartagena (SP)

Articles of Association

Summary of changes

On 15.01.2020, the extraordinary general meeting of Cofinimmo approved amendments to the articles of association following the entry into force on 01.01.2020 of the Code of Companies and Associations (CCA), which replaces the Company Code.

On 25.08.2020, the extraordinary general meeting of Cofinimmo approved a new authorisation to the board of directors to increase the capital within the framework of the authorised capital and the possibility for shareholders to participate remotely in the general meeting through electronic means of communication.

Articles of Association as at 31.12.2020

Part I - Nature of the company

ARTICLE 1 - TYPE AND NAME

1.1 The company is a public limited company called: 'COFINIMMO'.

1.2 The Company is a 'public regulated real estate company' (abbreviated 'PRREC') within the meaning of Article 2(2) of the Act of 12 May 2014 on regulated real estate companies (hereinafter referred to as the 'RREC Act') whose shares are listed on a regulated market and that raises funds, both in Belgium and abroad, by way of a public offering.

The Company's name is preceded or followed by the words 'public regulated real estate Company subject to Belgian law' or 'public RREC governed by Belgian law' or 'PRREC governed by Belgian law' and all documents issued by the Company shall contain the same mention.

The Company is subject to the RREC legislation and the royal decree of 13 July 2014 on regulated real estate companies, as amended (hereinafter referred to as the 'RREC royal decree'). (This act and the royal decree are hereinafter collectively referred to as the 'RREC regulations').

ARTICLE 2 - REGISTERED OFFICE, E-MAIL ADDRESS AND WEBSITE

The registered office is established in the Brussels-Capital Region.

The board of directors may transfer the Company's registered office, provided the transfer does not result in a change to the language of the articles pursuant to the applicable linguistic rules. Such a decision does not require an amendment to the articles, unless the registered office is transferred to another Region. In this case, the board of directors has the power to amend the articles.

If, due to transfer of the registered office, the language of the articles must be changed, only the general meeting has the power to take the decision, in accordance with the rules applicable to amendment of the articles.

The Company may establish, by a simple decision of the board of directors, management offices, subsidiaries or branches in Belgium or abroad.

The Company's email address is info@cofinimmo.be.

The Company's website is the following: www.cofinimmo.com.

The board of directors may modify the e-mail address and the website of the Company in accordance with the provisions of the Code of Companies and Associations.

ARTICLE 3 - PURPOSE

3.1 The Company's sole purpose is to:

(a) place, directly or through a company in which it holds a stake in accordance with the provisions of the RREC regulations, buildings at the disposal of users and

(b) within the limits set by the RREC regulations, hold the real property mentioned in Article 2(5)(vi) to (xi) of the RREC Act.

Real property means:

i. buildings as defined in Article 517 et seq. of the Civil Code and rights in rem in buildings, excluding buildings used for forestry, agricultural or mining activities;

ii. shares or units with voting rights issued by real estate companies more than twenty-five percent (25%) of whose capital is held directly or indirectly by the Company;

iii. option rights for real property;

iv. shares of public regulated real estate companies or institutional regulated real estate companies provided, in the case of the latter, more than twenty-five percent (25%) of the capital is held directly or indirectly by the Company;

v. rights arising from financial leasing agreements concluded with the Company as lessee for one or more properties, or contracts conferring similar rights of use;

vi. the units of public and institutional real estate investment companies (sicafi);

vii. the units of foreign real estate funds included on the list referred to in Article 260 of the Act of 19 April 2014 on alternative undertakings for collective investment and their managers;

viii. the units of real estate funds established in another Member State of the European Economic Area and not included on the list referred to in Article 260 of the Act of 19 April 2014 on alternative undertakings for collective investment and their managers, provided they are subject to supervision equivalent to that applicable to public real estate investment companies;

ix. shares or units issued by companies with legal personality, (ii) governed by the law of another Member State of the European Economic Area, (iii) whose shares are admitted (or not admitted) to trading on a regulated market and that form the object (or do not form the object) of prudential control, (iv) whose main activity is the acquisition or construction of buildings in order to make them available to users or the direct or indirect holding of shares in companies engaged in a similar activity, and (v) that are exempt from income tax on profits relating to the activity referred to in point (iv) above, subject to compliance with certain constraints, taking into account at least the statutory obligation to distribute a portion of their income to shareholders (so-called real estate investment trusts or REITs);

x. the real estate certificates referred to in the Act of 11 July 2018;

xi. the shares or units of specialised real estate investment funds (B-REIF).

The real property referred to in Article 3.l(b), paragraph 2(vi), (vii), (viii), (ix) and (xi) of the RREC Act which constitutes units in alternative investment funds within the meaning of the European rules may not be considered shares or units with voting rights issued by real estate companies, regardless of the value of the stake held directly or indirectly by the Company.

If the RREC regulations change in the future and designate other types of assets as real property within the meaning of these rules, the Company may also invest in these additional types of assets.

(c) conclude in the long term, if applicable in cooperation with third parties, directly or through a company in which it holds a stake in accordance with the provisions of the RREC regulations, with a contracting authority or adhere to one or more:

i. DBF agreements, so-called design-build-finance agreements;

ii. DB(F)M agreements, so-called design-build-(finance)-maintain agreements;

iii. DBF(M)O agreements, so-called design-build-finance-(maintain)-operate agreements; and/or

iv. public works concession contracts relating to buildings and/or other real property infrastructure and related services, on the basis of which:

(i) the regulated real estate company is responsible for ensuring availability, maintenance and/or operation for a public entity and/or citizens as end users, in order to meet a societal need and/or allow the provision of a public service; and

(ii) the regulated real estate company, without necessarily having any rights in rem, may assume, in whole or in part, the financing risk, the availability risk, the demand risk and/or the operating risk; and

(d) ensure in the long term, if applicable in cooperation with third parties, directly or through a company in which it holds a stake in accordance with the RREC regulations, the development, establishment, management or operation, with the possibility to sub-contract these activities, of:

i. facilities and installations for the transport, distribution or storage of electricity, gas, combustible fossil or non-fossil fuels and energy in general, including assets related to such infrastructure;

ii. installations for the transport, distribution, storage or purification of water, including assets related to such infrastructure;

iii. installations for the production, storage and transport of renewable or nonrenewable energy, including assets related to such infrastructure; or

iv. incinerators and waste disposal facilities, including assets related to such infrastructure.

(e) hold initially less than 25% of the capital of a company that performs the activities mentioned in Article 3.1(c) above, provided this stake is converted through the transfer of shares, within a period of two years or any other longer period required by the public entity with which the contract is concluded and upon expiry of the setting-up phase of the PPP project (within the meaning of the RREC regulations), into a stake that complies with the RREC regulations.

Should the RREC regulations be amended in the future and authorise the performance of other activities by the Company, the Company may also exercise these new activities.

In the context of ensuring the availability of buildings, the Company may in particular perform all activities associated with the construction, fitting out, renovation, development, acquisition, transfer, management and operation of buildings.

3.2 On an ancillary or temporary basis, the Company may invest in securities not constituting real property within the meaning of the RREC regulations. These investments shall be made in accordance with the Company's risk management policy and shall be diversified in order to ensure adequate risk diversification. The Company may also hold unallocated cash, in any currency, in the form of sight or term deposits or any easily negotiable money market instrument.

It may also carry out transactions involving hedging instruments, intended solely to hedge interest rate and currency risk in the context of the financing and management of the Company's activities as referred to in the RREC Act, with the exception of purely speculative transactions.

3.3 The Company may enter into finance leases, as lessor or lessee, for one or more buildings. Finance leasing activity, with the option to purchase the buildings, may only be performed on an ancillary basis, unless the buildings are intended to be used in the public interest, including for social housing or education (in which case it can be a main activity).

3.4 The Company may acquire a stake, by way of a merger or otherwise, in all businesses, undertakings or companies having a purpose similar or complementary to its own and that facilitate the development of its business and, in general, perform all transactions relating directly or indirectly to its corporate purpose as well as all acts necessary or useful to realise this purpose.

In general, the Company is obliged to conduct its activities and carry out transactions in accordance with the rules and within the limits set by the RREC provisions and any other applicable legislation.

ARTICLE 4 - PROHIBITIONS

The Company may not:

- act as a property developer in accordance with the RREC regulations, except on an occasional basis;
- participate in an underwriting or guarantee syndicate;
- lend financial instruments, with the exception of loans subject to the conditions and provisions of the royal decree of 7 March 2006;
- acquire financial instruments issued by a company or association under private law that has been declared bankrupt, entered into an amicable settlement with its creditors, is currently subject to a judicial reorganisation procedure, has obtained a suspension of payments or has been subject to a similar measure abroad;
- conclude contractual agreements or provisions of its articles by which it derogates from the voting rights to which it is entitled according to applicable law, based on a shareholding of twenty-five percent (25 %) plus one share in companies in its consolidated group.

ARTICLE 5 - DURATION

The Company is constituted for an unlimited term.

Part II - Capital – Shares

ARTICLE 6 - CAPITAL

6.1 Subscribed and paid-up capital

The share capital is fixed at 1,450,210,370.80 EUR and is divided into 27,061,917 fully paid-up shares without nominal value, each representing an equal share of the capital.

6.2 Authorised capital

The board of directors is authorised to increase the capital on one or more occasions by a maximum amount of:

1°) 725,000,000 EUR, namely 50 % of the capital on the date of the extraordinary general meeting of 25.08.2020, rounded down, if applicable, for capital increases by means of cash contributions with the possibility for the Company's shareholders to exercise a preemptive right or priority allocation right;

2°) 290,000,000 EUR, namely 20 % of the capital on the date of the extraordinary general meeting of 25.08.2020, rounded down, if applicable, for capital increases in the context of the distribution of an optional dividend;

3°) 45,000,000 EUR, namely 10 % of the capital on the date of the extraordinary general meeting of 25.08.2020, rounded down, if applicable for

a. capital increases by means of contributions in kind,

b. capital increases by means of cash contributions without the possibility for the Company's shareholders to exercise a preemptive right or priority allocation right, or

c. any other type of capital increase,

it being specified (i) that the capital, pursuant to the exercise of the authorized capital, may never be increased by an amount in excess of 1,160,000,000.00 EUR, namely the cumulated amount of the authorisations referred to in points 1°, 2° and 3° and (ii) that any capital increase must take place in accordance with the RREC regulations.

This proposed authorisation will be granted for a renewable period of five years as from the publication date of the minutes of the general meeting of 25.08.2020 in the appendices of the Belgian Official Gazette (Moniteur belge/Belgisch Staatblad).

Upon any capital increase, the board of directors shall determine the price, the issue premium, if any, and the conditions for issuance of the new securities.

Capital increases thus determined by the board of directors may be subscribed in cash, in kind or by a combination of both or effected through the incorporation of reserves, including profits carried forward and issue premiums, as well as all components of equity reflected in the Company's IFRS financial statements (drawn up pursuant to the applicable RREC regulations) capable of being converted into capital, with or without the creation of new securities. Such capital increases may also be realised through the issuance of convertible bonds, subscription rights or any other securities representing the capital or giving access to it.

When capital increases decided on pursuant to this authorisation include an issue premium, the amount thereof shall be credited to one or more distinct accounts in the equity section on the liability side of the balance sheet. The board of directors is free to decide to place any issue premium, possibly after deduction of an amount capped at the costs of the capital increase determined in accordance with the applicable IFRS rules, in a non-distributable account, which shall constitute, like the capital, a guarantee for third parties and which may only be reduced or abolished pursuant to a decision of the general meeting taken in accordance with the conditions required to amend the articles, except in the case of conversion into capital.

In the event of a capital increase accompanied by an issue premium, only the amount credited to capital shall be deducted from the remaining useable balance of authorised capital.

The board of directors is authorised to restrict or cancel the preemptive right of shareholders, even in favour of one or more specified persons other than employees of the Company or of one of its subsidiaries, to the conditions applicable under the RREC regulations. If and insofar as a priority allocation right must be granted to the existing shareholders upon allocation of the new securities, it complies with the conditions provided for by the RREC regulations and Article 6.4 of the articles of association. In any case, it should not be granted in the case of cash contributions made in accordance with Article 6.4 of the articles.

Capital increases by way of a contribution in kind shall be carried out in accordance with the requirements of the RREC regulations and the conditions set out in Article 6.4 of the articles. Such contributions may also concern dividend entitlements in the context of the distribution of an optional dividend.

The board of directors is authorised to have set down in a notarised document the resulting amendments to the articles.

6.3 Acquisition, pledge and disposal of treasury shares

The Company may acquire, pledge and dispose of its treasury shares at the conditions provided for by law.

For a period of five years from publication in the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad) of the decision of the extraordinary general meeting of 15 January 2020, the board of directors may acquire, pledge and dispose of (including over-the-counter) the Company's treasury shares on behalf of the Company at a unit price which may not be less than eighty-five percent (85%)of the closing market price on the day preceding the date of the transaction (for an acquisition or pledge) and which may not be greater than one hundred fifteen percent (115%) of the closing market price on the day preceding the date of the translation (for an acquisition or pledge), it being noted that the Company may at no time hold more than ten percent (10%) of its total outstanding shares.

The board of directors is also expressly authorised to dispose of the Company's treasury shares to one or more specified persons other than employees of the Company or of its subsidiaries, in accordance with the provisions of the Code of Companies and Associations.

The above-mentioned authorisations extend to acquisitions and disposals of the Company's shares by one or more direct subsidiaries of the latter, within the meaning of the statutory provisions on the acquisition of shares of a parent company by its subsidiaries.

6.4 Capital increases

Any capital increase shall be carried out in accordance with the provisions of the Code of Companies and Associations and the RREC regulations.

The Company may not subscribe directly or indirectly to its own capital increase.

For any capital increase, the board of directors shall determine the price, the issue premium, if any and the conditions for issuance of the new securities, unless the general meeting takes a decision on these points.

If the general meeting decides to request the payment of an issue premium, the amount thereof must be credited to one or more distinct accounts in the equity section of the balance sheet.

Contributions in kind may also relate to a dividend entitlement in the context of the distribution of an optional dividend, with or without a complementary cash injection.

In the event of a capital increase by way of a cash contribution pursuant to a decision of the general meeting or within the limits of the authorised capital, the pre-emptive right of shareholders may only be restricted or abolished provided, insofar as required by the RREC regulations, a priority allocation right is granted to the existing shareholders upon allocation of the new securities. If applicable, this priority allocation right shall meet the following conditions pursuant to the RREC regulations:

1. it extends to all newly issued securities;
2. it is granted to shareholders in proportion to the capital represented by their shares at the time of the transaction;
3. a maximum price per share is announced no later than the day before the opening of the public subscription period, which must last for at least three trading days.

The priority allocation right is applicable to the issuance of shares, convertible bonds and subscription rights that are exercisable through cash contributions.

In accordance with the RREC regulations, such a right should not be granted in the event of a capital increase through a cash contribution carried out at the following conditions:

1. the capital increase is effected by means of the authorised capital;
2. the total value of the capital increases carried out over a period of twelve (12) months, in accordance with this paragraph, does not exceed 10% of the amount of capital as it stood at the time of the decision to increase the capital.

Nor should it be granted in the event of a cash contribution with restriction or cancellation of the pre-emptive right of shareholders, complementary to a contribution in kind in the context of the distribution of an optional dividend, provided grant of the latter is effectively open to all shareholders.

Capital increases by means of a contribution in kind are subject to the rules set out in the Code of Companies and Associations.

Moreover, the following conditions must be respected in the event of a contribution in kind, pursuant to the RREC regulations:

1. the identity of the contributor must be mentioned in the report prepared by the board of directors on the capital increase through a contribution in kind as well as, if applicable, in the notice calling the general meeting to vote on the capital increase;
2. the issue price may not be less than the lower of (a) a net asset value per share determined within the four-month period prior to the date of the contribution agreement or, at the Company's choosing, prior to the date of the document formalising the capital increase and (b) the average closing price for the period of thirty calendar days preceding this same date.

In this regard, it is permitted to deduct from the amount referred to in point 2(b) an amount corresponding to the gross undistributed dividends of which the new shares could be deprived, provided the board of directors specifically justifies the value of the accrued dividends to be deducted in a special report and sets out the financial conditions of the transaction in the annual financial report;

3. unless the issue price or, in the case mentioned in article 6.6, the exchange ratio, as well as the conditions thereof, are determined and communicated to the public no later than the working day following conclusion of the contribution agreement, mentioning the period within which the capital increase will effectively be carried out, the document formalising the capital increase shall be executed within a maximum period of four months; and
4. the report mentioned at point 1° above must also explain the impact of the proposed contribution on the situation of former shareholders, in particular with regard to their share of the profits, the net asset value per share and the capital as well as in terms of voting rights.

In accordance with the RREC regulations, these supplementary conditions are not, in any case, applicable to the contribution of a dividend entitlement in the context of the distribution of an optional dividend, provided the grant thereof is effectively open to all shareholders.

6.5 Capital reduction

The Company can carry out capital reductions in accordance with the applicable legal provisions.

6.6 Mergers, divisions and similar operations

In accordance with the RREC regulations, the additional conditions referred to in article 6.4 in the event of a contribution in kind are applicable mutatis mutandis to mergers, divisions and similar transactions referred to in the RREC regulations.

In the latter case, 'date of the contribution agreement' is understood to mean the filing date of the proposed merger or division agreement.

ARTICLE 7 - TYPES OF SHARES

The shares have no nominal (i.e. par) value.

The shares shall be in registered or dematerialized form, at the choosing of their owner or holder (hereinafter, the '**Holder**') and within the limits set by law. The Holder may, at any time and at no expense, request the conversion of registered shares into dematerialized form and vice versa. A dematerialized share is represented by an entry in the Holder's name in an account with an accredited account holder or clearing institution.

The Company shall keep at its registered office a register of all registered shares, if applicable in electronic form. The Holders of registered shares are entitled to access the register in full.

ARTICLE 8 – OTHER SECURITIES

The Company is authorised to issue all securities not prohibited by or pursuant to the law, with the exception of profit (founder's) shares and similar securities and subject to compliance with the specific requirements of the RREC regulations and the articles of association. These securities may be in registered form or dematerialised.

ARTICLE 9 – ADMISSION TO TRADING AND DISCLOSURE OF SUBSTANTIAL SHAREHOLDINGS

The Company's shares must be admitted to trading on a regulated Belgian market in accordance with the RREC regulations.

For purposes of the statutory rules on the disclosure of substantial shareholdings in issuers whose shares are admitted to trading on a regulated market, the thresholds whose crossing gives rise to a notification obligation are fixed at five percent (5 %) and multiples of five percent (5 %) of the total number of outstanding voting rights.

Apart from the exceptions provided for by law, no one may cast at a general meeting of the Company more votes than those attached to the securities the person declared to hold, pursuant to and in accordance with the law, at least twenty (20) days prior to the date of the general meeting. The voting rights attached to undeclared securities shall be suspended.

Part III - Management and supervision

ARTICLE 10 - COMPOSITION OF THE BOARD OF DIRECTORS

The Company is managed by a board of directors composed of at least five members, appointed by the general meeting of shareholders for a term of four years in principle.

The general meeting may remove a director from office at any time, with immediate effect and without cause.

The directors may be re-elected.

The board of directors shall include at least three independent directors in accordance with the applicable statutory provisions.

Unless the general meeting's appointment decision provides otherwise, the term of office of out-going directors, who have not been re-elected, ends immediately following the general meeting at which directors were re-elected.

In the event of one or more vacancies, the remaining directors, at a meeting of the board, shall be empowered to provisionally fill the vacancies, until the next general meeting. The first general meeting that follows shall decide whether to confirm the appointment of the co-opted director(s). The directors' remuneration, if any, may not be determined based on the operations and transactions carried out by the Company or its group companies.

The directors must be natural persons and meet the requirements of good repute and expertise provided for in the RREC regulations. They may not fall under the any of the prohibitions referred to in the RREC regulations.

The appointment of directors is subject to the prior approval of the Financial Services and Markets Authority (FSMA).

The board of directors may appoint one or more observers who may attend all or some board meetings, in accordance with the conditions determined by the board.

ARTICLE 11 - CHAIRPERSON – DECISION-MAKING

The board of directors meets when called at the place designated in the convocation notice, as often as the Company's interests so require. A meeting must be called when so requested by two directors.

The board of directors shall choose a chairperson and vice chairperson from amongst its members. Meetings are presided over by the chairperson or, in the chairperson's absence, the vice chairperson or, if they are both absent, the most senior director present and, in the event of equal seniority, the eldest director.

The board's decisions are valid only if a majority of its members are present or represented.

Notices of meetings are sent by e-mail or, if no e-mail address has been provided to the Company, by regular mail or any other means of communication, in accordance with the applicable statutory provisions.

A director who cannot be present may, by letter, e-mail or any other means of communication, designate another member of the board to represent him/ her at a board meeting and vote on his/her behalf; the director will, in this case, be considered present.

However, no member of the board may represent more than one other director in this way.

Decisions are adopted by a majority of the votes cast; in the event of a tie, the chairperson shall cast the deciding vote.

The board of directors' decisions are set down in minutes recorded or bound in a special register, kept at the Company's registered office and signed by the chairperson of the board or, in the chairperson's absence, by two directors who wish to do so. Powers of attorney shall be appended thereto.

Copies of or extracts from the minutes for use by third parties shall be signed by the chairperson of the board or several directors with the power to represent the Company.

The board of directors may take decisions unanimously in writing.

ARTICLE 12 - POWERS OF THE BOARD OF DIRECTORS

12.1 The board of directors is invested with the most extensive powers to perform all acts necessary or useful to achieve the Company's purpose, with the exception of those reserved by law or the articles to the general meeting. The board of directors draws up bi-annual reports as well as an annual report. The board of directors shall appoint one or more independent real estate valuers in accordance with the RREC regulations and propose, where appropriate, any modifications to the list of experts set out in the dossier attached to the Company's application for approval as an RREC.

12.2 The board of directors may delegate the Company's daily management and its representation in this context to one or more persons, acting jointly, who may, but need not, be directors. The person(s) entrusted with daily management shall fulfil the requirements of good repute, expertise and experience laid down in the RREC regulations and must not fall under any of the prohibitions referred to in the RREC regulations.

12.3 The board of directors can delegate to a representative of its choosing special limited powers to perform certain acts or a series of acts, within the limits of the applicable statutory provisions. The board of directors can fix the remuneration of any representative on whom special powers are conferred, in accordance with the RREC regulations.

ARTICLE 13 – EXECUTIVE COMMITTEE

The board of directors may create an executive committee to which it delegates special powers to conduct certain acts or a series of acts, with the exception of those powers reserved to it by the Code of Companies and Associations and the RREC regulations.

The duties, powers and composition of the executive committee shall be determined by the board of directors.

The board of directors may delegate daily management of the Company as well as its representation in this context to one or more members of the executive committee.

The members of the committee must fulfil the requirements of good repute and expertise laid down in the RREC regulations and must not fall under any of the prohibitions referred to in the RREC regulations.

Within the limits of the powers which the board of directors delegates to the executive committee, the board of directors authorises the executive committee to sub-delegate its powers to one or more representatives of the Company.

ARTICLE 14 – EFFECTIVE MANAGEMENT

Without prejudice to the transitional arrangements, effective management of the Company is entrusted to at least two natural persons, appointed by the board of directors.

The persons responsible for effective management shall fulfil the requirements of good repute and expertise laid down in the RREC regulations and must not fall under any of the prohibitions referred to in the RREC regulations.

The appointment of the effective managers is subject to the prior approval of the FSMA.

ARTICLE 15 – ADVISORY AND SPECIAL COMMITTEES

The board of directors shall establish, from amongst its members, an audit committee as well as an appointments, remuneration and governance committee, whose tasks, powers and composition shall be determined by the board of directors.

The board of directors may also establish, under its responsibility, one or more other committees, whose composition and tasks it shall determine.

ARTICLE 16 – TERMS OF REFERENCE

The board of directors may draw up terms of reference.

ARTICLE 17 - REPRESENTATION OF THE COMPANY AND THE SIGNING OF DOCUMENTS

Except when specifically authorised by the board of directors, the Company is validly represented in all acts, including those involving a public or ministerial official as well as before a court, as claimant or defendant, by two directors acting jointly or, within the limits of the powers conferred on the executive committee, by two members of this committee, acting jointly or, within the limits of daily management, by two persons entrusted with such management, acting jointly.

The Company is moreover validly represented by the holders of special powers of attorney within the limits of the remit granted to them for this purpose by the board of directors or the executive committee or, within the limits of daily management, by two persons entrusted with such management, acting jointly.

ARTICLE 18 – AUDIT

The Company shall appoint one or more auditors, which shall perform the tasks incumbent on them pursuant to the Code of Companies and Associations and the RREC regulations.

The auditor(s) must be recognised by the FSMA.

Part IV - General meetings

ARTICLE 19 - MEETING

The annual general meeting shall be held on the second Wednesday in the month of May at three-thirty in the afternoon in the Brussels-Capital Region.

Should this day be a public holiday, the meeting shall take place on the next working day at the same time, not including Saturday or Sunday.

Ordinary or extraordinary general meetings shall be held at the place indicated in the notice calling the meeting.

The threshold above which one or more shareholders may, in accordance with the Code of Companies and Associations, request that a general meeting be held in order to submit one or more proposals is fixed at ten percent (10 %) of the capital. Notices shall be sent within the time limits and in accordance with the provisions of the Code of Companies and Associations.

One or more shareholder(s) holding at least 3 % of the Company's capital may, in accordance with the provisions of the Code of Companies and Associations, request the inclusion of items on the agenda of any general meeting and submit proposals for resolutions on the items included or to be included on the agenda.

ARTICLE 20 - ADMISSION TO THE GENERAL MEETING

The right to participate in a general meeting and to exercise voting rights is subject to recordation of the shares in the shareholder's name at midnight (Belgian time) on the fourteenth day preceding the general meeting (hereinafter the record date), either by way of an entry in the Company's shareholders' register or an entry in the accounts of an accredited account holder or clearing institution, without regard to the number of shares held by the shareholder on the day of the general meeting.

The holders of dematerialised shares who wish to take part in a general meeting must produce an attestation from an accredited account holder or clearing institution certifying the number of dematerialized shares recorded in the shareholder's name in its accounts on the record date. They must provide the Company, or the person it has designated to this end, with this attestation and indicate their intention to participate in the general meeting, if applicable by sending a proxy, no later than the sixth day preceding the date of the general meeting, using the Company's email address or the specific e-mail address indicated in the notice of the general meeting.

The holders of registered shares that wish to attend the meeting must inform the Company, or any person it has designated to this end, of their intention to participate no later than the sixth day preceding the date of the general meeting, using the Company's email address or the e-mail address specifically indicated in the notice and, if applicable, by sending a proxy, or by any other means of communication indicated in the notice.

ARTICLE 21 – PROXY VOTING

All shareholders entitled to attend a general meeting may arrange to be represented by a proxy holder, who need not be a shareholder.

A shareholder may only designate, for a given general meeting, one proxy holder, unless provided otherwise by the Code of Companies and Associations.

The proxy must be signed by the shareholder and be sent to the Company's e-mail address or the e-mail address specifically indicated in the notice of the meeting, at the latest six days before the meeting.

The board of directors may establish a proxy form.

If several persons have rights in the same share, the Company may suspend exercise of the voting right until a single person is designated as the holder of the share in its regard.

ARTICLE 22 - COMMITTEE

General meetings shall be presided over by the chairperson of the board of directors or, in his or her absence, by the managing director or, in the latter's absence, by the person appointed by the directors present.

The chairperson shall appoint the secretary.

The meeting shall choose two scrutineers.

The directors present complete the presiding committee.

ARTICLE 23 - NUMBER OF VOTES

Each share carries one vote, without prejudice to the cases in which the voting rights are suspended pursuant to the Code of Companies and Associations or any other applicable legislation.

ARTICLE 24 - DECISION-MAKING

The general meeting may validly take decisions and vote without regard to the percentage of the capital present or represented, except in those cases where the Code of Companies and Associations imposes a quorum.

The general meeting may only take valid decisions on amendments to the articles of association if half the capital is present or represented. If this condition is not met, a second meeting will need to be convened and decisions taken at the second meeting will be valid, regardless of the percentage of capital present or represented.

The general meeting cannot vote on items that do not appear on the agenda.

Unless provided otherwise by law, decisions are approved by the general meeting, regardless of the number of shares represented at the meeting, by a simple majority of votes cast. Blank or irregular ballots are not counted.

The articles of association may only be amended by a majority of at least three quarters of the votes cast or, for amendments to the purpose or an object of the Company, four fifths of the votes cast, excluding abstentions.

Voting shall be by show of hands or roll call unless the general meeting decides otherwise by a simple majority of votes cast. Any proposed amendment to the articles of association shall first be submitted to the FSMA.

An attendance list indicating the names of the shareholders and the number of shares held by each shall be signed by each shareholder or the shareholder's representative before entering the meeting.

ARTICLE 25 – DISTANCE VOTING

Upon authorisation by the board of directors in the notice calling the meeting, shareholders shall be authorised to vote remotely or via the Company's website, using a form prepared and provided by the Company. This form must indicate the date and place of the meeting, the shareholder's name or company name, domicile or registered office, the number of votes which the shareholder wishes to cast at the meeting, the type of shares held and the items on the agenda for the meeting (including proposed resolutions) and include a space allowing the shareholder to vote for or against each resolution or to abstain as well as the deadline by which the voting form must reach the Company. It shall expressly stipulate that the form must be signed and reach the Company no later than the sixth day prior to the meeting.

In accordance with article 7:137 of the Code of Companies and Associations, the board of directors may provide that each shareholder and any other securities holder referred to in article 7:137 of the Code of Companies and Associations may also participate remotely in the general meeting through an electronic means of communication made available to him/her by the Company.

Shareholders who participate in the general meeting through such a mean are deemed to be present at the place where the meeting is held in order to comply with the quorum and majority requirements.

The electronic means of communication referred to above must enable the Company to verify the status and identity of the shareholder, in accordance with the procedures laid down by the board of directors. The board of directors may set any additional conditions to ensure the security of the electronic means of communication. The electronic means of communication must at least enable the securities holders referred to in the first paragraph to have direct, simultaneous and continuous access to the discussions at the meeting and, as far as the shareholders are concerned, to exercise their voting right on all matters on which the meeting is called to decide. The board of directors may provide that the electronic means of communication also allow to take part in the deliberations and to ask questions.

If the board of directors makes use of the option to participate remotely in the general meeting via an electronic means of communication, the notice calling the general meeting will mention the applicable procedures and terms and conditions.

ARTICLE 26 - MINUTES

The minutes of the general meeting shall be signed by the members of the presiding committee and by those shareholders who wish to do so.

Copies of or extracts from the minutes for use by third parties shall be signed by one or more directors having the power to represent the company.

ARTICLE 27 - GENERAL MEETINGS OF BONDHOLDERS

The provisions contained in this article apply to bonds only to the extent the issue conditions do not provide otherwise.

The board of directors and the auditor(s) of the Company can call the bondholders to a general meeting of bondholders. They must call a general meeting when requested to do so by bondholders representing one-fifth of the total outstanding bonds. The notice of the meeting must include the agenda and be sent in accordance with the Code of Companies and Associations. To be admitted to the general meeting of bondholders, the holders of bonds must comply with the formalities provided for by the Code of Companies and Associations as well as any applicable formalities laid down in the issue conditions or in the notice calling the meeting.

Part V – Accounts - Distribution

ARTICLE 28 - ACCOUNTS

The financial year starts on the first of January and closes on the thirty-first of December of each year. At the end of each financial year, the books of account and accounting documents are approved and the board of directors prepares a statement of assets and liabilities and the annual accounts.

The board of directors then draws up a report, called the 'management report', in which it renders an account of its management. For purposes of the annual general meeting, the statutory auditor draws up a detailed report, called the 'audit report'.

ARTICLE 29 - DISTRIBUTION

The Company is obliged to distribute to its shareholders, within the limits permitted by the Code of Companies and Associations and the RREC regulations, a dividend, the minimum amount of which is set by the RREC regulations.

By decision of the extraordinary general meeting held on 15 January 2020, the board of directors was authorised to decide to distribute to the employees of the Company and its subsidiaries a share of the profits, up to a maximum amount of one percent (1%) of the profits for the financial year, for a new period of five years, with the first distributable profits relating to financial year 2019.

The authorisation proposed in the preceding paragraph is conferred for a five-year period as from 15 January 2020.

ARTICLE 30 - INTERIM DIVIDENDS

The board of directors can, at its own responsibility, declare the payment of interim dividends, in the cases and within the time limits provided by law.

ARTICLE 31 – PROVISION OF ANNUAL AND BIANNUAL REPORTS

The Company's annual and biannual reports, which contain the annual and half-year financial statements and consolidated financial statements, shall be made available to shareholders in accordance with the provisions applicable to the issuers of financial instruments admitted to trading on a regulated market and the RREC regulations.

The Company's annual and biannual reports shall be made available on the Company's website.

Shareholders may obtain a copy of the annual and biannual reports at the Company's registered office free of charge.

Part VI – Winding-up - Liquidation

ARTICLE 32 - LOSS OF CAPITAL

In the event of loss of half or three quarters of the capital, the directors must submit to the general meeting the question of the Company's winding-up, in accordance with the conditions of the Code of Companies and Associations.

ARTICLE 33 - APPOINTMENT AND POWERS OF LIQUIDATORS

If the Company is wound up, for any reason and at any time whatsoever, liquidation shall be carried out by a liquidator or liquidators appointed by the general meeting.

If it appears from the report summarising the Company's assets and liabilities prepared in accordance with the Code of Companies and Associations that all creditors cannot be satisfied in full, the appointment of the liquidator(s) in the articles or by the general meeting must be submitted to the president of the business court, unless it appears from this summary that the Company only has debts to its shareholders and all shareholders who are creditors of the Company confirm in writing their agreement with the appointment.

In the absence of the appointment of a liquidator or liquidators, the members of the board of directors shall be considered, by operation of law, as liquidators with regard to third parties, without however possessing the powers which the law and the articles grant to the liquidator appointed in the articles, by law or by the court, with respect to liquidation transactions.

The general meeting shall determine the liquidators' fees, where appropriate.

The Company's liquidation shall be concluded in accordance with the provisions of the Code of Companies and Associations.

ARTICLE 34 – ALLOCATION OF LIQUIDATION PROCEEDS

No distribution may be made to shareholders before the meeting at which the liquidation is closed.

Except in the case of a merger, the net assets of the Company, after the settlement of all liabilities or consignment of the amounts necessary to this end, shall be allocated first to reimbursement of the paid-in capital, with any possible remainder allocated equally amongst the shareholders of the Company, in proportion to their shareholdings.

Part VII - General provisions

ARTICLE 35 - ELECTION OF DOMICILE

For purposes of executing these articles, any shareholder domiciled abroad, any director, auditor, day-to-day manager or liquidator is obliged to elect domicile in Belgium. Otherwise, this person shall be deemed to have elected domicile at the Company's registered office, where all communications, subpoenas, summonses and notifications may be validly sent.

The owners of registered shares must notify the Company of any change of domicile; otherwise, all communications, notices of meetings and notifications shall be deemed validly delivered if sent to their last known address.

ARTICLE 36 - JURISDICTION

For any disputes between the Company, its shareholders, bondholders, directors, day-to-day managers, auditors and liquidators regarding the Company's affairs and the execution of these articles, the French-language business courts shall have exclusive jurisdiction, unless the Company expressly waives this provision.

ARTICLE 37 - COMMON LAW

Any provisions of these articles of association that are contrary to mandatory provisions of the RREC regulations or any other applicable legislation shall be considered null and void. The invalidity of an article or part of an article in these articles of association shall have no effect on the validity of the remaining provisions (or parts thereof).

Nursing and care home Zonnewende – Aartselaar (BE)

Glossary

ADJUSTED VELOCITY

Velocity multiplied by the free float percentage.

ASSISTED-LIVING UNITS

Small apartments providing accommodation for (semi)-autonomous elderly people combined with domestic and meal services.

B-REIF (BELGIAN REAL ESTATE INVESTMENT FUND - FONDS D'INVESTISSEMENT IMMOBILIER SPÉCIALISÉ 'FIIS'/GESPECIALISEERD VASTGOEDBELEGGINGSFONDS 'GVBF')

Belgian fiscal status of institutional alternative collective investment institutions with a fixed number of units whose exclusive purpose is collective real estate investment.

BREEAM (BUILDING RESEARCH ESTABLISHMENT ENVIRONMENTAL ASSESSMENT METHOD)

Method of assessing the building's environmental performance and sustainability (www.breeam.org).

CALL OPTION

The right to purchase a specific financial instrument at a pre-set price and during a specific period.

CDP (CARBON DISCLOSURE PROJECT)

CDP is a not-for-profit institution that runs the global disclosure system for investors, companies, cities, states and regions in order to manage their environmental impacts.

CONTRACTUAL RENTS

Rents as defined contractually in leases at the closing date, before deduction of rent-free periods or other incentives granted to the tenants.

CSR (CORPORATE SOCIAL RESPONSABILITY)

Corporate social responsibility is defined by the European Commission as the voluntary integration by companies of social and environmental concerns into their business activities and their relations with stakeholders.

DACH UND FACH

German term for leases stipulating that the maintenance costs of the building's roof and structure, and sometimes of technical equipment, are borne by the owner.

DEBT-TO-ASSETS RATIO

Legal ratio calculated according to RREC legislation as financial and other debts divided by total assets.

DIVIDEND YIELD

Gross dividend divided by the average share price during the year.

DOUBLE NET

So-called 'double net' rental contracts (leases) or yields imply that maintenance costs are, to a greater or lesser extent, borne by the owner (lessor). These costs include expenses for the maintenance of roofs, walls, façades, technical and electrical installations, surroundings, the water supply and drainage systems. Specific provisions of the lease may state that part or all of these maintenance costs can be charged to the lessee.

DUE DILIGENCE

Procedure intended to establish a complete and certified inventory of a company, asset, or real estate portfolio (accounting, economic, legal and tax aspects) before a financing or acquisition transaction.

EPRA (EUROPEAN PUBLIC REAL ESTATE ASSOCIATION)

An association of European real estate companies listed on the stock market whose purpose is to promote the industry (www.epra.com).

EPRA EUROPE

European FTSE EPRA/NAREIT Global Real Estate Index created by EPRA composed of representative stocks of the European listed real estate segment.

ESG (ENVIRONNEMENT, SOCIAL AND GOVERNANCE)

Stakes reflecting an organisation's economic, environmental, and social impacts.

EX-DATE

Date from which stock exchange trading takes place without the entitlement to the forthcoming dividend-payment (due to the 'detachment of the coupon', which formerly represented the dividend), i.e. three working days after the ordinary general meeting.

FAIR VALUE

Investment properties' disposal value according to IAS/IFRS accounting principles, i.e. after deduction of transaction costs, as determined by independent real estate valuers. The transaction costs are fixed by independent real estate valuers at a 2.5 % flat rate for properties located in Belgium. However, the costs to deduct for properties with a less than 2.5 million EUR overall value, are registration rights (10 % or 12.5 %) applicable according to the property's location. The transaction costs for assets located in France, the Netherlands, Germany, and Spain vary from 2 % to 7 %.

FBI (FISCALE BELEGGINGSINSTELLING)

Dutch fiscal status, comparable to the RREC status.

FINANCIAL RATING

Rating awarded by specialised agencies' (Standard & Poor's in Cofinimmo's case) providing a company's short-term and long-term financial soundness estimate. These ratings influence the rate at which a company can raise financing.

FREE FLOAT

Percentage of shares held by the public. According to the Euronext and EPRA definitions, this includes all shareholders who individually own less than 5% of the total number of shares.

FSMA (FINANCIAL SERVICES AND MARKETS AUTHORITY - AUTORITÉ DES SERVICES ET MARCHÉS FINANCIERS)

The independant regulatory authority governing financial markets in Belgium.

GHG EMISSIONS (GREENHOUSE GAS)

Quantity of greenhouse gases emitted into the atmosphere as a result of an organisation's activities.

GPR250 (GLOBAL PROPERTY RESEARCH 250)

Stock exchange index of the 250 largest listed real estate companies worldwide.

GREEN AND SOCIAL BONDS

Green and social bonds whose income is intended to (re)finance projects with a positive contribution to sustainable, environmental, or societal development. In December 2016, Cofinimmo became the first European real estate company to issue green and social bonds.

GRI STANDARDS (GLOBAL REPORTING INITIATIVE)

Sustainability reporting standards for use by organisations to report on their economic, environmental and/or social impacts. This standard is published by the Global Sustainability Standards Board (GSSB).

GROSS RENTAL YIELD

The ratio between the rent of an acquired asset and its acquisition value, transaction fees not deducted.

IAS/IFRS (INTERNATIONAL ACCOUNTING STANDARDS/ INTERNATIONAL FINANCIAL REPORTING STANDARDS)

International accounting standards of the International Accounting Standards Board (IASB) in order to prepare the financial statements.

INVESTMENT VALUE

The portfolio's value as established by real estate valuers, without deduction of transaction costs.

IRS (INTEREST RATE SWAP)

An interest rate exchange contract (usually fixed against floating or vice-versa) between two parties to exchange financial flows calculated on a fixed notional amount, frequency, and maturity.

LEASEHOLD RIGHT

A temporary real right which consists in having full use of a property belonging to another party, in return for an annual acknowledgment fee to the lessor in recognition of his/her right of ownership ('canon/pacht'). In Belgium, a leasehold has a minimum term of 27 years and a maximum term of 99 years.

MARKET CAPITALISATION

Stock market price at close multiplied by the total number of outstanding shares on that date.

MCB (MANDATORY CONVERTIBLE BONDS)

Debt instrument which enables the debtor to reimburse his loans in shares on the due date. Holders of MCB are called 'MCB holders'.

MEDICAL OFFICE BUILDING

Building where a number of different healthcare professionals (physicians, psychologists, dentists, physiotherapists, pharmacists, etc.) receive their patients/customers.

NET RESULT

Net result from core activities plus (+) result on financial instruments plus (+) result on the portfolio.

NET RESULT FROM CORE ACTIVITIES

Operating result before the result on the portfolio, plus (+) the financial result (financial income - financial charges), minus (-) income taxes.

OCCUPANCY RATE

Is calculated by dividing the (indexed, excluding assets held for sale) contractual rents of the current leases by the sum of these contractual rents and the vacant spaces' Estimated Rental Value, the latter being calculated on the basis of the current rents' level on the market.

OPERATING MARGIN

Operating result before the result on the portfolio divided by the property result.

PAY-OUT RATIO

Percentage of the net result from core activities distributed by way of a dividend.

PEB (ENERGY PERFORMANCE OF A BUILDING)

This index, originating in the 2002/91/EC European Directive, expresses the amount of energy needed for the various requirements related to normal building use. It results from a calculation of various factors that influence energy demand (insulation, ventilation, solar and internal contributions, heating, etc.).

PPP (PUBLIC-PRIVATE PARTNERSHIP)

Partnership between the public and private sectors on projects with a public destination: urban renewal, infrastructure works, public buildings, etc.

RECORD DATE

Date on which positions are closed to identify the dividend-entitled shareholders, i.e. two working days after the ex-date.

REIT (REAL ESTATE INVESTMENT TRUST)

A listed real estate investment trust in the United States.

RREC (REGULATED REAL ESTATE COMPANY)

Status created in 2014 with the same objectives as the Real Estate Investment Trusts (REIT) in different countries: REIT (USA), SIIC (France) and FBI (Pays-Bas). RRECs are supervised by the Financial Services and Markets Authority (FSMA) and subject to specific regulations.

RESULT ON FINANCIAL INSTRUMENTS

Change in fair value of the financial instruments, plus (+) the restructuring costs of the financial instruments.

RESULT ON THE PORTFOLIO

Realised and unrealised gains and losses compared with the valuation of the real estate valuer, plus (+) the exit tax due following the entry of any asset into the RREC, SIIC or FBI regimes.

REVALUED NET ASSETS

Net asset value. At market value estimated equity resulting from the difference between the company's assets and liabilities (both being shown directly, for the most part at market value, in Cofinimmo's balance sheet). This value is calculated based on the building valuation provided by independent real estate valuers.

ROYAL DECREE OF 14.11.2007

Royal decree relating to the obligations of financial instruments' issuers admitted for trading on a regulated market.

ROYAL DECREE OF 13.07.2014

Royal decree relating to regulated real estate companies (RREC).

SDG (SUSTAINABLE DEVELOPMENT GOALS)

17 goals to transform our world by 2030 in order to promote prosperity while protecting the planet. (Source: https://www.un.org/sustainabledevelopment/).

SICAFI (SOCIÉTÉ D'INVESTISSEMENT À CAPITAL FIXE IMMOBILIER)

Status created in 1995 to promote collective investment in real estate. SICAFIs are supervised by the Financial Services and Markets Authority (FSMA) and subject to specific regulations.

SIIC (SOCIÉTÉ D'INVESTISSEMENT IMMOBILIER COTÉE – FRENCH REIT REGIME)

French tax status, comparable to the RREC status.

SSR (CLINIQUE DE SOINS DE SUITE ET DE RÉADAPTATION)

Clinic providing rehabilitation care following a hospital stay for a medical condition or surgery.

TAKE-UP

Occupancy of rental spaces.

TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES)

Task force created by the Financial Stability Board (FSB) to develop recommendations aiming at facilitating external communication associated with climate change with a focus on the financial impact.

TRIPLE NET

So-called 'triple net' lease contracts or yields imply that insurance costs, taxes and maintenance expenses are borne by the tenant (lessee). It mainly concerns the leases for nursing and care homes in Belgium.

VELOCITY

Parameter indicating a share's circulation speed. It is obtained by dividing the total volume of shares traded during the financial year by the total number of shares outstanding during that period.

WITHHOLDING TAX

Tax withheld by a bank or by another financial intermediary on a dividend payment.

ZBC (ZELFSTANDIGBEHANDELCENTRUM)

Independent private clinic in the Netherlands.

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Portraits: David Plas

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