



CORPORATE GOVERNANCE CHARTER



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I. INTRODUCTION

“COFINIMMO” is a public limited company with its registered office at 58 Boulevard de la Woluwedal, 1200 Brussels (hereinafter referred to as the “Company” or “Cofinimmo”).

Founded in 1983, Cofinimmo is a Belgian listed real estate company specialising in rental property and an important player in the European market.

On 26.08.2014, the Company obtained the status of a public regulated real estate company under Belgian law in accordance with the Act of 12.05.2014 and the royal decree of 13.07.2014 on regulated real estate companies.

The Company has a diversified property portfolio, with operations in different countries in Europe. Alert to demographic trends, its main business segments are healthcare real estate, offices and distribution network real estate (if applicable, through public-private partnerships).

As an independent company that applies the highest corporate governance and sustainability standards, Cofinimmo provides services to its tenants and manages its properties through its teams operating mainly from Brussels.

Cofinimmo is listed on the regulated market “Euronext Brussels” and is part of the BEL 20 index. It applies an investment policy aimed to offer a high dividend yield and capital protection over the long term, targeting both Belgian and foreign institutional and retail investors.

Its activities are supervised by the Financial Services and Markets Authority (abbreviated “FSMA”), the competent Belgian regulator.

In accordance with Article 3:6 §2 of the Code of Companies and Associations (“CCA”) and the royal decree of 12.05.2019 designating the corporate governance code to be respected by listed companies, Cofinimmo must apply the Belgian Code of Corporate Governance 2020 (“2020 Code”), while taking into account the specificities arising from the legislation governing regulated real estate companies (“RREC”).

This Corporate Governance Charter (the “CG Charter”) must be read in addition to the provisions applicable to the Company and on which it is based, namely:

- the Company’s articles of association (the “Articles of Association”);¹
- the CCA;²
- the 2020 Code;
- the Act of 12.05.2014 on regulated real estate companies (the “RREC Act”);³
- the royal decree of 13.07.2014 on regulated real estate companies (the “RREC RD”);⁴

This version of the CG Charter has been approved by the board of directors of Cofinimmo on 28.10.2022. It may be updated as often as necessary in order to accurately reflect at all times the Company’s governance structure.

The CG Charter and the Articles of Association are available, in French, Dutch and English, on the website www.cofinimmo.com. Throughout the CG Charter, a number of references are made to the Company’s website and external documents (other than this Charter). The information contained on this website and in these documents is not incorporated by reference in, and does not form part of, the CG Charter.

- If you require further information, please write to the following e-mail address: info@cofinimmo.be.

1 As amended.

2 As amended.

3 As amended.

4 As amended. The RREC Act and the RREC RD are together referred to as the “RREC Legislation”.

II. GOVERNANCE STRUCTURE OF THE COMPANY

Cofinimmo has opted for a one-tier governance structure, as provided for by Article 7:85 *et seq.* CCA. At least once every five years, the board of directors shall evaluate if the selected governance structure is still appropriate.

Pursuant to Article 7:93 CCA, the board of directors has the power to perform all acts necessary or useful to realise the Company's purpose, with the exception of those reserved by law to the general meeting .

The board of directors has delegated certain specific powers – with the possibility of sub-delegation – to the executive committee, as provided for by Article 13 of the Articles of Association.

The board of directors has moreover conferred daily management of the Company on each member of the executive committee under the chairmanship of the CEO.

The board of directors has also set up an audit committee and a nomination, remuneration and corporate governance committee, which play an advisory, supervisory and preparatory role for certain decisions to be taken by the board of directors. The authority to take decisions rests with the board of directors as a whole.

The terms of reference of the board of directors, its committees and the executive committee are set forth below. The board of directors reviews its terms of reference at regular intervals and makes any changes that it deems necessary and appropriate. The terms of reference of the committees are approved by the board of directors upon the recommendation of the relevant committee. Each committee reviews its terms of reference at least once a year and recommends any necessary changes to the board of directors. Furthermore, the Secretary General is authorised to make all formal changes to the text of all terms of reference he or she deems necessary at any time. The terms of reference comply with the 2020 Code. If the Company does not comply with one or more of the provisions of the 2020

Code, it will explain the reasons for such non-compliance in the Corporate Governance Statement which is part of the annual report.

2.1 MANAGEMENT STRUCTURE OF THE COMPANY

2.1.1 The board of directors (terms of reference)

2.1.1.1 Role of the board of directors

The board of directors adopts strategic guidelines for the Company at its own initiative or, as the case may be, further to a proposal of the executive committee and constructively supervises the quality of day-to-day management and its compliance with the proposed strategy with a view to enhancing the long-term value of the Company for its shareholders, while taking the interests of other stakeholders into account. The board of directors provides entrepreneurial leadership for the Company, ensures that risks are properly assessed and oversees their management by means of regular and stringent checks.

The board of directors determines the powers and responsibilities conferred on the executive committee and develops a clear delegation policy in this regard.

Corporate social responsibility, ethics and responsible behaviour, the gender mix and diversity in general are criteria which, among others, guide the board of directors in its decision-making.

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2.1.1.2 Responsibilities of the board of directors

The Directors form a collective body. In order to perform its role, the board of directors notably has the following functions and responsibilities, which it exercises with the assistance of the various committees of the board of directors:

1. Pursuant to a proposal of the executive committee or, as the case may be, at its own initiative, determining the medium- and long-term strategic guidelines including ESG strategy and objectives of the Company and regularly examining and assessing the implementation of this strategy;
2. Pursuant to a recommendation of the executive committee, decide on investment and disinvestment projects involving:
 - a purchase or sale price of more than EUR 50 million;
 - a purchase or sale price of less than EUR 50 million for:
 - a transaction that falls outside the operational and geographic sectors defined by the board of directors; or
 - the acquisition of an operating company (with staff); or
 - an acquisition entailing a partnership with a third-party stake of more than 10%.
3. Concerning the plan, the budget and the financial statements:
 - Evaluating and approving the business plan and the budget prepared by the executive committee;
 - Monitoring and assessing the Company's performance in relation to the approved business plan and budget;
 - Examining and adopting the audited financial statements.
4. Examining the quality of the information given to investors and the public and taking all the measures necessary to ensure the integrity and disclosure in good time of the financial statements and other important information, financial and non-financial, communicated to shareholders and potential shareholders;
5. Assessing the level of risk the Company agrees to accept to achieve its strategic objectives, identifying the main risks incurred by the Company, defining a frame of reference for the internal control and management of these risks by the executive committee and examining the implementation of this frame of reference, taking into account the inspection conducted by the audit committee;
6. Approving the Code of good conduct and any possible modifications thereto and verifying, at least once annually, compliance with this code and the compliance function in general, ensuring the implementation of procedures to guarantee the Company's integrity and its compliance with the laws and regulations, in particular those which apply to it as an RREC, as well as with accounting and auditing principles;
7. Setting up advisory committees and determining their composition, powers and duties, taking into account the applicable rules, as well as overseeing and evaluating the effectiveness of these committees;
8. Supervising, advising and evaluating the CEO and the other members of the executive committee, monitoring the performance of the executive committee and the achievement of the Company's strategic objectives including ESG objectives;
9. Submitting the remuneration policy to the general meeting and taking the necessary measures when a significant percentage of the votes is cast against the remuneration policy;

10. Concerning the composition and remuneration of the executive committee:

At the proposal of the nomination, remuneration and corporate governance committee:

- Ensuring a succession plan for the CEO and in particular designating and removing the CEO;
- Ensuring a succession plan for other members of the executive committee in consultation with the CEO and deciding if they may agree to sit on the board of directors of other companies;
- Examining and deciding on the remuneration and benefits of the CEO and the other members of the executive committee.

11. Concerning the composition and remuneration of the board of directors:

At the proposal of the nomination, remuneration and corporate governance committee:

- Formulating recommendations at the general meeting concerning the size, composition and profile for (members of) the board of directors;
- Selecting and proposing candidates for a position on the board of directors, including filling a vacancy;
- Making proposals concerning the remuneration of Directors and, in particular, proposing the remuneration policy for non-executive Directors;
- Ensuring a succession plan for non-executive Directors.

12. Assessing its own effectiveness in the performance of its role and responsibilities;

13. Dealing with all other matters falling within its legal authority and as provided by the Company Code.

2.1.1.3 Composition of the board of directors

2.1.1.3.1 Number of Directors and composition of the board of directors

The general meeting of shareholders decides on the total number of Directors on the proposal of the board of directors. The board of directors, guided by the Chairman and assisted by the nomination, remuneration and corporate governance committee, regularly assesses the profile and appropriate size of the board of directors taking into account, amongst other factors, the purpose of the Company, its activities, stage of development, capital structure and size, while ensuring an adequate balance in terms of expertise, age and gender.

The board of directors is in principle composed of 12 members. The composition of the board of directors shall provide for balanced representation between the executive Directors, the independent non-executive Directors and the other non-executive Directors. At least three Directors must be independent within the meaning of the 2020 Code. A majority of the board of directors must consist of non-executive Directors.

The board of directors also emphasises the importance of a sufficient representation of the shareholders' structure in the board of directors.

The board of directors is of the opinion that the representation of the executive committee has a positive impact on the interaction between the executive committee and the board of directors.

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A shareholder with a shareholding of 3% or more (in accordance with the law of 02.05.2007 on the transparency of large shareholdings) in the capital of Cofinimmo can in principle be considered for a place on the board of directors.

The shareholding of minimum of 3% can be proven by a transparency declaration, an inscription in the registers of shareholders, by a deposit of the shares at the occasion of the last general shareholders' meeting or by a written confirmation by the shareholder.

To determine whether a shareholder can be considered for such a place, the principles of continuity and diversification will be taken into account as well as the following criteria:

1. size of the shareholding;
2. how long it has been held;
3. the importance of the shareholding for Cofinimmo;
4. the diversity of the shareholders; and
5. the diversity of the board members.

A board member representing a shareholder whose holding drops under the threshold of 3% and consistently remains under this threshold may serve out the current term but the Director's term of office as a shareholder representative cannot be renewed.

There is a limit of one representation per shareholder on the board of directors, regardless of the percentage of participation above 3%.

Finally, the board of directors emphasises the importance of continuity within the board of directors. Once appointed, a Director is required to serve out his or her term except in cases of significant structural changes.

2.1.1.3.2 Appointment of Directors and procedure

Directors are appointed by the general meeting of shareholders from among the candidates proposed by the board of directors on the recommendation of the nomination, remuneration and corporate governance committee.

When a vacancy arises on the board of directors, the remaining Directors are authorised to fill the vacancy on a temporary basis until such time as a final decision is taken in accordance with the provisions of the preceding paragraph. This appointment shall be based on a proposal by the nomination, remuneration and corporate governance committee.

The following procedure is applied for the appointment of any Director:

Identification of the board's expertise and knowledge

Appointments to the board of directors are made on the basis of merit and objective criteria. For each new appointment of a Director, the nomination, remuneration and corporate governance committee determines, in consultation with the board's and the committees' requirements in respect of existing and necessary skills, knowledge and experience within the board of directors and the committees, thereby taking into account the principles of diversity, independence, expertise and competence within the various economic, environmental and social areas.

The board of directors as a whole must possess the characteristics outlined below:

- Board experience and deep knowledge of the property market;
- Management experience gained in an executive committee or other decision-making body of a large business;
- Leadership ability and strategic vision as well as a capacity to implement this vision;
- Experience of leading activities in an international context;
- Knowledge of accounting and financial standards, procedures and techniques and of their application in the real estate sector;
- Thorough knowledge of the legal and regulatory framework applicable to the property sector and to RRECs in particular;
- Ability regarding remuneration management;
- Have an impeccable reputation and follow an impeccable corporate ethic;
- Diversified socio-economic representation of the business world;
- Entrepreneurial spirit;
- Diversity in general and in the broad sense.

Skills grid

The Chairman of the board of directors, in consultation with the nomination, remuneration and corporate governance committee, will draw up a skills grid showing fields of knowledge and types of expertise on one axis and a list of board members on the other.

Gap analysis

In the light of the most recent assessment of Directors both on the board of directors and on the committees, the nomination, remuneration and corporate governance committee determines with the help of a skills grid the improvements that are necessary in expertise and knowledge. On the basis of this assessment, a description of the required role and capabilities is prepared.

Profile search

- Depending on the necessary improvements identified by the nomination, remuneration and corporate governance committee, and taking into account the admissibility criteria for the board of directors, the nomination, remuneration and corporate governance committee shall seek candidates possessing the desired expertise. The nomination, remuneration and corporate governance committee examines the curriculum vitae and references of the candidates proposed for election or re-election as a member of the board of directors.
- When the list of candidates is prepared, the relevance of their references is taken into account and, for those candidates who are already Directors, an evaluation of their performance is considered.
- Candidates are assessed with a view to ascertaining that their expertise and experience match those required by the board of directors.

Interviews

Once the candidates have been identified, the Chairman of the board of directors and all the members of the nomination, remuneration and corporate governance committee will meet each candidate individually to conduct an assessment. The nomination, remuneration

and corporate governance committee discusses the results of these meetings.

Following the above process and in the light of the recommendations of the nomination, remuneration and corporate governance committee, the Chairman of the board of directors shall submit to the board of directors, for examination and approval, a list of potential candidates for the position of Cofinimmo Director.

The Chairman of the board of directors and the Chairman of the nomination, remuneration and corporate governance committee shall ensure that before considering approval of a candidate, the board of directors has received sufficient information about the candidate, such as his or her CV, an evaluation based on the initial interview(s), a list of other offices the candidate has held as well as, if applicable, necessary information regarding the assessment of his or her independence.

Following a decision by the board of directors, the appointment of the selected candidate(s) is submitted to the next general meeting for approval, along with the board's recommendation.

2.1.1.3.3 Independence

The Directors undertake in all circumstances to act in the interests of the Company and to maintain their independence of judgement, decisions and actions. They participate with complete independence in the work of the board of directors. However, the board of directors is of the opinion that a long term of office does not necessarily imply a lack of independence.

At least three Directors, including the Chairman, must strictly meet the independence criteria outlined in provision 3.5 of the 2020 Code, it being understood however that the Company may propose to the general meeting the appointment of one or more additional independent Directors who do not strictly meet all independence criteria of the 2020 Code.

2.1.1.3.4 Term of office and re-elections

Cofinimmo observes the provisions of the 2020 Code relating to the length of terms of office. In principle, Directors are appointed for a term of four years, exceptions are duly motivated. In order to ensure continuity of work in the board of directors, the terms of office are in principle arranged so that a well-balanced rotation system for re-election is established.

The Directors can be re-elected.

A Director who represents a shareholder can only be re-elected if he or she can prove that he or she still holds the minimum holding of 3% according to the same arrangements as mentioned above.

Prior to the end of the term of office of each non-executive Director, the appropriateness of re-electing him or her is analysed critically and in depth, taking into account not only the application of the relevant Director but also all the other applications that may be made to the Chairman. This evaluation concerns (i) the individual contribution of the Director and, if applicable, the profile of the other candidates, (ii) the balance of skills, knowledge and experience needed on the board of directors, taking into account the strategic choices of the Company and (iii) for directorships representing a shareholder, the relevance of the representation on the board of directors of the shareholders who applied.

Upon expiry of the term of office of each Director, the board of directors shall assess the Director's participation in meetings of the board of directors or of the committees, commitment and constructive involvement in discussions and decision-making, in accordance with a pre-established and transparent procedure. The nomination, remuneration and corporate governance committee shall also assess if the contribution of each Director is adapted to changing circumstances.

To ensure a regular input of new talent on the board of directors, the maximum term of office of a non-executive Director is in principle limited to a period of 12 years. For these non-executive Directors, re-election beyond this period is only possible if justified by exceptional circumstances.

Any Director who fails to attend at least 65% of meetings annually will be considered to have resigned.

2.1.1.3.5 Commitments and contributions

The Directors undertake to serve the long-term interests of the Company by responding appropriately to concerns expressed by the general meeting of shareholders and other interested parties, such as employees, clients, public authorities and supervisory authorities (in particular the FSMA).

The Directors constantly broaden their knowledge of the Company's business and of developments in the property sector.

Newly appointed Directors shall receive adequate initial training, appropriate to their role, as well as an update of the applicable legal and regulatory environment, in order to guarantee their ability to contribute rapidly to the board of directors.

The Directors constantly broaden their knowledge of the Company's business and of developments in the property sector. They play a key role as ambassadors for the Company, but must not make statements on behalf of the Company without having received the appropriate authorisation.

The Directors undertake to devote enough time to performing their duties and responsibilities effectively and shall be available to give advice, including outside meetings of the board of directors. More particularly, non-executive Directors shall be duly informed of the extent of their obligations when submitting their candidature, specifically the time they will need to devote to the directorship, taking into account the number and extent of their other commitments. Thus, non-executive Directors may not consider accepting more than five directorships in listed companies. In addition non-executive Directors shall notify the Chairman of the board of directors in writing (i) of any significant change in their responsibilities other than those related to their directorship and (ii) prior to the acceptance

of any new directorships. The Chairman of the board of directors shall be informed of the changes to a Director's other significant commitments as well as new commitments assumed by a Director outside the Company at the time they occur or arise.

The Directors judge matters submitted for their attention by drawing on their knowledge and experience and express their opinions, ask any questions and make any recommendations that they consider necessary or desirable with complete independence. In particular, the Directors shall share with the board of directors all information in their possession that could be relevant to the board's decision-making. In the case of sensitive or confidential information, the Directors shall consult with the Chairman.

In general, the members of the board of directors are bound by an obligation of confidentiality concerning all information obtained in the course of performing their duties and are prohibited from using information received in their capacity as Directors for purposes other than performance of the directorship.

The Directors shall demonstrate the highest standards of personal and professional integrity and probity and adhere to the Company's policies on integrity and ethics as set out in the Code of good conduct.

2.1.1.4 Chairman of the board of directors

The board of directors appoints a Chairman from among its independent Directors. The Chairman shall be recognised for his or her professionalism, independence, coaching qualities, ability to establish a consensus, communication skills and proficiency in the management of meetings. The Chairman shall create a climate of trust, allowing open discussions and the constructive expression of different views. The role of the Chairman of the board of directors consists of facilitating the functioning of the board of directors independently of the executive committee and enhancing the quality of Cofinimmo's governance.

The responsibilities of the Chairman of the board of directors are as follows:

Ensuring the management, running and leadership of the board of directors and, in particular, ensuring that the board of directors is well organised, operates effectively and fulfils its obligations and responsibilities:

- Preparing, convening, chairing and overseeing meetings of the board of directors and ensuring that, at meetings, sufficient time is set aside for a serious and in-depth discussion of relevant matters;
- Drawing up the agenda of board of directors meetings, in consultation with the CEO and Secretary General (the Chairman is consulted on all proposals to be submitted to the board of directors);
- Taking all reasonable measures to ensure that the board of directors forms a coherent body;
- Ensuring that information is properly circulated to the board of directors by making sure that relevant documents in support of the management's proposals are made available.

Ensuring the quality and continuity of the board of directors with the support of the nomination, remuneration and corporate governance committee by initiating and over-seeing procedures concerning:

- Evaluating the size and composition of the board of directors and the committees with a view to ensuring the efficiency of the decision-making process;
- Drawing up succession plans for the Directors and members of the executive committee;
- Appointing and re-electing members of the board of directors and its committees and of the executive committee;
- Evaluating the performance of the board of directors, the committees and its members;
- Drawing up, monitoring and revising continuous training programmes for Directors, tailored to their individual needs.

Maintaining relations between the board of directors and the executive committee:

- Having regular interactions with the CEO;
- Ensuring that relations between the board of directors and the executive committee are professional and constructive in character, in close cooperation with the CEO, with a view to ensuring that Cofinimmo has a sound governance culture.

Representation with respect to the Shareholders:

- Chairing general meetings of shareholders and ensuring that they proceed smoothly;
- Ensuring effective communication with shareholders;
- Assuming the role of key contact for shareholders in all matters falling within the scope of the board of directors.

Relations with external parties: on behalf of the board of directors and in consultation with the CEO:

- Acting as ambassador to certain outside interest groups, notably by attending public events on behalf of Cofinimmo;
- Maintaining contact with external parties (including institutional shareholders and the media) exclusively to address matters falling within the competence of the board of directors, in particular including corporate governance.

2.1.1.5 Functioning of the board of directors

2.1.1.5.1 Procedure for decision-making by the board of directors

Preparatory phase - executive committee

Dossiers to be submitted for decision to the board of directors are prepared by the executive committee.

The Chairman of the board of directors, assisted by the Secretary General, ensures that a complete dossier on any matter falling within its competence is submitted to the board of directors before any commitment is entered into by the Company.

Planning and agenda for meetings of the board of directors

During the current year, the Chairman, in consultation with the CEO, draws up a schedule of meetings of the board of directors for the coming year, which he or she submits to the board of directors for approval.

The board of directors holds at least six meetings a year. The board of directors reviews the Company's strategy in at least one meeting every two years.

The Chairman can convene other meetings whenever the Company's interests require it or whenever at least two directors request it.

The CEO informs the Chairman of the board of directors of progress made concerning matters and dossiers of relevance falling within the province of the board of directors.

The Chairman, in consultation with the CEO and the Secretary General, draws up the agenda of every meeting of the board of directors. The agenda shall indicate if the items are included for information purposes only, for deliberation or for decision.

The Chairman is consulted on any proposal to be submitted to the board of directors. No dossier shall be placed on the agenda of the board of directors without the prior agreement of the Chairman of the board of directors.

In order to ensure the communication of the relevant information concerning the Company's affairs and to allow the Directors to acquire and maintain adequate and continuously updated knowledge of key issues concerning the Company, the board of directors' agenda always contains an item related to the Company's course of business in addition to all the other subjects that are important to the Company.

The last item on the agenda of each meeting shall allow non-executive members to raise points without the executive members being present.

Members of the board of directors are expected to attend all meetings. A Director who is unable to attend may be represented by another Director by means of a proxy. However, no member of the board of directors may represent more than one other member in this way.

The board of directors may invite to its meetings any person whose presence it deems useful.

Notification of meetings - preparation and prior transmission of documents

The members of the board of directors are notified at least five (5) business days before the meeting of the board of directors. However, the notification period may be shorter (i) where the Chairman and CEO so decide jointly owing to unforeseen circumstances or (ii) where the Directors agree to a shorter notification period.

The notification specifies the date and venue of the meeting as well as the items on the agenda.

Information of importance to the Directors for their full understanding of matters to be discussed at the meeting as well as the draft minutes of the previous meeting are distributed in written form to each Director five (5) business days before the meeting, at the same time as the notice.

All documents must be submitted to the Chairman of the board of directors before being distributed to the Directors. Directors are expected to read these documents before the meeting.

Documentation in support of a proposal for a decision to be taken by the board of directors is composed of a dossier containing slides and any other documents that the Chairman and the CEO might consider useful and important for the proper understanding of the Directors.

The presentation to the board of directors must at least address the following points:

- a description of the project;
- the reason for the proposal and its benefit for the Company;
- possible alternatives and their impacts, including ESG dimensions;
- the impact of the decision on the organisation, the budget and the accounts;
- the significant risks related to the project, such as legal, financial and operational risks and, if applicable, risks to reputation;
- a proposal for a resolution to be adopted by the board of directors.

The meeting of the board of directors is chaired by its Chairman or, if he or she is absent, by the longest-serving Director. When two or more Directors have served equally long, the oldest Director chairs the meeting.

Quorum and resolutions

In accordance with the provisions of the Articles of Association, the board of directors can only validly discuss and decide if the majority of its members is present or represented. A new meeting must be called if this quorum is not reached.

The Company shall organise, if necessary and justified (for example due to the fact that various participants are geographically distant from one another), meetings via videoconference, conference call or any other means of communication. Any member of the board of directors may thus, through the means of communication put in place by the Company, participate in the deliberations of the board of directors and vote, while being able to communicate in real time.

The resolutions of the board of directors are taken by a majority vote. In the event of a tie, the Chairman or, in his or her absence, the Director who is replacing him or her, casts the deciding vote.

Written decision-making of the board of directors

Resolutions of the board of directors may be adopted unanimously by the Directors in writing (for example by way of an exchange of e-mail).

Minutes of meetings

The minutes of meetings shall summarise the discussions, indicate the decisions taken and reflect diverging opinions expressed by the Directors. The names of participants shall only appear if expressly requested by the relevant persons.

The draft minutes of each meeting (including, where applicable, meetings held by telephone or videoconference) are distributed as quickly as possible to all members of the board of directors for their comments and approval. The Chairman, assisted by the Secretary General, ensures that these minutes are ready for final approval at the following meeting. The minutes, approved by the board of directors, are signed by the Chairman and those Directors who wish to do so.

2.1.1.5.2 Conflicts of interest

Reference is made to Part IV: “Conflicts of interest policy”.

2.1.1.6 Secretary general

The Secretary General is appointed and removed by the board of directors. The Secretary General assists the board of directors, its committees and their members and the executive committee in fulfilling their roles, responsibilities and obligations, it being understood that the Directors and committee members may, if applicable, also be assisted individually. He or she assists the Chairman of the board of directors with communications between the board of directors, its committees, the executive committee and the shareholders.

The Secretary General has the following duties and responsibilities in particular:

- Ensuring that the Company’s bodies comply with Belgian and European legislation and regulations as well as the Articles of Association and terms of reference;
- Constantly ensuring that the Articles of Association, the terms of reference such as the “Code of good conduct” and the “Corporate Governance Statement” remain relevant;
- Providing specialised advice and information to the Chairpersons of the board of directors and of the committees on developments in the principles of corporate governance and exemplary practice;
 - Acting as the custodian of the Company’s official documents and of all documents containing the resolutions, decisions and discussions of the Company’s decision-making bodies;
 - Running the secretariat of the board of directors and of its committees and of the executive committee;
 - Guaranteeing that the essential points of discussions and decisions of meetings of the board of directors and the committees appear correctly in the minutes;
 - Facilitating initial training and supporting professional development, if necessary;

- Taking charge of the practical and logistical organisation of the meetings of the board of directors, of the committees and of the general meetings of shareholders.

The Secretary General is accountable to the Chairman of the board of directors and the CEO. The latter prepares his or her annual assessment after consulting the Chairman of the board of directors.

2.1.1.7 Committees established by the board of directors

The board of directors may establish specialised committees, from within or outside of the board of directors, in order to guide it on the decisions to be taken, ensure that certain problems are handled correctly by the board of directors and, if necessary, bring certain problems to the board of directors' attention. The board of directors as a whole remains responsible for decision-making, it being understood that the determination of the Company's strategy may never be delegated to a permanent committee.

The board of directors has established:

- an executive committee, as described in Part II, Chapter I, Section 2;
- an audit committee, as described in Part II, Chapter I, Section 3; and
- a nomination, remuneration and corporate governance committee ("NRC Committee"), as described in Part II, Chapter I, Section 4.

The board of directors may create any other committees it deems useful.

After each meeting of a committee the board of directors receives a report on the conclusions and recommendations of the committee, set down in minutes available to the board of directors at all times. At each board of directors meeting, the board of directors hears oral feedback from each committee.

The board of directors shall ensure that each member possesses the independence, skills, knowledge, expe-

rience and capacity required to effectively perform his or her duties.

2.1.1.8 Communication with directors

The Chairman of the board of directors is responsible for ensuring that all information received by the Directors is precise, relevant and clear. Only the Chairman can communicate directly with the members of the executive committee to request additional information. Other Directors submit their questions via the Chairman of the board of directors or, in his or her absence, the CEO.

The board of directors, its Chairman and the committees may take advice from experts, consultants or any other external advisers that they deem useful in the context of the fulfilment of their duties. The appointment of external advisors at the request of the board of directors, the committees or one or more Directors is carried out in accordance with the principles and rules of the Code of good conduct. The offer and acceptance of services are subject to approval by both the Chairman of the board of directors and the Chairman of the audit committee.

2.1.1.9 Evaluation of the performance of the board of directors

The board of directors conducts, under the leadership of its Chairman, regular evaluations of its size, composition and performance and of those of its committees as well as its interaction with the executive committee.

The in-depth evaluation of the board of directors takes place in a cycle of two to three years to allow for an effective implementation of the conclusions and decisions taken. Alternating between an in-depth evaluation with the help of an external expert and an internal evaluation allows the board of directors to question itself and to reflect on its work in a new way. For this in-depth evaluation exercise, the board of directors is assisted by the NRC. For the audit committee and the NRC Committee, the annual self-assessment can lead to prompt actions and reactions.

This evaluation has four objectives:

- appraise the functioning of the board of directors or of the committee concerned;
- verify that important matters are being prepared and discussed adequately;
- evaluate the effective contribution of each Director by their presence at the board of directors and of committees meetings and their constructive involvement in discussions and decision-making process;
- validate the current composition of the board of directors or the committees.

In addition, the board of directors also assesses every five years whether the current one-tier governance structure is still appropriate

The board of directors and the committees make a periodic formal evaluation of their performance and of their collective operation as well those of their members individually. At each board of directors meeting and in the absence of the executive committee members, the non-executive directors discuss topics related to the executive committee and the evaluation of their interactions with the latter. Once a year at least, the non-executive Directors conduct a regular assessment of their interaction with the executive committee.

The evaluation of the performance of the board of directors follows a process jointly put in place by the Chairman of the board of directors and the Secretary General that is followed by the NRC Committee and is subject to a decision by the board of directors. Similarly, at the end of each term of office, the board of directors proceeds with an evaluation of the director under the guidance and with the contribution of the NRC and the assistance of an external consultant. On this occasion, the NRC Committee also reviews the board members' skills/experience grid and ensures that the board's composition continues to be appropriate. When the term of office of an executive committee member comes to an end, this evaluation process takes place at the time of the annual evaluation of the objectives and achievements of the executive committee. The NRC Committee then makes recommendations re-

garding 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 .

The Directors raise by means of a written procedure points for attention. These points are subsequently reviewed by the NRC Committee, which determines points for action.

The Chairmen of the committees submit their annual report (containing a chapter devoted to their individual and collective assessment) to the board of directors in the course of the first quarter of each year.

The Chairman of the board of directors abides by the outcome of the performance assessment, taking into account the strengths and weaknesses of the board of directors and, where applicable, proposing the appointment of new Directors or requesting the resignation of Directors.

2.1.1.10 Representation of the company

Article 17 of the Articles of Association states that the Company is validly represented in all its acts either:

- by two Directors, acting jointly;
- within the limits of the powers conferred on the executive committee (if applicable, through a notarised document published in the Annexes to the Belgian Official Gazette), by two members of this committee acting jointly;
- within the limits of daily management, by two persons to whom daily managerial authority has been delegated, acting jointly.

The board of directors has moreover authorised the executive committee to delegate its powers, under its responsibility and in accordance with the procedures and limits fixed by the executive committee, to one or more representatives of the Company pursuant to a list it draws up and within the limits of the scope of activities and duties it confers on them (if applicable, through one or more notarised documents published in the Annexes to the Belgian Official Gazette).

2.1.1.11 Dialogue with shareholders

The Company is committed to the equal treatment of all shareholders.

The board of directors ensures the quality of the information given to investors and to the public and takes all measures necessary to ensure the integrity and the publication in good time of the financial statements and other significant financial or non-financial information communicated to shareholders and potential shareholders.

All information communicated to shareholders is available and downloadable in PDF format from the Company's website (www.cofinimmo.com).

The Company has created an "Investor Relations" post enabling appropriate communication with existing and potential shareholders and a mutual understanding of the Company's objectives and interests. The board of directors reports on this dialogue at least once annually.

The Chairman of the board of directors performs the role of shareholders' key contact in all matters within the province of the board of directors.

The Company discusses with institutional investors, during the accounting year concerned, the implementation of their policy concerning the exercise of their voting rights and requests that institutional investors and agencies voting in their name provide explanations of their position during votes.

The Company encourages shareholders, in particular institutional investors, to play an important role in the careful assessment of the Company's governance. The board of directors sees to it that the shareholders consider all the significant factors to which their attention is drawn. The general meeting of shareholders is an ideal occasion for shareholders to express themselves through a special box on the proxy forms. Shareholders may moreover write to the Company at info@cofinimmo.be.

2.1.2 The executive committee (terms of reference)

In accordance with Article 13 of the Articles of Association, the board of directors has delegated to the executive committee special limited powers to perform certain acts or a series of acts, without this delegation relating to the Company's general policy or to all of the acts reserved to the board of directors pursuant to other statutory provisions.

The executive committee, under the chairmanship of the CEO, is a decision-making body with collective responsibility and functioning, acting under the supervision and control of the board of directors.

2.1.2.1 Role of the executive committee

The executive committee's role, under the chairmanship of the CEO, is to:

- Propose the Company's strategy including ESG strategy to the board of directors;
- Execute this strategy, including the decisions to acquire or dispose of the rights in rem on properties or the shares of real estate companies or to pledge them.
- Carry out the day-to-day and operational management of the Company and report on it to the board of directors.
- Provide the board of directors in a timely manner with all information necessary for the fulfilment of its responsibilities;
- Ensure fulfilment of its obligations to the board of directors and report to the board of directors.

The members of the executive committee are all effective managers ("*effectieve leiders*" / "*dirigeants effectifs*") in accordance with the RREC Act.

2.1.2.2 Responsibilities of the executive committee

The board of directors has delegated to the executive committee, under the chairmanship of the CEO, the following powers (if applicable by means of one or more notarised documents published in the Annexes to the Belgian Official Gazette):

1. The development of proposals, under the guidance of the CEO, relating to the Company's general strategy (including the effects of this strategy on the assets, segments, budget, long-term plan and allocation of resources) to be submitted for approval to the board of directors. In this context, the executive committee develops strategic proposals on the following questions:
 - financial management, namely the financing strategy, dividend policy and solvency questions;
 - risk management (in particular, the risk appetite);
 - the establishment of a long-term plan;
 - the establishment of a budget (including the investment budget and financial objectives);
 - rules of conduct (including principles of good business conduct);
 - any other matter for which the board of directors or the executive committee esteems that the board of directors should prepare a policy.
2. The negotiation, conclusion, signature, modification and execution of any investment or divestment agreement (in any form whatsoever, such as an acquisition or sale of shares, an acquisition or sale of assets, including in the context of a procurement contract, if applicable, in the form of a public-private partnership or otherwise, and regardless of the means of payment) both in Belgium and abroad:
 - with an acquisition price of less than EUR 50 million;
 - within the operational and geographic sectors defined by the board of directors; and
 - not concerning the acquisition of an operating company (with personnel); and
 - not entailing a partnership with a third-party stake of more than 10%.

Any other investment/divestment project, in Belgium or abroad, must be submitted to the board of directors for approval.
3. The preparation, in a timely manner, of financial statements (abridged, if applicable) in accordance with the accounting standards and valuation rules of the Company and the frequency imposed by the applicable laws or applied on a voluntary basis by the Company, as well as communications related thereto (including all press releases relating to the financial statements), which shall be submitted to the board of directors for approval.
4. The drawing up, preparation and presentation of proposals for the board of directors or its committees on any matter within its powers.
5. The operational management of the Company in the framework of the strategy determined by the board of directors and the regulatory framework, for the matters referred to below. In this regard, the executive committee, both in Belgium and abroad:
 - negotiates, concludes, signs, modifies, terminates and/or executes any agreement relating to commercial (including rights in rem, leases and other occupancy rights), operational or technical (including agreements relating to maintenance, repair works and the like) management of the property portfolio which the executive committee deems relevant;
 - assesses and decides on the appropriateness of bidding for a procurement contract and prepares and signs the tender document;
 - negotiates, concludes, signs, modifies, terminates and/or executes all agreements in the framework of a public-private partnership concluded with public authorities (such as design-build-finance-maintain (DBFM) agreements and similar agreements) and/or private partners or sub-contractors (such as EPC, MPC, interface and other agreements);
 - negotiates, concludes, signs, modifies, terminates and/or executes all documents, agreements or permits relating to the study and realisation of all construction, redevelopment, renovation, improvement, renewal, modernisation, interior and exterior decoration works and in general any operations relating directly or indirectly to the construction sectors;

- negotiates, concludes, signs, modifies, terminates, executes and/or develops all financing (including through the issuance of debt instruments), any agreement granting or lifting (in whole or in part) a (real or personal) guarantee and any agreement linked to hedging instruments in the framework of the financing policy and the hedging policy approved by the board of directors;
- negotiates, concludes, signs, modifies, terminates and/or executes all documents and agreements with consultants and/or external sub-contractors (such as property experts, appraisers, external auditors, real estate agents, etc.);
- negotiates, concludes, signs, modifies, terminates and/or executes all insurance policies, as well as all documents, agreements (including addenda to insurance policies) and instruments related to the conclusion, modification or termination of the Company's insurance policies;
- organises, supervises and manages the support functions and their reporting, namely:
 - human resources, i.e. recruitment, training, remuneration, determination of objectives, the evaluation of personnel (with the exception of members of the board of directors and the executive committee) and internal communication. In particular, the executive committee oversees:
 - the negotiation, conclusion, signing, modification and execution of employment contracts and service agreements;
 - the signing of dismissal letters and the negotiation, conclusion, signing, modification and execution of termination agreements;
 - administrative management of employees (management of fixed and variable remuneration, functions, working time, disciplinary power);
 - if applicable, the management of relations with the employee representative bodies and/or trade unions;
 - the establishment, update and/or modification of all policies relating to the GDPR.
 - legal and tax matters. In particular, the executive committee oversees and ensures:
 - the choice of external advisors based on the nature and scope of services required having regard to the experience of the advisors;
 - the negotiation, conclusion, signing, modification and/or execution of contracts with external advisors;
 - the handling of requests for information from the tax authorities and the signing of all documents, contracts, commitments or declarations with the federal, regional, provisional and municipal tax administrations;
 - the lodging of all claims and legal proceedings (summons, attachment order, complaint, opposition, appeal, Supreme Court appeal, withdrawal of proceedings, etc.);
 - the management of litigation in which the Company is involved including the power to settle a dispute for an amount of EUR 50 million.
- the internal audit, compliance and risk management functions. In particular, the executive committee ensures:
 - the organisation of adequate internal control;
 - the taking of necessary measures to be able to have at all times an adequate independent internal audit function;
 - the taking of necessary measures to be able to have at all times an adequate independent compliance function intended to ensure compliance by the Company, its Directors, effective managers, employees and representatives with rules of law relating to the integrity of the Company's activity;
 - the presence of an adequate risk management function and the development of an appropriate risk management policy;
 - the development of an adequate integrity policy which is updated regularly.
- external communication (both financial and non-financial), i.e. ensuring the best communication possible with all external stakeholders. In particular, the executive committee is in charge of:
 - the publication of press releases;
 - the preparation for general meeting s (without prejudice to the power of the

- board of directors to convene the general meeting and to approve the special reports of the board of directors for submission to the general meeting);
 - relations with the FSMA, Euronext and other relevant supervisory authorities (both Belgian and foreign); and participates directly, if necessary, in the activities of the Communications and Investor Relations departments related to all matters listed in point 5.
 - information technology. In particular, the executive committee,
 - defines the Company's IT and telecommunication policy and needs;
 - negotiates, concludes, signs, modifies and/or executes all agreements, deeds, licenses and other documents in the framework of information and communication technologies, the integration of these technologies into the Company's systems (including the acquisition, in any form whatsoever, of products (software, hardware and electronic equipment) and services related to the latter).
6. The proper organisation and functioning of the Company and companies in its consolidated group and the supervision of their activities (if applicable, through the introduction of reporting processes, identification, management and control of the main risks), the creation of companies within the Company's consolidated group in any jurisdiction (including the nomination, appointment and removal of members of the corporate organs of these consolidated companies) and modification of the group structure (mergers, divisions, intragroup transfers of assets, transfer of registered offices, etc.) in the framework of the strategy defined by the board of directors and the applicable regulatory framework.
7. Making available to the board of directors in a timely manner all information necessary for the performance of its obligations and the communication of regular reports on the execution of its own duties.

8. Implementation of decisions delegated to it by the board of directors.

9. Formulation of recommendations to the board of directors on any other subject related to the points listed above which it deems useful.

The executive committee has delegated its powers, under its responsibility and in accordance with the procedures and limits fixed by it, to one or more representatives of the Company in accordance with a list drawn up by it and within the limits of the scope of activities and assignments conferred on them, if applicable by means of one or more notarised documents published in the Annexes to the Belgian Official Gazette.

2.1.2.3 Commitments and contributions

The members of the executive committee undertake to serve the long-term interests of the Company and to respond appropriately to the concerns expressed by the general meeting of shareholders and other stakeholders, such as employees, clients, communities and supervisory authorities (in particular the FSMA).

The members of the executive committee shall call upon their knowledge and experience and express their opinions, ask questions and make the recommendations they deem necessary or desirable with complete independence. In particular, they shall share with the executive committee all information in their possession that could be relevant to the Company. In the case of sensitive or confidential information, the members of the executive committee shall consult with the Chairman of the executive committee.

The members of the executive committee are bound by a duty of confidentiality concerning all information obtained in the performance of their functions and are prohibited from using information received in their capacity as members of the executive committee for purposes other than the exercise of their functions.

The members of the executive committee are expected to display the highest degree of integrity and personal and professional probity and adhere to the Company's

policies on integrity and ethics as set out in the Code of good conduct.

2.1.2.4 Composition of the executive committee

The executive committee is composed of at least three members, at least two of whom must be Directors.

The members of the executive committee are appointed by the board of directors, based on a proposal by the Chairman of the board of directors and the NRC Committee.

2.1.2.5 The chairman of the executive committee & ceo

The CEO chairs the executive committee.

The responsibilities of the Chairman of the executive committee & CEO are as follows:

- To ensure executive responsibility in the conduct of activities;
- To oversee, direct and organise the smooth functioning of the executive committee;
- To promote a corporate culture characterised by strict ethical standards, complete individual integrity and a great sense of responsibility;
- To communicate Cofinimmo's values and, through its conduct, inspire the conduct of Cofinimmo's staff;
- To give direction, support and advice to the other members of the executive committee in fulfilling their individual operational responsibilities;
- To set the objectives of the members of the executive committee, evaluate their performance and formulate proposals for their remuneration to the NRC Committee;
- To act as Cofinimmo's main spokesperson to the outside world;
- To maintain permanent communication and dialogue, in an open and positive climate, with the Chairman of the board of directors;
- To report to the board of directors on the main initiatives and decisions taken by the executive committee in exercising its functions;
- With the Chairman of the board of directors and the Secretary General, to prepare the agenda of the board of directors and to examine with them all questions in all areas with a view to obtaining the

information and guidance necessary to harmonious relations between the executive committee and the board of directors.

2.1.2.6 Functioning of the executive committee

1. Planning, agenda and participation in executive committee meetings

The executive committee meets when convened by its Chairman, in principle every week on Monday or, failing that, on the date fixed at the previous meeting. It can, if needs be, be convened at any other time by the Chairman or if at least two members express a wish for it to be convened.

The executive committee deliberates on the basis of dossiers containing all the information necessary for decisions to be made and of which every member has previously received a copy.

The executive committee may invite to its meetings any person whose presence it deems useful.

2. Quorum and resolutions

The executive committee may only validly deliberate and decide if the majority of its members are present or represented. If a member cannot be present, he or she may be represented by another member by letter, fax or e-mail. A member may only represent one other member. Meetings may also be held by any other means of communication, such as telephone or videoconference.

A new meeting must be called if the quorum is not met or if the Chairman of the executive committee is not present or validly represented by another member of the executive committee.

The executive committee operates as a collective body and its decisions are taken on the basis of consensus among its members, who have collective responsibility for these decisions. Where appropriate, the Chairman of the executive committee may, at his or her own initiative or at the request of two other members, submit the question debated to a vote. The decision shall then be adopted by a majority of the votes cast by all members present [or represented]. In the event of a tie vote, the Chairman casts the deciding vote.

3. Minutes of meetings

A secretary is responsible for the secretarial work of the executive committee and for preparing the minutes of meetings. These minutes set out the different points of view expressed at the meeting as well as the final position adopted by the executive committee.

Dossiers relating to the agenda are held centrally and distributed by the secretary of the executive committee.

The minutes signed by the Chairman of the executive committee are held at the disposal of the executive committee members at the general secretariat. A copy of the minutes is forwarded to the Chairman of the board of directors for information purposes.

4. Report on activities

At each meeting of the board of directors, the CEO or the other members of the executive committee report to the board of directors on important aspects of the day-to-day management. The CEO provides to the Chairman of the board of directors, on an ongoing basis, all significant information relating to any of the matters listed below, and reports on these matters to the board of directors at each of its meetings (non-exhaustive list):

- Developments affecting the Company's activities and any changes in its strategic context;
- The financial forecasts and results of the Company and the group companies as well as an assessment of its financial position;
- The main current or potential disputes; and
- Regular follow-up of all questions falling within the province of the board of directors.

2.1.2.7 Setting the objectives and assessing the performance of the executive committee

Each year, the board of directors, acting on a proposal by the NRC Committee, sets the objectives of the members of the executive committee for the coming financial year and assesses their performance for the past year. This assessment serves among other things to decide on the award, wholly or in part, of the variable portion of their annual remuneration.

Under the direction of the NRC Committee and the Chairman, the board of directors assesses at least once a year the size, composition, performance and interaction with the board of directors.

This assessment has four objectives:

- Judging the working of the executive committee;
- Assessing the effective contribution of each member of the executive committee;
- Checking how far the objectives have been achieved and,
- Checking if the current composition of the executive committee corresponds to that which is desirable.

The assessment of the executive committee is conducted in accordance with a process established by the NRC Committee and approved by the board of directors. It is included as an item for decision in the agenda of the board of directors.

2.1.2.8 Representation of the company by the executive committee

Reference is made to Part II, Chapter 1, section 1, 2.1.1.10, "*Representation of the Company*".

2.1.3 The audit committee (terms of reference)

2.1.3.1 Composition of the audit committee

The audit committee comprises at least three members. All members are non-executive Directors, of whom at least the majority are independent within the meaning of the 2020 Code. They are appointed by the board of directors on the proposal of the Chairman of the board of directors, after consulting the NRC Committee, for a four-year term of office. However, this term may be extended by a maximum of two further consecutive four-year periods, provided the members continue to satisfy the independence criteria.

The board of directors guarantees continuity within the audit committee by operating a policy of partial renewal of its members. To this end, it may appoint certain members for a shorter period. The board of directors may remove committee members from office prior to expiry of their term.

The Chairman of the audit committee must be an independent Director. The Chairman of the board of directors may not chair the audit committee but, along with the other members of the board of directors, has a permanent invitation to attend all of its meetings.

The Chairman of the audit committee is appointed by the members of the committee. The members of the audit committee have collective competence in the Company's business area. At least one member has accounting and auditing competences.

Where a member of the audit committee no longer holds the office of Director, this automatically results in the termination of his or her term of office in the audit committee.

2.1.3.2 Roles of the audit committee

Without prejudice to the statutory tasks of the board of directors, the audit committee assists the board of directors with the performance of its follow-up responsibilities in terms of control (oversight) in the broadest sense, including risks. The audit committee performs the tasks set out in Article 7:99, §4 CCA. Furthermore,

it reviews the reports prepared by the Company in relation to Corporate Social Responsibility.

The audit committee regularly reports to the board of directors on the performance of its tasks, at least when it prepares the annual accounts, consolidated accounts and, where applicable, summary financial statements intended for publication.

2.1.3.3 Responsibilities of the audit committee

The audit committee's audit task and the related reporting obligation concern both the Company and all its group companies.

In carrying out its remit, the audit committee has the following duties:

1. Financial and non-financial Reporting

- Supervising the integrity of the financial statements and press releases relating to Cofinimmo's financial performance, with particular emphasis on:
 - any changes to the valuation rules and related accounting principles/procedures;
 - important points connected with a value judgement by management;
 - amendments requested by the statutory auditor;
 - compliance with accounting standards and the legal and regulatory provisions applicable, in particular, to listed companies.
- Examining any other published document, including documents relating to non-financial reporting, and checking that the information it contains is accurate and consistent with the information contained in the statutory and/or consolidated annual financial statements;

Examining with the executive committee and, where applicable, the external auditor, the interim financial statements as well as any financial communication or publication intended for the shareholders, analysts and/or the general public.

2. Internal control - Risk management and compliance

- Making sure that the appropriate risk management and control systems have been set up, and proposing possible options to mitigate the risks identified as being significant and monitoring the proper functioning thereof;
- Examining the information about internal control and risk management mechanisms published in the annual report;
- Reviewing at least once a year the assessment of the major risks (and mitigating factors) prepared by the executive committee;
- Examining the results of any investigation undertaken within the Company as a consequence of fraud, errors or for any other reason, and the decisions taken by the executive committee on these occasions and, where applicable, formulating its own recommendations;
- In the event of a conflict of interest, ensuring in particular that the legal provisions and regulations in force, as well as the Corporate Governance rules, are rigorously applied within the board of directors or the committees;
- Examining and approving specific arrangements that the Company's staff may use to communicate in a confidential manner their concerns about any irregularities relating to the preparation of financial information or other matters;
- Examining the effectiveness of the systems put in place to ensure compliance with all legal and regulatory provisions and with the Code of good conduct ;
- Employees may inform the Chairman of the board of directors and/or the Chairman of the audit committee directly about any irregularities in financial reporting or other matters. The relevant Chairman/Chairmen shall ensure that such information is properly processed. If necessary, at the request of the Chairman of the board of directors and/or the Chairman of the audit committee, the audit committee shall conduct an investigation proportional to the seriousness of the irregularities reported.

3. Internal audit

- Examining proposals by the executive committee concerning the appointment and replacement of the Head of Internal Audit;
- Examining on a regular basis the effectiveness of the Internal Audit function, as outlined below in the Internal Audit terms of reference, in particular by analysing the operating procedures, scope and relevance of the Internal Audit and the respect for authority by those audited; deciding on changes to the Internal Audit terms of reference to be submitted to the board of directors;
- Examining the scope of the audit work and plans, including the respective specific audit tasks of the internal auditor and the statutory auditor; guaranteeing the coordination of auditing activities to promote comprehensive coverage of the work while avoiding duplication of efforts, particularly between the Internal Audit function and the statutory auditor;
- Holding a private meeting with the internal auditor, where no representative of the executive committee is present, at least once a year. The internal auditor and management controller have the status of key contacts of the audit committee. In this capacity, they have access to the audit committee on their own initiative whenever they so wish.

4. External auditing: the statutory auditor

- Supervising the procedure for selecting and appointing the statutory auditor and ensuring its compliance with the law;
- Formulating recommendations to the board of directors concerning the appointment of the Company's statutory auditor or the renewal of its term of office, the amount of its remuneration and, where applicable, its removal. This recommendation shall include at least two possible choices for the task of statutory auditor, with a reasoned preference for one of the two;
- Checking and approving the nature and scope of the authorised non-audit additional services provided by the statutory auditor, the persons with whom the statutory auditor has entered into an

employment contract or with whom it has professional collaborative relationships as well as the members of the network to which the statutory auditor belongs and the companies or persons associated with the statutory auditor. The audit committee issues, where applicable, guidelines regarding non-audit services pursuant to Article 3:63 §4 CCA. The statutory auditor shall inform the audit committee each year of the additional services provided to the Company.

- Where applicable, reviewing with the statutory auditor the risks to its independence and the safeguards applied to mitigate these risks, particularly where the fee thresholds for authorised non-audited services are exceeded.
- Analysing the additional report sent by the statutory auditor to the audit committee.
- Checking the independence of the statutory auditor and its governing bodies by means of the annual declaration sent by the statutory auditor to the audit committee.
- Analysing issues and reservations arising from the work of the statutory auditor and any other matter that the latter might wish to address, where necessary, in the absence of members of the executive committee.
- Examining the scope of the work and the respective audit plans of the internal auditors and the statutory auditor.
- Holding a private meeting with the external auditor, if the latter wishes to, where no representative of the executive committee is present, at least once a year.

5. ESG

- Examining and supervising the realisation of the ESG objectives indicators and more in particular the KPIs in environmental and social matters (the Governance matters being handled by the NRC committee).

6. Other

- Formulating recommendations to the board of directors in matters falling within the province of the audit committee
- Accomplishing any other tasks assigned to it by the board of directors.

2.1.3.4 Functioning of the audit committee

1. Planning, agenda and participation in meetings

The audit committee meets as often as is necessary for the performance of its duties and in any case at least four times a year.

Extraordinary meetings may be convened by the Chairman, whenever the need is felt or at the request of one of its members, the statutory auditor, the internal auditors or the executive committee. Members are expected to attend all the meetings of the committee.

The Chairman of the audit committee, in consultation with the CEO, draws up the agenda for each meeting of the audit committee. The executive committee or one of its members may ask the Chairman of the audit committee to add an item to the committee's agenda.

Subjects relating to the audit plan and any problem arising from the audit process are placed on the agenda of each meeting of the audit committee and are specifically discussed with the internal and external auditors at least once a year.

The audit committee ensures that free and open communications exist with the executive committee. It may invite to its meetings any person whose presence it considers may be useful.

2. Notice of meetings and prior transmission of documents

In principle, members are notified at least five (5) business days before the committee meeting. However, the notification period may be shorter (i) where the Chairman of the audit committee so decides owing to unforeseen circumstances or (ii) where all the members agree to this shorter notification period.

The notice states the date and venue of the meeting as well as the agenda.

The Company may organise, if necessary and justified, meetings by means of videoconference, conference call or any other means of communication

At the request of the Chairman of the audit committee, information and data of vital importance to the proper understanding of the matters to be discussed at the meeting are prepared by the executive committee or by any other person designated by the Chairman of the audit committee and reviewed by the latter. This documentation and the draft minutes of the previous meeting are distributed in written form to each member before the end of the week preceding the meeting. The members are expected to have examined the documents before the meeting. Matters that are too delicate to put in writing will be explained at the meeting, with full disclosure of the circumstances.

The Chairman of the audit committee is responsible for ensuring that all information received by the members is accurate, complete and clear. The executive committee has an obligation to provide all necessary information, but the audit committee can request any clarification that it wishes.

Between committee meetings, only the Chairman of the audit committee may communicate directly with members of the executive committee to request additional information. The other members can submit their questions via the Chairman.

3. Resolutions

The resolutions of the audit committee are adopted by a majority vote. In the event of a tie, the Chairman casts the deciding vote.

The audit committee may invite to its meetings or to part of these meetings the external auditor, the internal auditor, the management controller, the Finance Director as well as any other member of the executive committee or of the Company's staff.

4. Minutes of meetings

The Secretary General, or a person designated by him or her by joint agreement with the Chairman of the audit committee, has responsibility for the secretariat of the audit committee and for preparing the minutes of meetings. These minutes set out the different points of view expressed at the meeting as well as the final position adopted by the committee. A copy of the minutes is forwarded to the executive committee.

The minutes are kept at the disposal of the statutory auditor at the General Secretariat.

The minutes of the audit committee are appended to the minutes of the board of directors and form an integral part of the documentation sent to the Directors.

5. Report on activities

The audit committee communicates its conclusions, recommendations and/or proposals to the board of directors after each meeting.

Furthermore, under the direction of its Chairman, the committee submits to the board of directors an annual report on its activities. This report comprises an assessment of the committee's performance in terms of carrying out its term of office, its smooth operation and the contribution by each of its members.

2.1.3.5 Powers of the audit committee

The audit committee has unlimited access to all information and can contact any member of the Company's staff. All members of the executive committee and all employees of the Company are obliged to cooperate with the audit committee.

All contacts with members of the executive committee or the staff are channelled through the Chairman of the audit committee.

The audit committee has the widest powers that it deems necessary for the accomplishment of its remit: accordingly, it may, on its own initiative, organise any inquiries in the Company and may take advice from outside experts and invite such experts to its meetings should it consider this necessary.

The Chairman of the audit committee ensures that the board of directors is informed of the expected and actual cost of any external assignment that the audit committee decides to undertake.

2.1.4 The nomination, remuneration and corporate governance committee (terms of reference)

2.1.4.1 Role of the nrc committee

The role of the nomination, remuneration and corporate governance committee (the "**NRC Committee**") is to assist and advise the board of directors in all matters relating to the composition of the board of directors, its committees and the executive committee, the methods and criteria for appointing and recruiting Directors and members of the executive committee, the policy and techniques for remunerating Directors and members of the executive committee as well as in matters relating to Corporate Governance.

2.1.4.2 Responsibilities of the nrc committee

In carrying out its remit, the NRC Committee has the following functions and responsibilities:

1. Appointments

- Evaluating the optimum size and composition of the board of directors and its committees and of the executive committee. In its considerations and deliberations, the NRC Committee regularly takes account of the desirable balance in the composition of the board of directors, having particular regard to changes in the Company shareholders' structure and whether or not it is opportune to renew directorships.
- The committee ensures that terms of office are staggered so as to ensure that they do not all end simultaneously and so promote a smooth process of renewing the Directors' terms of office. As far as possible, it undertakes at all times to be in a position to propose to the board of directors solutions for filling foreseeable vacancies.
- Managing the process of seeking persons with the qualifications required for appointment as a Director, conducting a proper assessment of all potential candidates and submitting a list of selected candidates to the board of directors, accompanied by an assessment. If the board of directors rejects a proposed candidate it shall return the dossier to the committee, which shall then propose new names.
- The purpose of the NRC Committee is to propose candidates presenting the greatest personal and professional integrity and ethics, with excellent professional competences and best suited to serving the Company's long-term interests within the collective framework of the board of directors.
- Overseeing the process for the re-election or succession of the Chairman of the board of directors.
- Assessing potential candidates for posts in the executive committee and submitting recommendations to the board of directors for the appointment or removal of members of the executive committee. For the appointment or removal of the CEO, the NRC Committee bases its recom-

mentation on a proposal by the Chairman of the board of directors stating the full reasons; for the appointment or removal of the other members of the executive committee, its recommendations are based on a proposal stating the full reasons, prepared by the CEO in consultation with the Chairman of the board of directors

- Assessing the efficacy of the board of directors and the committees.
- Ensuring that adequate talent development programmes and programmes to promote diversity are put in place.

2. Fees and remuneration

- Proposing the remuneration to be paid to the Directors. The NRC committee will submit its proposals to the board of directors which, if it approves them, will submit them to the general meeting of shareholders.
- Proposing a remuneration policy for the CEO and other members of the executive committee to be referred to the board of directors.
- Determining the performance objectives of the CEO and the other members of the executive committee; assessing the performances of the CEO and the other members of the executive committee in relation to their targets. In order to determine the objectives and assessment of the CEO, the NRC Committee bases its recommendations to the board of directors on a proposal by the Chairman of the board of directors stating the full reasons; in order to determine the objectives and assessment of the other members of the executive committee, it bases its recommendation on a proposal prepared by the CEO in consultation with the Chairman stating the full reasons.
- Evaluating and examining the remuneration, any benefits and any arrangements for severance pay for the CEO and other members of the executive committee. All components of the remuneration will be taken into account, and likewise the principles governing allocation of the fixed and variable portions, criteria governing the basis of assessment and allocation of variable portions, and rules on the allocation of stock options and stock-units,

where applicable. The NRC Committee will submit a proposal to the board of directors for a decision concerning the remuneration to be paid to the CEO and other members of the executive committee

3. Governance

- Assisting and advising the board of directors in governance matters such as :
 - governance structure ;
 - board composition
 - board evaluation
 - governance charters, rules and policies including also articles of associations
 - governance tendencies and best practices
- Formulating recommendations to the board of directors in governance matters in general.

4. Other

- Carry out all tasks assigned to it by the board of directors.

2.1.4.3 Composition of the nrc committee

The NRC Committee shall be comprised of at least three members. All members are non-executive Directors, of whom at least the majority are independent within the meaning of the 2020 Code. They are appointed by the board of directors based on the proposal of the NRC Committee, for a four-year term of office. This term may be extended by a maximum of two further consecutive four-year periods, provided the members continue to satisfy the independence criteria.

The board of directors shall ensure sufficient continuity within the NRC Committee by pursuing a policy of partial renewal of its members. To this end, it may appoint certain members for a shorter period. The board of directors may remove committee members from office before their term of office expires.

The Chairman of the NRC Committee is nominated by the board of directors.

When a member of the NRC Committee no longer holds the office of Director, his or her term on the committee automatically terminates.

2.1.4.4 Functioning of the nrc committee

1. *Planning, agenda and participation in meetings*

The NRC Committee meets as often as necessary to perform its duties and in any case at least twice a year. Extraordinary meetings may be convened by its Chairman, where the need arises or at the request of one of its members. Members are expected to attend all the meetings of the committee.

The Chairman of the NRC Committee, in consultation with the Chairman of the board of directors, prepares the agenda for each meeting.

The executive committee or one of its members may ask the Chairman of the NRC Committee to add an item to the agenda.

The Chairman of the NRC Committee ensures that free and open communications will be maintained with the executive committee. He or she may invite to its meetings any person whose presence he or she deems useful.

2. *Notice of meetings and prior transmission of documents*

In principle, members are notified at least five (5) business days before the committee meeting. However, the notification period may be shorter (i) where the Chairman of the committee so decides owing to unforeseen circumstances or (ii) where all the members agree on a shorter notification period.

The notice states the date and place of the meeting as well as the agenda.

The Company may organise, if necessary and justified, meetings via videoconference, conference call or any other means of communication.

At the request of the Chairman of the NRC Committee, information and data of vital importance to the proper understanding of the matters to be discussed at the meeting are prepared by the executive committee or by any other person designated by the Chairman of the NRC Committee and reviewed by the latter. This documentation and the draft minutes of the previous meeting are distributed in written form to each member before the end of the week preceding the meeting. The members are expected to have examined the documents before the meeting. Matters which are too delicate to put in writing will be explained at the meeting, with full disclosure of the circumstances.

The Chairman is responsible for ensuring that all information received by the members is precise, complete and clear. The executive committee has an obligation to provide all necessary information and the NRC Committee can request any clarification that it wishes, should the need arise.

Between committee meetings, only the committee Chairman may communicate directly with the executive committee to request additional information. The other members can submit their questions via the Chairman.

3. *Resolutions*

The NRC Committee may invite to its meetings, or to part of these meetings, the Human Resources Manager as well as members of the executive committee or of the Company's staff.

The resolutions of the NRC Committee are adopted by a majority of the votes cast. In the event of a tie, the Chairman casts the deciding vote.

The Chairman of the board of directors does not preside over the NRC Committee when this committee is deliberating on the chair's successor.

4. Minutes of meetings

The Secretary General or a person designated by him or her by joint agreement with the Chairman of the committee is responsible for the secretariat of the NRC Committee and for preparing the minutes of its meetings. These minutes set out the different points of view expressed at the meeting as well as the final position adopted by the committee.

The minutes are kept at the disposal of all members of the board of directors at the general secretariat.

5. Report on activities

The NRC Committee communicates its conclusions, recommendations and/or proposals to the board of directors after each meeting. Furthermore, under the direction of its Chairman, the committee shall submit to the board of directors an annual report on its activities. This report shall comprise an assessment of the committee's performances with respect to accomplishing its remit, whether it has operated satisfactorily and the contribution by each of its members.

2.1.4.5 Powers of the nrc committee

The NRC Committee has unlimited access to all information relating to corporate matters, including the individual files of Directors and members of the executive committee and of the personnel in general. It may contact consultants and any other agencies instructed to recruit a member of the management or to select a board Candidate in order to obtain any relevant information. Every member of the executive committee and all Company employees are bound to cooperate with the NRC Committee.

The NRC Committee has the broadest powers it deems necessary for the fulfilment of its tasks: at its initiative, it may collect any useful information from the head of human resources, seek advice from outside specialists at the Company's expense and invite such specialists to attend meetings, insofar as it considers such measures necessary.

The Chairman of the NRC Committee ensures that the board of directors is informed of the expected and actual cost of any external assignment decided on by the Committee.

2.1.5 The management team

The executive committee is assisted by a team of managers. Each manager reports directly to a member of the executive committee, takes on specific management responsibility and surrounds himself or herself with competent employees.

2.2 STRUCTURE RELATING TO CONTROL OF THE COMPANY

2.2.1 Internal control of the Company

In accordance with the RREC Legislation, the Company:

- must organise adequate internal control, the functioning of which is assessed at least once a year.

The RREC RD specifies what is meant by adequate internal control: *"The internal control system is adequate when it ensures, in particular, with reasonable certainty, the achievement of the following: orderly and prudent business conduct, with well-defined objectives; economic and efficient use of the resources committed; adequate knowledge and control of risks with a view to protecting the assets; the integrity and reliability of financial and management information; compliance with the laws and regulations as well as with general internal policies, plans and procedures"*.

- takes the measures needed to have an adequate independent internal audit function at all times;
- takes the measures needed to have an adequate independent compliance function at all times.

The RREC RD specifies what is meant by adequate compliance function: *"The compliance function is adequate when it ensures, with reasonable certainty, that the public regulated real estate company, its directors, effective managers, employees and agents comply with the legal rules relating to the integrity of PRREC activity"*.

- must have an adequate risk management function and an appropriate risk management policy.

2.2.1.1 The executive committee

As the members of the executive committee are all effective managers, they are responsible, under the supervision of the board of directors, for putting in place adequate internal controls (systems for identifying, assessing, managing and monitoring financial and other risks), based on the reference framework approved by the board of directors and for reporting, at least once a year, on the assessment of the internal control and risk management system to the board of directors, the FSMA and the statutory auditor.

2.2.1.2 The Audit Committee

The tasks, role, responsibilities and organisation of the audit committee are outlined in Part II, Chapter I, Section 3.

The audit committee regularly reports to the board of directors on the performance of its tasks, at least when it is preparing the annual accounts, consolidated accounts and, where applicable, summary financial statements intended for publication.

The audit committee also regularly reports to the board of directors on the performance of its tasks by identifying the issues where it considers action or improvement is necessary and by making recommendations regarding the measures to be taken.

“As the members of the executive committee are all effective managers, they are responsible, under the supervision of the board of directors, for putting in place adequate internal controls

2.2.1.3 Internal Audit

An Internal Audit function is set up within the Company.

1. Tasks of the Internal Audit function

In coordination with the auditors, the Internal Audit function essentially consists of examining and assessing the existence and smooth functioning, effectiveness and relevance of the internal control system and of making proposals for its improvement in accordance with a recognised reference framework (e.g. COSO).

The implementation and proper functioning of the internal control system, i.e. the first-level control, is the responsibility of the Company's management, with Internal Audit exercising second-level control.

Internal Audit therefore carries out analyses and evaluations, issues recommendations, opinions and information regarding the activities examined, and assists the heads of the business lines and departments in the performance of their responsibilities without, however, taking their place.

Internal Audit's task is in line with the Corporate Governance rules applicable within the Company.

2. Objective and scope of Internal Audit activities

The Internal Audit must highlight any deficiencies in the internal control mechanisms, the risks that these deficiencies entail, both in the achievement of the Company's objectives and in its functioning, as well as the options for remedying them. In this context, Internal Audit endeavours, taking into account the Company's objectives, to inform and raise management's awareness about the implementation and exercise of internal control, thereby enabling it to better control the activities for which it is responsible and the risks related thereto. Internal Audit makes recommendations and monitors their implementation, taking into account the pace at which the Company is able to assimilate these recommendations.

The Internal Audit function thus constitutes a partner which cooperates with management in the framework of controlling the risks associated with the Company's various business lines and activities, it being understood that full responsibility for the implementation and smooth functioning of internal controls rests with management.

The Internal Audit function is responsible for informing and raising the awareness of the Company's management regarding:

- compliance with terms of reference and procedures;
- risk control, including Social and Governance matters;
- the effectiveness of the internal control;
- opportunities to improve processes and their effectiveness;
- protecting assets;
- the reliability of information channels; and
- the more general aspect of conducting business in accordance with the internal rules.

In the latter case, it is not a matter of expressing an opinion on the appropriateness of decisions, but of determining whether they have been taken at the appropriate level, on the basis of accurate and impartial information, and whether they comply with the existing internal rules and the relevant laws and regulations.

The audit committee determines Internal Audit's programme based on a multi-year plan proposed by Internal Audit and submitted beforehand to the executive committee. This multi-year plan is reviewed annually on the basis of the results of the tasks carried out, adjustments to the Company's objectives, new risks identified and the demands of the audit committee.

The audit committee may at any time entrust Internal Audit with any task that it deems necessary in the interest of the Company.

3. Responsibilities and tasks of the Internal Audit function

It is the responsibility of the Internal Audit function to assess how internal control is organised in order to highlight any deficiencies, the risks that these deficiencies involve and the options for remedying them.

As such, it is its responsibility to address:

- The existence, implementation and smooth functioning of internal procedures.

In this context, it endeavours to verify and assess:

1. The existence of procedures, which form the basis for good internal control:
 - if procedures do not exist, the auditor endeavours to have them developed and implemented by the relevant managers.
 - if procedures exist, it ensures that they are up to date and seeks to improve them.
2. The correct application of internal procedures:
 - it verifies the knowledge, understanding and dissemination of these.
 - it ensures that the conduct of operations complies with the procedures, that the management complies with ethics and integrity, and that the controls are effectively performed within each of the business lines and departments.
3. The analysis and control of risks associated with the operations carried out by the Company. More specifically, it ensures the procedures according to which these risks are accepted and managed as well as compliance with the limits which are laid down in these areas.
4. The analysis of expenditure and investments. In particular, it seeks to verify the conditions under which contracts are entered into as well as the justification of expenses, whether these are personnel costs, other overheads or investments.

- The review of the Company's internal organisation and administrative efficiency.
- The Internal Audit may, either at the request of the audit committee or the executive committee or at its own initiative, review all situations calling into question the structures, commitments, profitability, productivity, people and management methods.
- The proper conduct of the investigation or special investigation tasks.

The Internal Audit function may carry out special tasks requested by the audit committee or the executive committee or when incidents of a suspicious or fraudulent nature require in-depth investigation, incidents which must be referred to Internal Audit immediately by the responsible hierarchical level.

4. Appointment of the Internal Audit function

The Internal Audit function is, as a rule, appointed by the executive committee or by the board of directors, where applicable.

5. Authority of the Internal Audit function

- The Internal Audit function has access, without any restriction, subject to legal or regulatory prohibitions, to information, documents and tangible assets (buildings, installations) or intangible assets (files, software).
- It may ask any person for the information it deems essential for the performance of its tasks.
- In this context, it may, without restriction, consult the minutes of all management bodies, any memos relating to the functioning of the Company, any organisational or procedural memos as well as any correspondence.
- It shall also be informed, in good time, of any business expansion or the opening of any new entity so that it can check in advance that the internal control within them is duly provided for and that risk management is ensured.

6. Independence of the Internal Audit function

To enable the Internal Audit function to perform its duties and assume its responsibilities in accordance with the rules established by the Institute of Internal Audi-

tors, its independence is respected by all levels of the Company.

In order to preserve its autonomy, independence and impartiality, which are essential for the performance of its task, Internal Audit reports hierarchically to the Chairman of the executive committee, with whom it meets regularly, with the audit committee functionally being its reference authority. It shall report to the audit committee at least three times a year. When it deems it necessary, Internal Audit shall have direct access to the Chairman of the audit committee.

The Internal Audit function has no operational responsibility, nor the power to impose its recommendations. The executive committee is responsible for implementing the recommendations made by Internal Audit. Through its opinions, suggestions or recommendations, Internal Audit therefore strives to help management implement and exercise this control, thereby enabling it to better control the activities for which it is responsible and to control the risks relating thereto. The heads of department are therefore fully responsible for the smooth functioning of the internal controls.

7. Competencies of the Internal Audit function

The Internal Audit function must ensure that sufficient competencies are acquired and developed within Internal Audit through:

- adequate training of staff, for example in more complex technical areas and the use of technological tools, by using appropriate common practices and developing interpersonal skills such as effective communication;
- appropriate techniques, such as benchmarking, to identify and adopt the appropriate means for its tasks;
- the use of specialists when the area to be audited requires specific skills.

The Internal Audit is organised on the basis of operating and ethical rules, and complies with the international standards for the professional practice of Internal Audit of the Institute of Internal Auditors ("IIA").

2.2.1.4 The Compliance function

1. Definition

The Compliance function is an internal, independent and permanent function of the Company, responsible, among other things, for ensuring that the Company complies with this CG Charter and, more generally, that it complies with all the legal and regulatory provisions in force which are applicable to the Company.

2. Purpose of the Compliance function

The purpose of the Compliance function is to (*non-exhaustive list*):

- ensure compliance with the laws and regulations applicable to the Company;
- ensure compliance with this CG Charter;
- identify and assess the Compliance risk to which the Company is exposed;
- ensure compliance with the rules on conflicts of interest;
- ensure compliance with the rules on integrity policy (the Code of good conduct);
- ensure compliance with the rules on market abuse and, in particular, the procedures put in place by the Company to prevent market abuse (the Dealing Code);
- ensure that the internal procedures and measures concerning compliance are effective and adequate;
- ensure the principle of incompatibility of terms of office (e.g. assessment of Directors' independence);
- ensure that the Internal Auditor is informed of any suspected fraud, misappropriation or corruption of which it becomes aware.

3. Appointment of the Compliance Officer

The Compliance Officer is appointed by the executive committee (or by the board of directors, where applicable), which generally appoints the Secretary General as the Compliance Officer.

The Compliance Officer may designate one or more colleagues, preferably with several years' experience with the Company, to carry out or assist with the performance of the duties of Compliance Officer.

4. Independence of the Compliance Officer

The Compliance Officer is completely independent.

He or she reports on a regular basis to the Chairman of the audit committee and reports hierarchically to the CEO.

He or she is required to inform the CEO in the event of an actual or potential conflict of interest that could compromise the objectivity or independence of the Compliance function.

He or she can contact the Internal Auditor, the CEO, the Chairman of the board of directors, the audit committee, the statutory auditor or the FSMA directly, without informing anyone else first. If he or she does so, he or she shall inform the executive committee immediately afterwards.

He or she may freely express and make known his or her findings and assessments in the context of his or her task, without these findings and assessments being held against himself or herself.

The Compliance Officer is subject to the strictest confidentiality. This obligation is without prejudice to the performance of his or her duties and cannot be an obstacle to any notification or information obligation in the context of his or her task (e.g. notification to the supervisory authorities).

The Compliance function is independent of the Internal Audit function but falls within the scope of the latter's investigation and control.

The Compliance Officer may not engage in any other activity that could compromise his or her objectivity or independence.

5. Authority of the Compliance Officer

The Compliance Officer has the necessary authority, resources and expertise and access to all relevant information, at all times, without any restriction, to the extent required for the performance of his or her task.

He or she may freely discuss matters with all employees and peruse any Company document, business activity, file and information, including internal and external audits, and the minutes of the board of directors and the committees, to the extent required for the performance of his or her task.

The Compliance Officer may, if necessary, be assisted by employees or external advisers for specific tasks or legal opinions.

6. Reporting and report

The Compliance Officer regularly informs the executive committee and the audit committee of the main compliance risks found, the measures taken to improve their control and the progress of the work carried out in the context of the function's task.

He or she shall immediately inform the executive committee and the audit committee of any element relating to compliance that might pose a significant risk to the Company.

At least once a year, the Compliance Officer reports and informs the executive committee about the performance of its task, the main compliance risks identified during the past year and the measures adopted to remedy them.

The Compliance Officer's report is then presented to the audit committee, which reviews it and, where necessary, asks for additional information.

The status of the main risks, findings or compliance issues previously communicated to the audit committee will be presented at each audit committee meeting until the risk, finding or issue has been satisfactorily or completely resolved.

2.2.1.5 The Risk Management function and appropriate risk management policy

1. Introduction - Objective and context

Uncertainty is an intrinsic factor for any company. Therefore, one of the main challenges for the executive committee is to determine an acceptable degree of uncertainty in order to optimise value creation, an objective considered as the basic premise of the concept of risk management. Uncertainty is a source of risks and opportunities that can create or destroy value. Risk management offers the possibility of providing an effective response to the risks and opportunities associated with the uncertainties faced by the Company, thereby strengthening the Company's capacity to create value.

Any action taken in a reasoned manner is subject, implicitly, to a prior risk assessment.

Given Cofinimmo's type of business activity, the changes in its size and responsibility with regard to shareholders and the numerous regulatory changes at national and international levels, Cofinimmo has decided to formalise its risk management policy or "RMP".

The RMP defines the strategic and operational framework with which the entire Cofinimmo organisation must comply in terms of risk management. It defines the different levels of tolerance as well as the roles and responsibilities.

2. Scope and definitions

In order to maximise its performance, Cofinimmo needs a consolidated view of its risks. A framework has been defined that allows a risk measurement approach.

- Risk: measurable or unmeasurable, internal or external event liable to:
 - prevent the achievement of defined objectives at all levels of the Company;
 - differentiate the Company and be a source of profit through optimal management of the risks.
- Strategic risk: In terms of strategic risk, the various policy options of the Company as a whole will be considered. This mainly concerns vision and planning;
- Operational risk: operational risk concerns processes, people, systems and external elements. This mainly concerns implementation, in order to achieve the Company's strategic objectives.

3. Roles and responsibilities

The executive committee is responsible for managing opportunities within a well-defined risk management framework within the organisation. It mainly defines the strategy and tolerance levels in this area. As part of its reporting to the audit committee, a body that is part of the board of directors, the executive committee presents a formal review of the risk management process at Cofinimmo.

In terms of the operational risk, the executive committee delegates the management of these risks to the heads of department. They are responsible for risk management within their department, ensure that the tolerance levels are complied with, ensure that their employees are aware of the risks, and set up risk management reporting channels. As part of the day-to-day management, they ensure that their teams manage the risks: identification, correction, improvement and measurement.

To assist the heads of department at their respective levels in these tasks, the Risk Manager coordinates and reports on risk management. He or she defines the guidelines, methodology and discipline to be followed to systematically manage the risks.

In terms of control, the Internal Audit function ensures that the internal controls relating to Risk Management are properly implemented, identifies breaches and reports them to the department heads, the executive committee and the audit committee. It may act as an advisor as regards risk management strategy.

4. Appointment of the Risk Manager

The Risk Manager is appointed by the executive committee (or by the board of directors, where applicable), which generally appoints the Secretary General as risk manager.

5. Guidelines

- General principles:
Cofinimmo wants to handle risk management in a positive way, as a means of improving each person's performance and profitability.

If the risk is measurable, Cofinimmo measures the net value impact of its risks (residual value).

This management is in line with the applicable legislation.

Cofinimmo's Code of good conduct must be complied with at all times. Any risk, even if it is not established, must be reported to the Risk Manager.

- Specific principles:
 - i) Strategic risk:
Strategic risk management (mainly investments and the financing strategy) is the sole responsibility of the executive committee and its support and control bodies.
 - i) Operational risk:
Any occurrence of a newly identified risk corresponding to the "unacceptable" area is immediately reported to the executive committee and

the Risk Manager, with at least one proposal aimed at managing and reducing it as quickly as possible.

Any newly identified risk whose occurrence corresponds to the area of improvement must be reported by the person who identified it, to his or her head of department as well as to the Risk Manager, and form the subject of an action plan.

Where a risk is identified, it must be managed by the department that identified it, working with the departments/specialists capable of managing it (FIN, LEG, TAX, etc.).

- ii) Management of unusual incidents and events:
- Any unusual event or incident that has reached or could reach, were it to occur, the risk tolerance levels set by Cofinimmo is analysed by the departments/persons capable of managing it, working with the Risk Manager and/or the Internal Auditor.

The analysis includes:

- Identifying the cause;
- Assessing the consequences from the point of view of counterparties, from an operational, financial, tax and legal point of view, and from the point of view of sustainability of assets and reputation;
- Determining the probability of the identified event occurring or happening again.

Where necessary, the Risk Assessment of the Company is completed and new internal controls are put in place, or existing controls are adapted.

These events are included in a list kept up to date by the Internal Auditor and the Risk Manager throughout the year. These events are discussed by the executive committee as they occur and in a more general way twice a year when the Risk Assessment is updated.

Each team manager or key person in the Company (treasurer, tax specialist, etc.) is aware of the existence of this list of unusual incidents and events, and has been made aware about the importance of informing the executive committee about any major unusual event, in line with the Company's risk tolerance levels.

2.2.2 External control of the Company

2.2.2.1 Financial Services and Markets Authority (the "FSMA")

The FSMA exercises dual control over Cofinimmo:

- an initial control is carried out by the FSMA in its capacity as the supervisory authority for listed companies;
- a second control is carried out by the FSMA in its capacity as prudential supervisory authority in accordance with the RREC Act.

2.2.2.3 The statutory auditor

The audit committee submits a proposal to the board of directors concerning the selection, appointment and re-election of the statutory auditor as well as the conditions of its appointment. The board of directors submits a proposal for the approval of the shareholders.

The Company's general meeting approves the appointment of the statutory auditor, which will be responsible for carrying out the control functions in accordance with the applicable legal provisions.

The statutory auditor must be approved by the Financial Services and Markets Authority (FSMA).

Each year, it confirms in writing to the audit committee that it is independent from the Company.

Each year, it informs the audit committee of the additional services provided to the Company and examines with the audit committee the risks to its independence and the safeguards taken to mitigate these risks.

Without prejudice to the legal provisions providing for reports or warnings from the statutory auditor to the Company's administrative bodies, the statutory auditor reports to the audit committee on all the relations between it and the Company (and its group) and also on significant matters arising in the performance of its statutory audit of the accounts, particularly significant weaknesses in the internal control with regard to the financial reporting process.

2.2.2.3 Real estate experts

In accordance with the RREC Act, the Company must appoint one or more independent real estate experts responsible for valuing the real estate assets (including properties and rights *in rem* on properties, option rights over properties, rights arising from finance leases, etc.).

The real estate expert must have the necessary professional integrity and adequate experience to carry out real estate valuations, and its organisation must be appropriate to act as expert.

The expert is not linked to nor has any shareholding relationship with the Company, does not perform management functions for it and has no other link or relationship with it liable to affect its independence.

The remuneration of the real estate expert cannot be directly or indirectly linked to the value of the assets appraised.

The tasks of a real estate expert are outlined in Articles 47-49 of the RREC Act.

“The real estate expert must have the necessary professional integrity and adequate experience to carry out real estate valuations, and its organisation must be appropriate to act as expert.”

III. THE COMPANY'S CAPITAL AND SHAREHOLDER STRUCTURE

3.1 CAPITAL AND SHAREHOLDER STRUCTURE

3.1.1 Composition of the capital and shareholder structure

The current amount of Cofinimmo's capital and the current number of Cofinimmo shares can be consulted in the Articles of Association and on Cofinimmo's website (www.cofinimmo.com).

The shares have no nominal value. Each share represents an equal percentage of the capital and carries one vote.

The identity of the Company's main shareholders who hold more than 5% of the Company's shares on the basis of the most recent transparency declarations, can be consulted on the Company's website (www.cofinimmo.com).

The Company has not introduced additional transparency thresholds in the Articles of Association.

3.1.2 Capital increase and authorised capital

3.1.2.1 Capital increase

Any capital increase shall be carried out in accordance with the applicable legal provisions and Article 6 of the Articles of Association.

3.1.2.2 Authorised capital

The board of directors is authorised to increase the capital on one or more occasions in accordance with the conditions as laid down in the applicable legal provisions and in Article 6.2 of the Articles of Association.

3.1.3 Acquisition, pledge and disposal of own shares

The Company may acquire, pledge and dispose of its own shares in accordance with the conditions as laid down in the applicable legal provisions and in Article 6.3 of the Articles of Association.

3.2 GENERAL MEETING OF SHAREHOLDERS

The general meeting of shareholders has the broadest powers to carry out or ratify acts of interest to the Company.

In principle, the Company is subject to its Articles of Association and the CCA, in the same way as any company whose shares are listed on a regulated market.

The Company encourages shareholders to attend general meetings. The general meeting is used to communicate with shareholders. Shareholders who cannot be present must be able to vote in absentia, for example by proxy.

3.2.1 Convocation

The annual general meeting of shareholders is held on the second Wednesday of May at 15:30 (Belgian time) at the place indicated in the convocation notice. When an extraordinary general meeting is necessary, the board of directors will endeavour to organise it immediately before the annual general meeting.

The general meeting is convened by the board of directors, which also sets the agenda, in accordance with the rules laid down in the CCA.

The notice convening a general meeting indicates the place, date and time of the meeting, the agenda, the reports, the draft resolutions for each item on the agenda to be voted on, as well as the procedure for participating in the meeting or for appointing a proxy.

The right of the shareholders to request the inclusion of items on the agenda is set out in Article 19, fifth paragraph of the Articles of Association and Article 7:130 of the CCA.

3.2.2 Participation in the general meeting

The CCA provides for the registration of shares no later than the fourteenth day before the general meeting at midnight (Belgian time) (the "Record Date"). Only per-

sons who are shareholders on the Record Date shall be entitled to participate in and vote at the meeting, irrespective of the number of shares held by the shareholder on the date of the meeting.

Recording of shares:

- for the holders of registered shares, recordation in the shareholders' register;
- for the holders of dematerialised shares, recordation of their shares with a financial institution . In order to be able to vote, proof of recordation must be provided to the Secretary General at the latest six days prior to the date of the general meeting .

Participation in the general meeting :

The holders of registered or dematerialised shares must send their notice of participation to the attention of the Company. In order to be able to vote, the notice must arrive at the latest six days prior to the date of the general meeting .

Representation at the general meeting :

The holders of registered or dematerialised shares that wish to be represented by a proxy holder must send their proxy form to the attention of the Company. In order to be able to vote, the proxy form must arrive at the latest six days prior to the date of the general meeting .

The Company will take into account the votes expressed on the proxy forms. Invalid proxy forms will be rejected. Abstentions during the voting process or indicated on the proxy forms will be registered as such.

Proxy forms returned without indicating a proxy holder shall be considered as being addressed to the board of directors, thus generating a potential conflict of interest under Article 7:143, §4 CCA. In order to be valid, proxy forms must contain specific voting instructions for each item on the agenda.

The exercise of voting rights for jointly owned shares or those with split title (usufruct/bare ownership) requires the appointment of a single representative.

Without prejudice to the applicable provisions, if a shareholder holds a multiple of 5% of the Company's shares, he or she may not record more shares than the number of shares for which that shareholder has made a transparency declaration.

The **right** of the shareholders **to ask questions** is set out in Article 7:139 of the CCA.

3.2.3 Conduct of meetings

The general meeting is chaired by the Chairman of the board of directors or, in his or her absence, by the longest-serving Director. The meeting appoints the scrutineers. The Chairman appoints the secretary for the meeting, which is usually the Secretary General of the Company. He or she manages the discussions. The Chairman, the scrutineers, the secretary and the Directors who are present together form the Bureau.

The attendance and majority requirements for the decision-making of the general meeting are set out in the CCA and Article 24 of the Articles of Association. Voting is public and is carried out by show of hands. The result of each vote is announced immediately.

The minutes of the general meeting are drawn up and signed by the Bureau and those shareholders who so desire at the end of the meeting. The minutes of general meetings are published on the Company's website (<https://www.cofinimmo.com/investors/shareholder-information/general-meetings/>).

3.2.4 Documentation

The documentation for general meetings (notices of meeting, agenda, proxy forms, notice of intention to participate, special report by the board of directors etc.) is available on the Company's website (<https://www.cofinimmo.com/investors/shareholder-information/general-meetings/>).

The documentation is available in French and Dutch.

Shareholders may write to the Company at any time at info@cofinimmo.be.

IV. CONFLICTS OF INTEREST POLICY

4.1 PRINCIPLES

With regard to the prevention of conflicts of interest, the Company is subject to the applicable provisions of the CCA and the specific provisions of the RREC Legislation.

In general, Directors have a duty to avoid any act that may be, or may appear to be, in conflict with the interests of the Company. They shall inform the Chairman of the board of directors immediately of any possibility that such a conflict of interest may arise.

Reference is made of the "Code of good conduct", regarding conflicts of interest, which contains additional provisions.

4.2 CONFLICTS OF INTEREST WITHIN THE MEANING OF ARTICLE 7:96 CCA

Reference is made to Article 7:96 of the CCA.

4.2.1 Principle

Article 7:96 of the CCA applies to decisions or transactions falling within the powers of the board of directors when the following conditions are met:

- a Director has, directly or indirectly, an interest of a financial nature (i.e. an interest having a financial impact); and
- this interest conflicts with the Company's interest in the relevant decision or transaction

4.2.2 Duty to inform

If a conflict of interest, as described under 1, arises, the Director involved must immediately inform the other Directors thereof no later than the start of the meeting of the board of directors called to deliberate on the matter. The relevant Director must thereby also explain the reasons for the conflict.

4.2.3 Deliberations and voting on the decision

The relevant Director may not participate in the deliberations of the board of directors or *a fortiori* participate in the voting.

4.2.4 Minutes

The minutes of the relevant board of directors meeting must contain a reference to the existence of and reasons for this conflict of interest. Furthermore, they must describe in sufficient detail (i) the Director's declaration and explanation regarding the nature of the conflict of interest, (ii) the nature of the relevant decision or transaction, (iii) the justification for the decision taken and (iv) the financial consequences for the Company.

This part of the minutes is incorporated in the annual report.

The Secretary General shall forward a copy of the minutes of the board of directors meeting to the Auditor.

4.3 CONFLICTS OF INTEREST ARISING DUE TO TRANSACTIONS WITH RELATED PARTIES WITHIN THE MEANING OF ARTICLE 7:97 CCA

The Company must follow the procedure described in Article 7:97 CCA if it takes a decision or carries out a transaction that concerns a related party of the Company.

If applicable, such a decision or transaction must first be submitted to the assessment of a committee composed of (at least) three independent Directors, assisted by one or more independent experts of its choosing (if so deemed necessary). The board of directors may only proceed to take a decision on the proposed decision or transaction after having considered this assessment.

For more information regarding the scope and procedure, reference is made to Article 7:97 of the CCA.

4.4 CONFLICTS OF INTEREST IN THE CONTEXT OF THE RREC ACT

The RREC Act requires regulated real estate companies to prepare an appropriate integrity policy in order to be structured and organised in such a way as to minimise the risk of conflicts of interest harming the interests of its shareholders. In this respect, the Company has adopted a Code of good conduct.

If one of the persons referred to in Article 37 of the RREC Act directly or indirectly acts as counterparty, or obtains any financial benefit whatsoever from a transaction planned by the Company, the Company is required to inform the FSMA thereof and demonstrate that the planned operation is in the interest of the Company and falls within the scope of its normal corporate strategy. All notifications made to the FSMA are available on the Company's website.

For more information regarding the conflicts of interests rules in the context of the RREC Act, reference is made to Articles 36-38 RREC Act.

4.5 CONFLICTS OF INTEREST OUTSIDE OF THE SCOPE OF THE CCA AND THE RREC LEGISLATION

The Company applies a stricter definition with respect to functional conflicts of interest in the areas falling within the ambit of the board of directors or (a member of) the executive committee.

More precisely, a functional conflict of interest on the part of a member of the board of directors or the executive committee will be deemed to exist when the relevant body must take a decision or carry out a transaction and:

- a member or close relative of a member has a financial interest that conflicts with the interest of the Company in respect of the relevant decision or transaction;
- a company not belonging to the Cofinimmo group and in which a member or close relative of a member

holds an administrative or management position has a financial interest that conflicts with the interest of the Company in the relevant decision or transaction.

Where a Director has, directly or indirectly, an opposing interest of a financial nature concerning a decision or transaction of the Company but which does not in principle fall within the ambit of the board of directors (but does fall within the ambit of the executive committee), he or she must notify the Chairman of the board of directors before concluding any contract or entering into any commitment. The Chairman of the board of directors will automatically report the matter to the board of directors regardless of the amount of the commitment concerned.

Where a Director or member of the executive committee has, directly or indirectly, an opposing interest of a non-financial nature or a parallel interest, whether or not of a financial nature, concerning a decision or trans-

action of the Company, he or she must immediately inform, as the case may be, the Chairman of the board of directors or the Chairman of the executive committee. The Chairman will assess whether a report on the matter should be made to the board of directors/Executive Committee.

The meeting minutes of the board of directors/executive committee must mention (i) the existence of the conflict of interest, (ii) the reasons for this conflict of interest, (iii) the nature of the relevant decision or transaction and (iv) the justification for the decision taken by the Company.

“In general, Directors have a duty to avoid any act that may be, or may appear to be, in conflict with the interests of the Company. They shall inform the Chairman of the board of directors immediately of any possibility that such a conflict of interest may arise.”