

# SUSTAINABLE DEVELOPMENT REPORT 2014

**Cofinimmo**   
*together in real estate*

# Contents

## MESSAGE FROM THE CEO 1

## COFINIMMO IN BRIEF 4

Mission	6
Vision	6
Values	6
Governance	7

## MAJOR TRENDS IMPACTING OUR ACTIVITIES 8

## THE COFINIMMO VALUE CHAIN 10

A long-term combination of skills and materials	10
Cofinimmo's levers at the different stages of the value chain, by activity segment	12

## SOCIAL RESPONSIBILITY APPROACH 14

Stakeholder dialogue	14
Internal questioning of sustainable development priorities	17
Validation and prioritisation of our challenges with stakeholders	17
Our main challenges: materiality matrix	18

## NINE PRIORITY CHALLENGES 20

Profitability for investors and access to capital	20	Business ethics	30
Energy consumption and CO <sub>2</sub> emissions	22	Respect for differences and cultural diversity	32
Innovation	24	Employee training	34
Mobility	26	Aesthetics and respect for public space and the diversity of districts	36
Safety and well-being	28		

## G4 GRI REFERENCE TABLE 40

# Message from the CEO



**For more than 30 years, Cofinimmo has strived to meet accommodation needs in specific buildings. This mainly concerns:**

- demand for modular offices from companies and public authorities;
- healthcare real estate demand from operators of nursing homes and rehabilitation, psychiatric and acute care clinics;
- demand from companies relating to sale and leaseback of their distribution networks;
- public authorities' needs in terms of bespoke facilities.

Over the years, we have gradually integrated sustainable development aspects into our culture and corporate strategy.

Back in 1999, aware of the need to maintain an ongoing dialogue with our clients, we established the Property Management business line for the offices segment.

This allows us to work closely with our clients and to ensure their well-being and satisfaction.

This approach guarantees us steady income. Savings in energy consumption reduce our ecological footprint and rental charges.

We have also gradually expanded our Project Management team. This has allowed over the past few years to improve management of our construction costs and thereby optimise the architectural quality of our buildings, to ensure that they have the longest possible life cycle.

Today, as well as in the future, Cofinimmo positions itself as a responsible company, aware of the needs of stakeholders and future generations as much as its own economic sustainability.

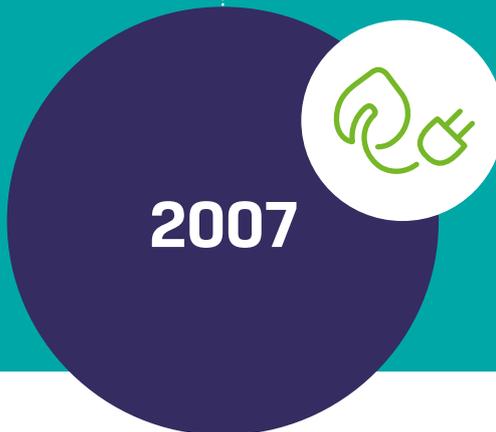
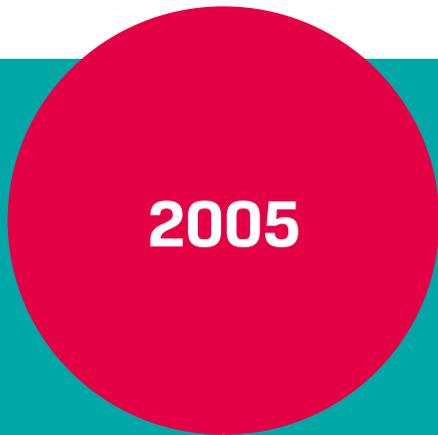
**Jean-Edouard Carbonnelle**  
Chief Executive Officer

Over time Cofinimmo has progressively integrated the notion of sustainable development in its corporate strategy by meeting or even exceeding new environmental legislation and through the ISO 14001:2004 certification of its activities, but also by making choices regarding the diversification of its portfolio that have allowed it to ensure its economic profitability while meeting societal challenges.

Start of portfolio diversification

First investment in the healthcare real-estate segment

Three office buildings receive ISO 14001:2004 certification



Purchase of green energy for all electricity meters managed by Cofinimmo Services, representing 45 GWh/year

Creation of the Sustainability Committee, a multidisciplinary team responsible for the sustainable development policy

Insertion of a CSR chapter into the annual financial report

First BREEAM & BREEAM In Use certification for a series of buildings

Adoption of  
European Public  
Real Estate Association (EPRA)  
reporting standards regarding  
sustainable development

CSR report wins  
EPRA SBPR Gold Award



The project to reconstruct  
the Belliard 40 office  
building as a passive  
building receives the IBGE/  
BIM "Exemplary Building"  
award

Delivery of the first passive building in the portfolio:  
the police station in Termonde

Investments in student lodgings

Implementation of energy compatibility software

CSR report: external assurance regarding key  
performance indicators

Cofinimmo joins the Carbon Disclosure Leadership  
Index (CDLI) published by the Carbon Disclosure  
Project (CDP) for Benelux

2011



2013



2012

ISO 14001:2004 certification for Property  
Management for all offices and Project  
Management buildings

2014

Start of the five-year campaign to install  
remotely-readable meters in office  
buildings

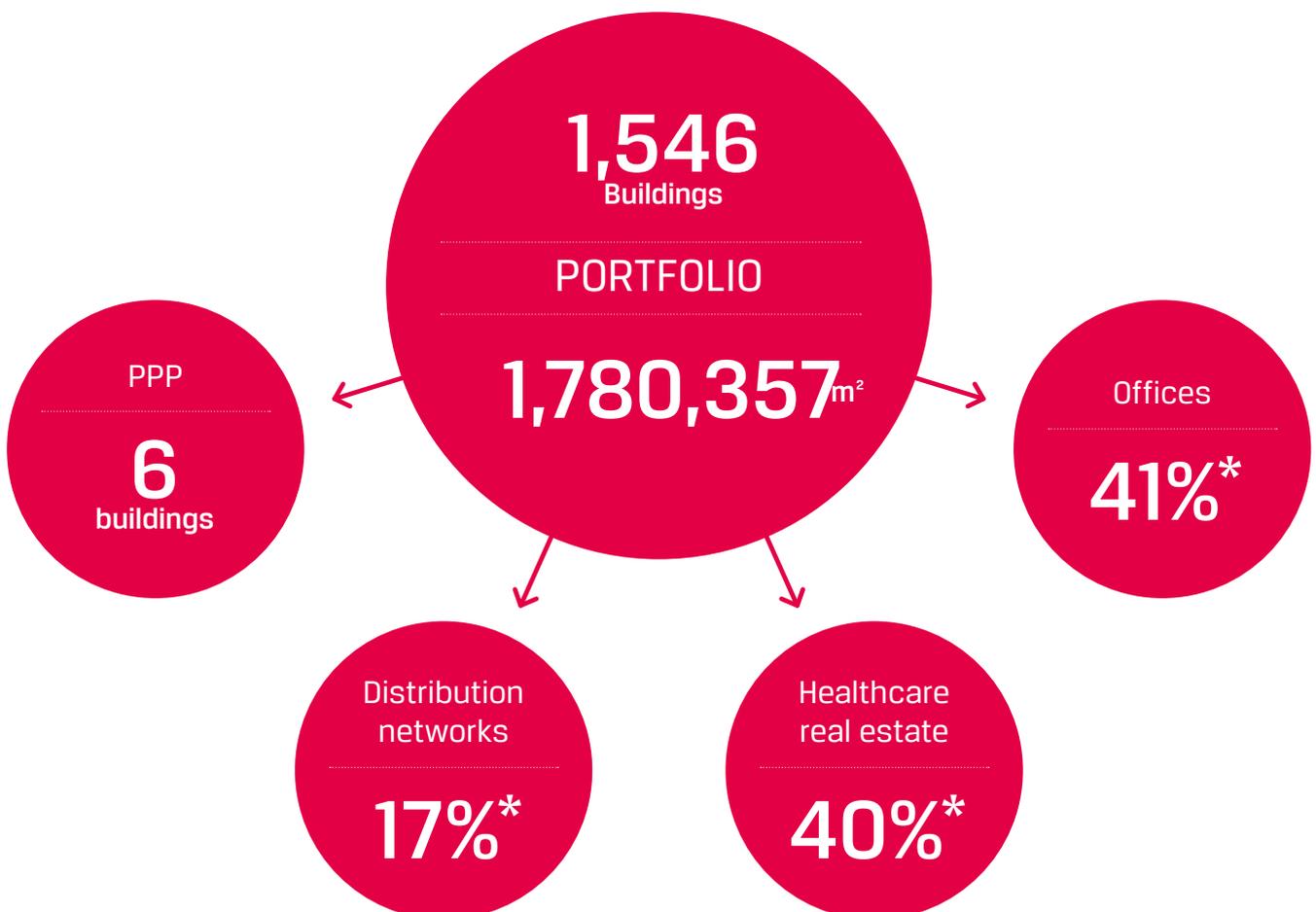
Production of the materiality matrix

Separate CSR report in accordance with  
GRI G4 guidelines

# Cofinimmo in brief

Founded in 1983, Cofinimmo is today the foremost listed Belgian real estate company specialising in rental property. The group is among the most important players in the European market. Its activities are controlled by the Financial Services and Markets Authority, the Belgian regulator.

The company applies prudent investment policies and presents a moderate risk profile for institutional and retail investors alike. It seeks to offer a high dividend yield and capital protection over the long term.



\* in fair value

Stock-market capitalisation

€1.7  
billion

Fair value of the portfolio

€3.2 billion

Average term of leases

11 years

Occupancy rate

95%

Employees

114

Net current result (IAS 39 excluded) as of 31.12.2014

€120 million

5.7%

dividend yield

(on the share price as of 31.12.2014)

Member of  
BEL20

REIT\*  
Status

\*REIT: Real Estate Investment Trust (SIR/GVV in Belgium, SIIC in France, FBI in the Netherlands)

# Mission

Cofinimmo's mission, as a real estate company, is to provide its tenant clients with buildings which are both highly functional for their activities, as well as to offer long-term environmental

efficiency. This approach ensures shareholders a quality investment and an attractive and steady financial return.

# Vision

Its diversification strategy has allowed Cofinimmo to develop expertise in the various segments of its portfolio, enabling it to optimise repositioning of its buildings on the date they become technically obsolete.

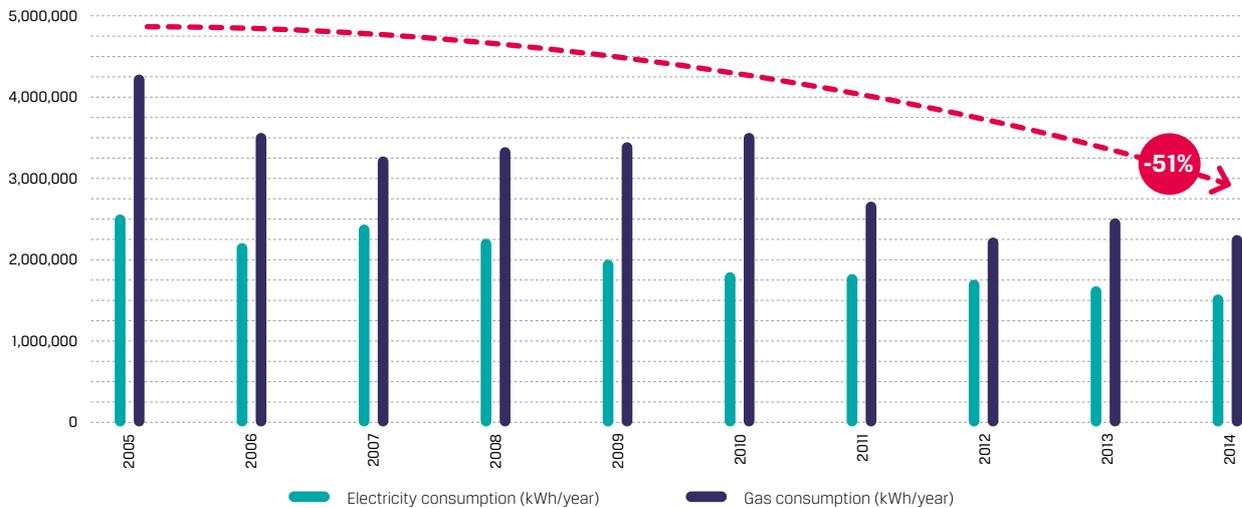
Each reconversion and/or redevelopment improves a building's energy performances and raises the level of comfort offered. Buildings' long operating cycles encourage Cofinimmo to take sustainability as far as possible within the limits of economic profitability.

Today, in light of the challenges represented by climate change, increasing urbanisation, the search for a better work-life balance

and therefore the need for buildings, Cofinimmo intends to position itself as a driver of change, aware of the needs of stakeholders and future generations as much as its own sustainability.

The Group's ambition is to remain at the cutting edge of innovation and new technologies in order to offer a long-term response to current and future environmental and social challenges. We believe firmly in the long-term development of cities by district, in which it is necessary to plan for a balance of functions. Offices, residential buildings, shops and green spaces need to coexist while single-purpose districts will gradually be phased out.

The redevelopment of the Tervuren 270 building has allowed a 51% reduction in energy consumption over the last ten years.



# Values

Cofinimmo pays particular attention to the corporate values which guide teams' daily functioning. Creativity is the result of a process of reflection and questioning at all levels of the organisation. Success depends in particular on the precision of actions

carried out and focus on quality in all undertakings. Working at Cofinimmo means contributing jointly and concretely to resolving problems encountered.



# Governance

Cofinimmo's Corporate Social Responsibility (CSR) approach is supervised by the Sustainability Committee, whose role is to constantly identify and assess all factors contributing to sustainable development. The Committee has ten members representing, on the one hand, the departments directly involved in property management for the Group's portfolio, all business lines combined (Property Management, Project Management, Quality Management) and, on the other hand, the legal, communications and human resources departments. The committee is chaired by the Head of Property Services & CSR who reports directly to the Executive Committee.

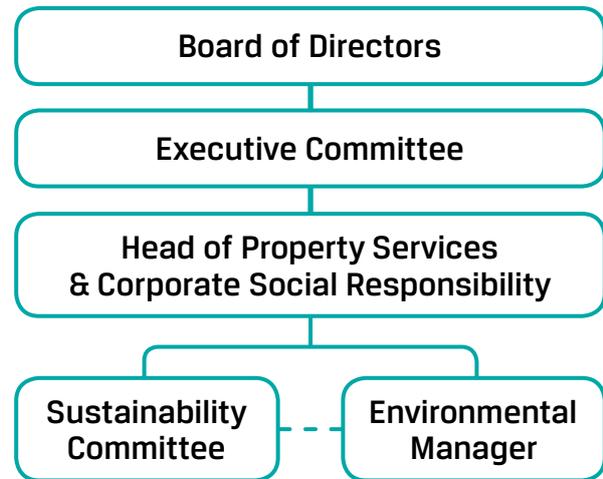
The Sustainability Committee is particularly responsible for:

- proposing specific, economically reasonable measures to improve the company's environmental performances, its portfolio and, by extension, the spaces occupied by its tenants;
- developing initiatives to better incorporate sustainable development into the Group's strategy;
- ensuring that the Group complies with legal, national and international environmental requirements;
- communicating the Group's accomplishments to all stakeholders.

Each member of the Sustainability Committee acts as an ambassador for Cofinimmo's sustainable development work. Working with Management, it helps drive the change in the corporate culture towards a more sustainable approach to its activities.

Cofinimmo also employs a full-time Environmental Manager. This manager, who is a member of the Sustainability Committee, is responsible for working on the ground in collaboration with operational teams to implement the Group's environmental strategy in all business lines.

Strategic sustainable development proposals are validated or amended by the Executive Committee which in turn has them validated by the Board of Directors as part of the annual review of the company's overall strategy.



All Cofinimmo employees individual targets include a target linked to the sustainable development strategy and, in 2015, a target linked to the company's innovation ambitions.

# Major trends impacting our activities

Cofinimmo must adapt to the world of the future or risk seeing its buildings become rapidly obsolete, endangering its economic sustainability.



## Climate changes

Climatic disruption (increase in the number of hurricanes, floods, etc.) is having an impact on the sites and architecture of the buildings of the future.

Increasing regulations in the field of energy performance as a result of the growing awareness of climate change is driving the construction of more efficient buildings, managed more sparingly.

**"Due to our past, current and future CO<sub>2</sub> emissions, we are on a path of climate change whose effects will persist for many centuries even if CO<sub>2</sub> emissions cease." Thomas Stocker (source - Extract from an IPCC press release dated 27.09.2013)**



## The ageing population

The acceleration in the rate at which the population is ageing in Western countries is impacting existing social models, with postponement of the pension age, organisation of healthcare, etc.

The rapidly growing healthcare real estate sector needs to respond to the needs of an ever-larger proportion of the population. That means more flexible healthcare buildings according to the individual's level of autonomy combined with tailored apartments.

**Population projections for the 27-state Europe: "Following transfers between age groups, the level of dependency of elderly people in the EU-27 is expected to be almost twice as high, increasing from 26.2% in 2011 to 52.6% in 2060. The total level of age-related dependency (i.e. the ratio of young and old dependent persons as a percentage of the population aged 15 to 64 years old) is set to climb from 49.6% in 2011 to 77.9% by 2060." (data from October 2012, source: Eurostat)**

“ It is vital for Cofinimmo to incorporate social trends into its strategy. The greatest challenge is to incorporate them at the right time in order to create value for society generally ”

Xavier de Walque, Cobepa, CFO – Member of the Executive Committee



## Changes in technologies and working practices

The increase in connectivity between people, but also between objects (the internet of things<sup>1</sup>), the development of cloud computing has or will have an impact on the society of the future.

Changes to working habits (New World of Work), making work more flexible and mobile, different needs expressed by new generations arriving on the employment market are leading Cofinimmo to review how it builds and operates its office buildings. In several buildings, for example, the creation of shared meeting areas et co-working areas is being studied.

Similarly, changes to consumption habits (e-commerce is accounting for a larger share) is changing retailers' property needs. Property of distribution networks will need to adapt to this duality in which the virtual and real economies exist side by side.

**In 2008, there were as many connected objects as people on the planet. By 2020, the number of connected objects will reach 50 billion (source: CISCO, [http:// share.cisco.com/internet-of-things.html](http://share.cisco.com/internet-of-things.html))**



## Urbanisation

The movement of populations towards cities is exacerbating a number of challenges such as mobility in cities and availability of resources to meet these people's basic needs (food, housing, education, leisure, etc.).

Public authorities' search for more flexible real estate solutions is increasing the Public-Private Partnerships offered to the State by professionals in the field of the design, financing, construction and maintenance of its property portfolio.

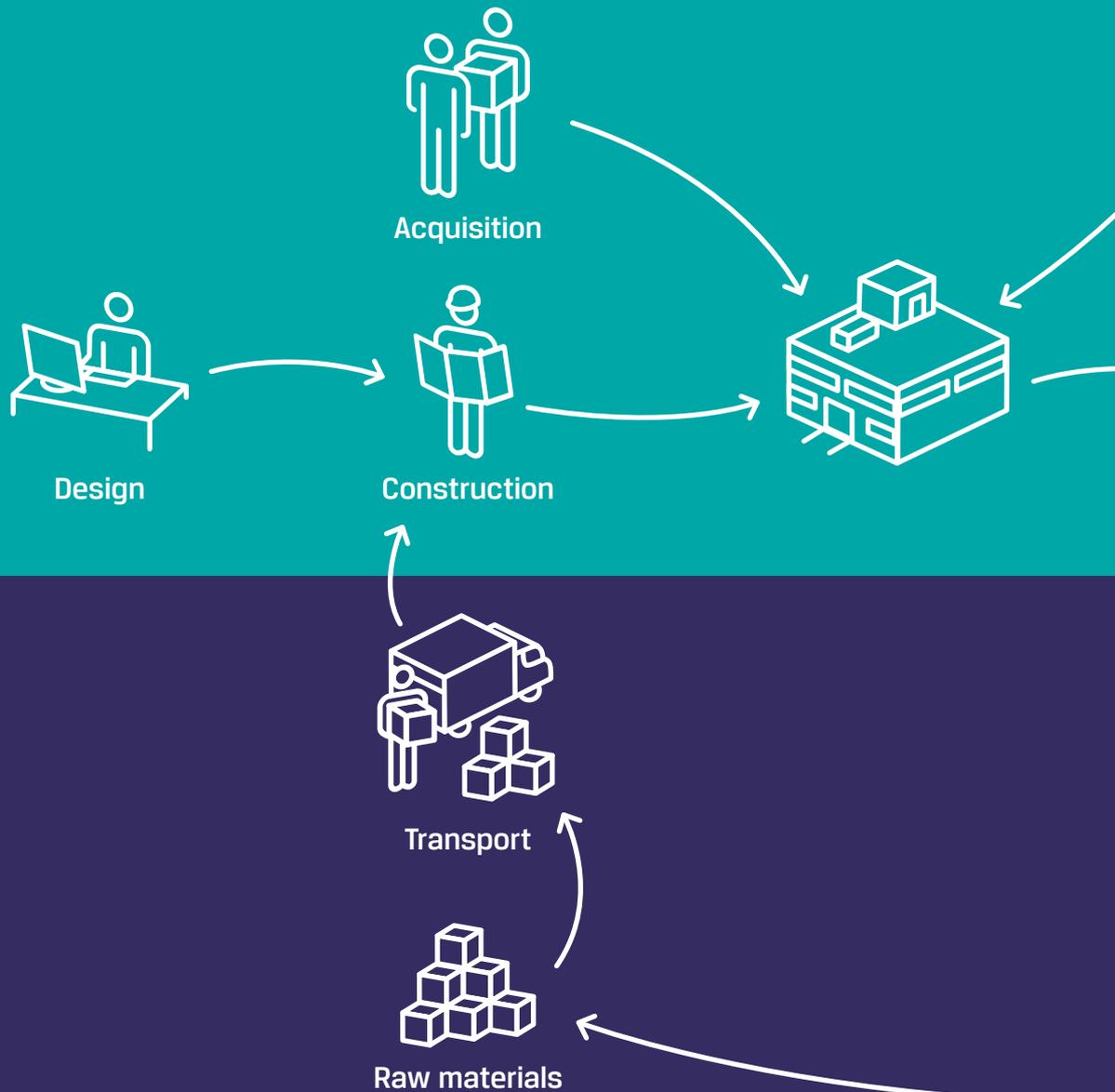
**Europe, where 73% of the population live in urban areas, expects urbanisation to exceed 80% by 2050. (source: United Nations, World Urbanisation Prospects, 2014 version)**

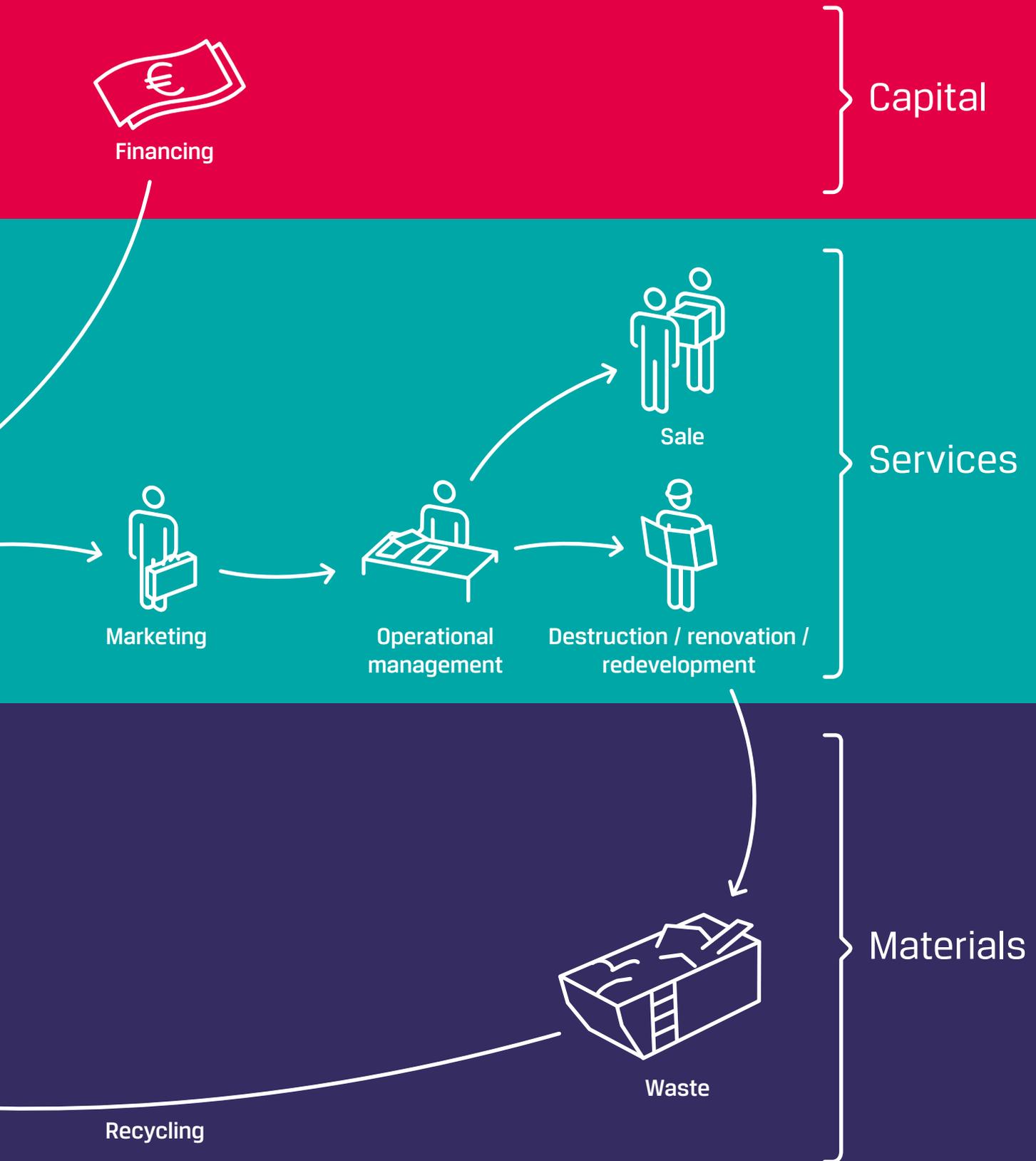
<sup>1</sup> The impact of the internet of things can already be seen in our cities and our buildings: automatic ordering of solar protection for buildings depending on the level of sunlight, air-conditioning activated by a presence detector, management of roadside parking by presence detection and management of occupancy,

sending of targeted information to shopping centre customers based on their geographical position, public lighting management, management of pollution levels in cities, etc.

# Cofinimmo's value chain

**A long-term combination of skills and materials**





# Cofinimmo's levers at the different stages of the value chain, by activity segment

Cofinimmo influence: ● low    ●● medium    ●●● high

## Offices

Financing	●●●
Design	●
Construction	●●
Marketing	●●●
Property Management	●●●
Demolition/ Renovation or reconstruction	●●●



Renovation of the Guimard 10 office building

A carefully planned renovation should considerably improve the building's energy and insulation performances.

**Sustainability measures:**

- Almost complete insulation of the building's envelope
- Change of glazing to maximise natural light
- Removal of false ceilings to be able to benefit from the building's thermal inertia
- Creation of a terrace and a green roof, laying of a patio to improve occupants' well-being
- Installation of movement sensors on taps to reduce water consumption

## Healthcare real estate

Financing	●●●
Design	●●
Construction	●●
Marketing	●
Property Management	●
Demolition/ Renovation or reconstruction	●●



Construction of a new nursing home at the Vishay site

By participating in the redevelopment of the former Vishay industrial site into a multifunctional complex, Cofinimmo is helping to create a new urban district with excellent architectural and planning coherence.

**Sustainability measures:**

- K27 thermal insulation
- 1,300m<sup>2</sup> of green roofs
- Dual-flow ventilation system
- Load-bearing structure with a freer layout allowing more flexibility in the progress of the development

“ Obtaining optimum residual value for a nursing home after 27 years of occupation, by responding to buildings’ renovation or reconversion needs – that is one of the issues overcome by a carefully planned sustainable development policy. ”

Bart Bots, Senior Living Group\*, CEO

## Property of distribution networks

Financing	•••
Design	•
Construction	•
Marketing	•
Property Management	•
Demolition/ Renovation or reconstruction	••



### Major external renovation of the Martelaarplein 6-7 building in Louvain (café/restaurant)

Despite constraints linked to the renovation of an historic building, the renovation of the façades and roofs made it possible to improve the building's insulation.

#### Sustainability measures:

- New double-glazed windows
- Cleaning of the façades, replacing the joints and French stone
- Replacement of roof slates

## Public-Private Partnership

Financing	••
Design	•
Construction	••
Marketing	•
Property Management	••
Demolition/ Renovation or reconstruction	•



### Construction of a prison in Leuze-en-Hainaut

This "model" prison exceeds compulsory energy specifications. The insulation level is K30, while total energy consumption stands at E60.

The establishment is aiming for energy neutrality while guaranteeing occupants' comfort.

#### Sustainability measures:

- Use of sustainable insulation material
- Waste management plan on the site
- Establishment of a sustainable energy management plan
- Limited daily time for hot water showers
- Use of rain water
- Installation of hundreds of solar panels on the roof (343 MWh net production)
- Creation of planted courtyards for inmates

# Social responsibility approach

## Stakeholder dialogue

Cofinimmo is aware of the impact of its activities at every stage in a building's life and conducts a permanent dialogue with stakeholders.

That is why it organises consultation meetings with local residents, the authorities, shopkeepers, etc. from the design and building permit application stage, allowing it to balance the interests of all stakeholders, such as protection for natural protected areas, heritage conservation, traffic in the district, shopkeepers' businesses, inhabitants' well-being, etc. It also takes into account occupants' future needs and a sufficient level of profitability to remunerate investors.

During buildings' operational stage, Cofinimmo regularly meets its clients to assess their needs and their level of satisfaction.

Cofinimmo is aware of the value of its human capital and improves and develops in a variety of areas essential to the motivation and

commitment of each of its employees: transparent and proactive communication; assessment, feedback and reward processes; individual and team coaching; training culture; work/life balance; accountability; etc. In 2012, Cofinimmo's Investors in People (IiP)<sup>1</sup> label was renewed for the third time. It is now the first Belgian company to have achieved "Silver" status. The label is due to be renewed for the fourth time in January 2015. Cofinimmo's objective is to achieve Gold status by 2018.

Cofinimmo maintains an ongoing relationship with a wide range of stakeholders. It is both a real estate company that invests in bricks and mortar as well as allowing the public to invest in real estate indirectly via its stock exchange listing. Cofinimmo sometimes interacts with stakeholders in several ways at once. A banker, for instance, may be a supplier of capital as well as a tenant or local resident of one of our buildings

Stakeholders	Their expectations	Our responses
<b>Shareholders and investors:</b> private or institutional shareholders, bankers.	<ul style="list-style-type: none"> <li>• A stable dividend.</li> <li>• Profitability and a return on investment.</li> <li>• A low risk profile.</li> <li>• Transparent financial information.</li> <li>• A long-term relationship.</li> <li>• Ethical behaviour.</li> <li>• Repayment of debts and interests.</li> </ul>	<ul style="list-style-type: none"> <li>• A clear investment policy in four business segments: offices, healthcare real estate, property of distribution networks and Public-Private Partnerships.</li> <li>• The quest for long-term income.</li> <li>• Transparent financial information, controlled by the Financial Services and Markets Authority (FSMA): annual financial report, attendance at investor fairs, General Meeting, etc.</li> <li>• Application of the corporate governance code.</li> </ul>

15% of the office portfolio is covered by Green Charters on 31.12.2014

<sup>1</sup> Investors in People is a management framework for high performance through people. The IiP certification is recognised worldwide as an excellence brand. IiP optimises the performance by promoting the best practices in managing people or organisations equipped with the necessary tools for success. The

organisations that demonstrate the standard Investors in People norm obtain the IiP certification after a rigorous and objective evaluation in order to determine their performance. (<http://www.investorsinpeople.co.uk/>)

Stakeholders	Their expectations	Our responses
<b>Clients-tenants:</b> office tenants, nursing home operators, retailers, public services and other occupants.	<ul style="list-style-type: none"> <li>• A building corresponding to the specific needs of their activities.</li> <li>• The capacity to innovate to respond to changes in these needs.</li> <li>• A rent in line with their economic situation.</li> <li>• Controlled charges.</li> <li>• A reliable, stable landlord.</li> <li>• Sustainable buildings.</li> </ul>	<ul style="list-style-type: none"> <li>• A team of professionals active in a range of real estate business sectors: letting agents to understand the clients' needs, Project Managers to ensure the buildings' construction quality, Property Managers to guarantee the efficient management of buildings and the monitoring of charges.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Pleasant working conditions.</li> <li>• Fair treatment.</li> <li>• A guaranteed, stable and attractive salary scale.</li> <li>• A skills development plan (training, career plan, etc.).</li> <li>• Management based on strong ethical values, a sense of leadership and listening.</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Conduct.</li> <li>• Annual appraisal system of performances and the employee/manager relation.</li> <li>• Access to training.</li> <li>• Regular employee surveys. Cofinimmo is certified as an "Investor in People", reflecting its commitment to its employees' development.</li> <li>• Fair treatment. Cofinimmo is a signatory to the diversity charter established by the Brussels Capital Region, where its head office is located.</li> </ul>
<b>Suppliers of goods and services:</b> developers, contractors, service providers, facility managers, real estate agents, lawyers, consultants.	<ul style="list-style-type: none"> <li>• Collaboration opportunities.</li> <li>• Respect of purchase orders and contracts agreed: prices of products and services, payment terms, etc.</li> <li>• A healthy and balanced commercial relationship.</li> <li>• Respect for suppliers' staff.</li> </ul>	<ul style="list-style-type: none"> <li>• Clear specifications and tender rules.</li> <li>• Acceptance of products and services delivered in the presence of both parties.</li> <li>• Payment of agreed prices within agreed timeframes.</li> <li>• Openness to dialogue in the event of a dispute.</li> <li>• A code of conduct including relations with suppliers.</li> </ul>
<b>Supervisory authorities:</b> the Financial Services and Markets Authority (FSMA) and the National Bank, the auditors.	<ul style="list-style-type: none"> <li>• Compliance with applicable laws and regulations on financial markets.</li> <li>• Transparency regarding operations carried out and supply of sufficient documentation regarding these operations.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial publications and press releases corresponding to the requirements of the supervisory authorities.</li> <li>• Timely transmission of information regarding operations carried out, to allow the supervisory authority sufficient time for its analysis.</li> </ul>
<b>The public authorities:</b> various public services and administrations from communal to regional and federal level.	<ul style="list-style-type: none"> <li>• Compliance with applicable laws and regulations, in particular with respect to town-planning and environment.</li> <li>• Open dialogue via professional associations.</li> <li>• Payment of taxes.</li> <li>• Respect for the urban planning of public spaces.</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with administrative procedures, laws and regulations.</li> <li>• Completion of the works requested in the various permits.</li> <li>• Cooperation with the public authorities.</li> </ul>
<b>Media and financial analysts</b>	<ul style="list-style-type: none"> <li>• Dissemination of reliable, accurate and timely information.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual reports, press releases and other publications.</li> <li>• Participation in interviews, round tables, debates, roadshows.</li> <li>• Press conferences.</li> </ul>
<b>Civil society and local communities:</b> local residents, community groups, etc.	<ul style="list-style-type: none"> <li>• Response to the real estate needs of society.</li> <li>• Contribution to the well-being of the community.</li> <li>• Improvement of the city quality and harmony.</li> </ul>	<ul style="list-style-type: none"> <li>• Investment in segments representing a demand and responding to a social challenge (e.g. healthcare real estate, Public-Private Partnerships).</li> <li>• Respect for neighbours when carrying out building renovations and new developments.</li> <li>• Socially-responsible initiatives supported by Cofinimmo employees (mobility week, waste reduction week, Operation Thermos to help the homeless, etc.).</li> </ul>



In the offices segment we propose signing a Green Charter, a collaboration agreement signed by Cofinimmo, Cofinimmo Services and the tenant, whose purpose is to actively promote sustainable development and encourage all parties to reduce the environmental impact of the rented property: sharing of consumption data, initiatives to reduce consumption, better sorting of waste, etc.

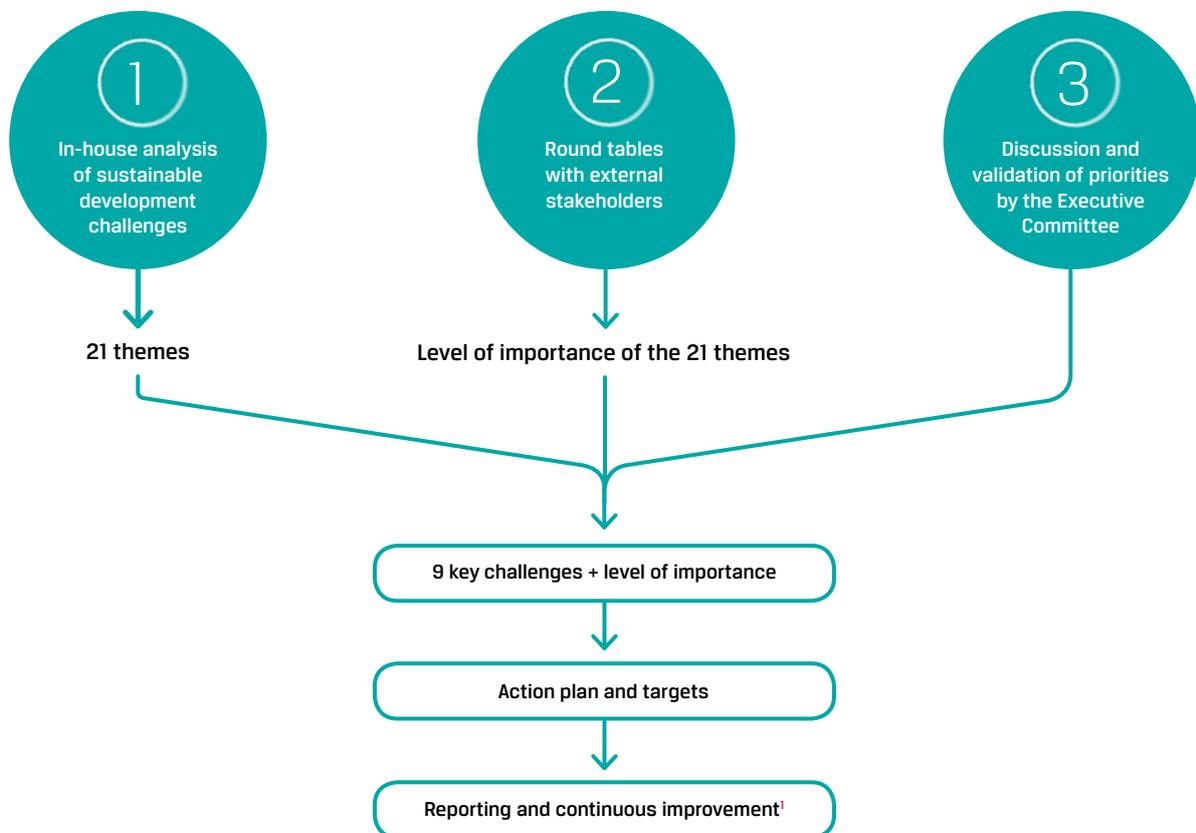
“ In the past the CSR sections in the annual financial reports were not considered by the analysts of quoted companies' shares. Today it progressively becomes a differentiating factor between quoted securities. ”

Herman van der Loos, Petercam, Equity Analyst - Brokerage

# Internal questioning of sustainable development priorities

In 2014, Cofinimmo wanted to learn more about its stakeholders' interests. It initiated a proactive dialogue and opened its sustainable development strategy up for debate. Social responsibility guidelines recommended by several international standards,

such as ISO 26000 and G4 GRI have been followed in this process. The exercise was carried out in three stages, as set out in the illustration below. The summary of this exercise takes the form of a "materiality matrix".



## Validation and prioritisation of our challenges with stakeholders

Two round tables were organised with external stakeholders, composed of around 15 people each. The groups consulted were deliberately mixed so that all the company's activities could be addressed: shareholders, administrators, bankers, financial analysts, occupants, contractors, architects, journalists, representatives of associations, etc.

At these round tables, chaired by an external moderator, those present first freely discussed what they see as the major challenges facing Cofinimmo. They then gave their opinion regarding the relevance of the themes identified internally by Cofinimmo during the first stage. Meeting our stakeholders face to face increased the quality and tone of the responses.

<sup>1</sup> Cofinimmo adheres to social responsibility guidelines recommended by several international standards, such as ISO 14001.

# Our main challenges: materiality matrix

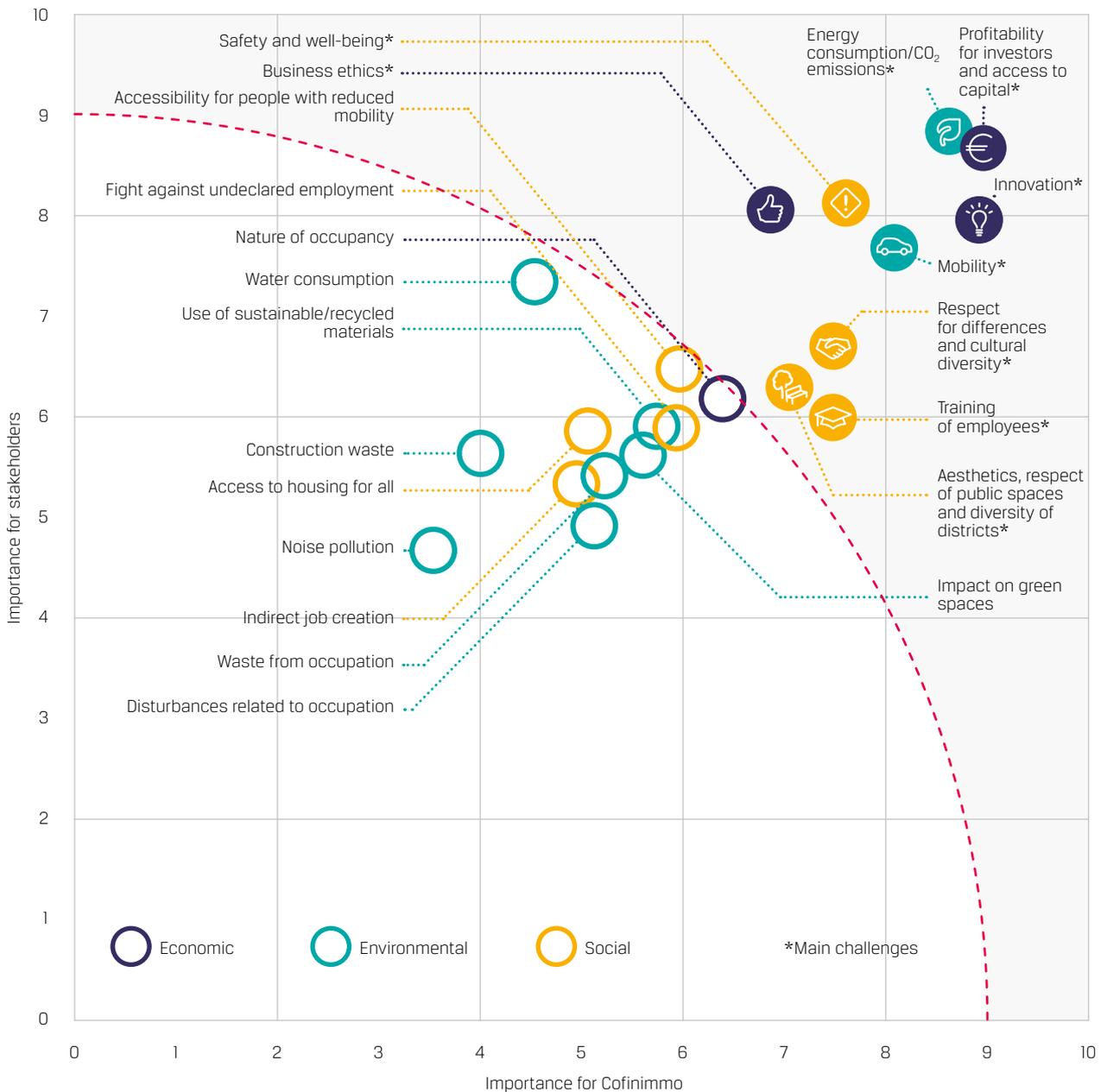
Based on the results obtained, new considerations, both within the working group and the Executive Committee made it possible to produce the materiality matrix presented below.

Each point on this matrix represents a sustainable development challenge for Cofinimmo. Its location is jointly determined by stakeholders' perception on one axis, and the importance of impacts viewed by Cofinimmo internally. Its colour indicates the family

it belongs to: economic (blue), environmental (green) or social (orange).

The alignment between the points is striking. This reflects a fairly similar perception of challenges between Cofinimmo and its stakeholders.

The area in the top right, outside the red arch, contains the nine priority challenges out of the 21 identified internally.



## All 21 challenges identified by family



### Environmental

- Energy consumption and CO<sub>2</sub> emissions\*
- Construction waste
- Waste linked to occupation
- Use of sustainable/recycled materials
- Water consumption
- Mobility\*
- Impact on green spaces
- Noise pollution
- Disturbances linked to occupation



### Economic

- Innovation\*
- Profitability for investors and access to capital\*
- Type of occupation
- Business ethics\*



### Social

- Indirect job creation
- Safety and well-being\*
- Fight against illegal employment
- Aesthetics, respect for public spaces and the diversity of districts\*
- Access for people with disabilities
- Access to housing for all
- Employee training\*
- Respect for differences and cultural diversity\*

\* main challenges

We can see that some environmental themes are not considered a priority. This does not indicate disinterest by Cofinimmo. It is explained by the fact that these themes are mostly subject to fairly strict legislation, forcing companies to address them, irrespective

of their perceived importance for the company. Soil pollution, for example, is subject to considerable legislation. During any acquisition or sale, we look for traces of any historic pollution and, where necessary, conduct soil testing.

**“ Cofinimmo could stand out by tackling sustainability challenges not yet addressed by legislation. Those relating to environmental protection, i.e. energy consumption and greenhouse gas emissions have already been largely covered by European directives. ”**

Peter-Paul Ramselaar, European Commission, Office for Infrastructure and Logistics in Brussels (OIB), Head of "Buildings policy" sector

# Nine priority issues



## Profitability for investors and access to capital<sup>1</sup>

Profitability is an essential factor for the company, enabling it to assume its responsibilities and pursue its activity. This factor provides a measurement of the effectiveness and value which clients perceive in Cofinimmo's products and services. It is vital for allocation of the necessary resources and maintenance of the investments on which its development and production of its services depend. The company cannot fully assume its responsibilities if profits are insufficient or its financial basis is fragile.

The Cofinimmo share should contribute to the prosperity of its shareholders and investors. This objective includes the distribution of a high and steady dividend and preservation of the investment.

Cofinimmo must also have access to financing sources at the lowest possible cost and with sufficient diversity to reduce risk and guarantee the company's long-term future.

**“ Cofinimmo can only meet its objectives in terms of sustainable management of its assets providing their profitability is sufficient to give it continuous access to capital markets, in terms of both borrowing and shareholder equity. ”**

Sabine Denis, Business & Society, General Manager

## Responses / actions

### Shareholders' equity

By investing in Cofinimmo shares on the stock market, shareholders support the company's development despite the upward or downward economic fluctuations which may occur.

Cofinimmo is aware of this and therefore does its utmost to maintain a moderate risk profile responding to its shareholders' expectations.

In order to respond to this objective, Cofinimmo has adopted a long-term income-generation strategy through the following actions:

- The diversification of the real estate portfolio in order to find new guaranteed long-term income sources.

- Trade-offs on the property portfolio involving the sale of the riskiest assets in favour of more stable assets.
- The conversion of buildings: from offices to residential or other uses, taking into account market demand.
- Control over costs by a team of professionals

Furthermore, Cofinimmo's status as a SIR/GVV (Société Immobilière Réglementée / Gereguleteerde Vastgoedvennootschap) limits the amount of risk-taking authorised and guarantees the compulsory distribution of at least 80% of net income to shareholders.

<sup>1</sup> Our detailed investment and financing policy can be found in our 2014 Annual Financial Report.

## Borrowed capital

The borrowed capital can be a cheaper source of financing than shareholders' equity. Short- and long-term financial commitments require active management.

The three-strong treasury department is responsible for managing this debt. It also implements the company's hedging policy to limit risk of a change in interest rates on borrowed capital and so optimise its cost.

Cofinimmo seeks to diversify its funding sources in order to achieve the right balance between the cost and sustainability of funding sources.

In the past ten years, the company has raised an average of nearly €260 million a year on the capital markets, both the debt market and the stock market.

In 2015, Cofinimmo will continue its diversification policy to ensure the growth in its income and stability of its dividends.

## Enhancing the liquidity of the share

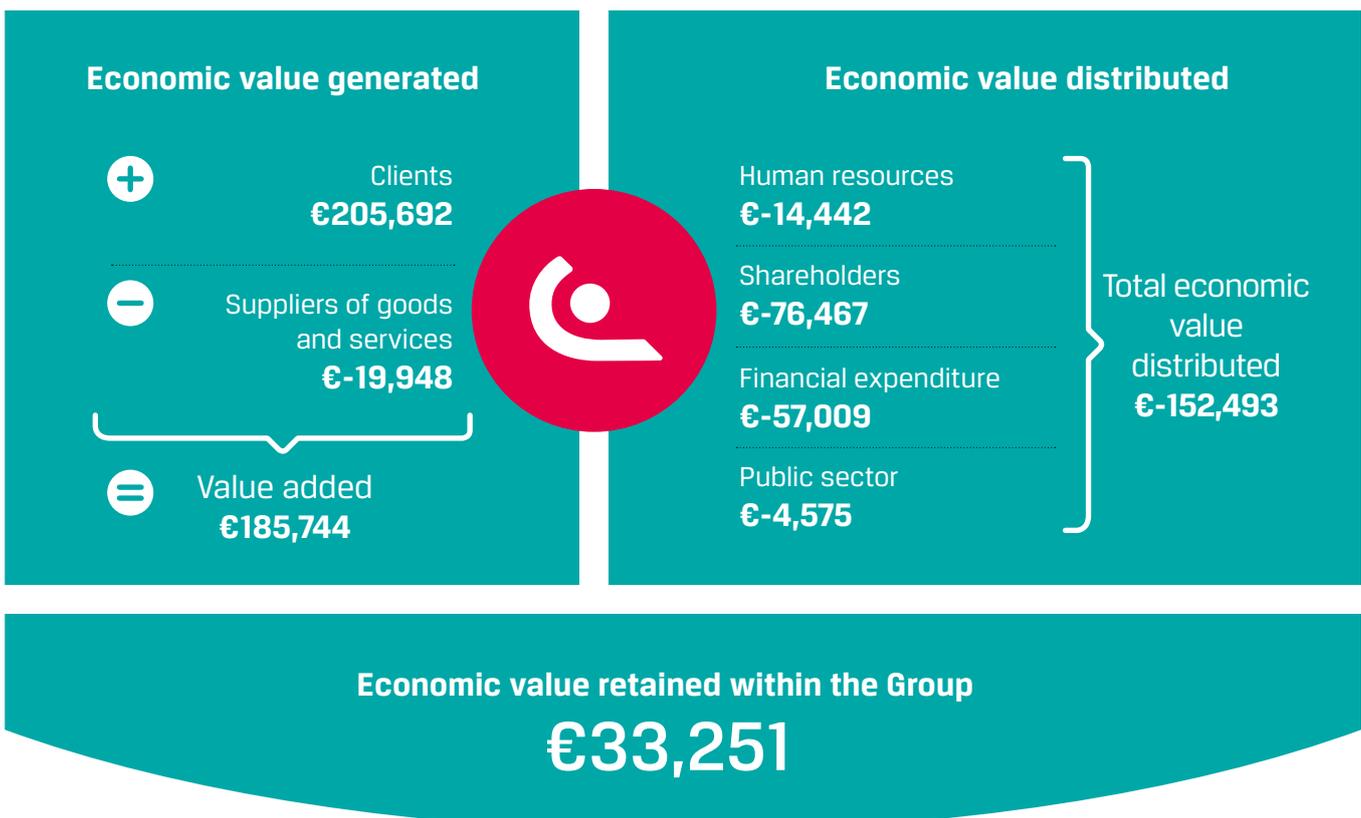
Cofinimmo has taken measures to enhance the liquidity of its shares. It has carried out multiple specific campaigns towards

institutional and private investors (roadshows, conferences...) in order to reinforce the company's reputation.

## Performance indicators

Current earnings per share	NAV (in fair value) per share	2014 dividend per ordinary share	Average cost of debt
<b>€6.70</b>	<b>€85.80</b>	<b>€5.50</b>	<b>3.4%</b>

## Direct economic value generated and distributed for 2014 (2013) (x €1,000)





## Energy consumption and CO<sub>2</sub> emissions

Buildings must achieve optimal energy performances to reduce CO<sub>2</sub> emissions resulting from their use.

From 2020, all new buildings in Europe will have to comply with passive standards. This is an opportunity for Cofinimmo to differentiate itself by anticipating regulations. More energy-efficient buildings are commercially more attractive. They offer greater comfort to occupants for a lower level of charges.

It should be noted however, that the approach differs according to segments. In the offices segment, Cofinimmo is often involved in both the construction/renovation phase and the day-to-day management of a majority of buildings. This allows it to have an influence over energy consumption from the moment the building is occupied. Its involvement is limited for the other segments. Management of energy consumption is carried out by the occupants themselves.

“ Cost saving will only be maximised when there is a dialogue between the different players at every stage of a building's life cycle, as well as a wish to improve: a search for a creative solution together with the architects as from the design phase, a professional execution of the works by the contractors, qualitative operation of the technical facilities by maintenance firms, but also responsible building occupation by tenants. Cofinimmo must promote this dialogue. ”

Jean Van Buggenhout, Cofinimmo, Head of Property Services & CSR

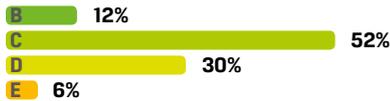
## Responses / actions

- Cofinimmo is striving to make as much progress as possible in terms of energy efficiency, often beyond legal obligations, within the limits of the economic profitability objective. In 2014, 2.4% of the real estate portfolio has been the subject of redevelopment or major refurbishment in order to enhance their energy performance. Within the next three years, Cofinimmo plans new renovations for 4.2% of its portfolio.
- In 2013, it invested in an energy data management software programme to facilitate the identification of potential sources of savings and the impact of investments made to reduce consumption in office buildings. All consumption data from all communal areas managed by Cofinimmo are included, as well as private consumption figures supplied by tenants on a voluntary basis. Since 2014, nursing home consumption has been gradually incorporated into this energy accounting. Consumption of buildings in other segments will follow. The objective for 2018 is to include at least 25% of healthcare real estate data and 5% of data from distribution real estate networks.
- Installing remotely-readable meters made it possible to identify the installations consuming the most energy. In 2014, 12 office buildings were fitted with these meters. The aim is to fit out all multi-tenant office buildings with remotely-readable meters at a rate of 20 buildings per year (by the end of 2018 at the latest).
- Since 2007, Cofinimmo signed up to green electricity for all communal areas managed by the Group. Purchase volumes are around 45 GWh per year, a saving of 20,385 tonnes of CO<sub>2</sub>e, which is the equivalent of nine medium-power wind turbines.
- Since 2011, Cofinimmo has expanded its ISO 14001:2004 certification to Property Management of office buildings and Project Management (major work and renovation) on buildings in all segments combined.
- The objective of obtaining BREEAM and BREEAM In Use environmental certification is twofold: on the one hand to improve the commercial competitiveness of its buildings, and on the other hand to introduce processes for continual improvement in the portfolio's environmental performance. This certification system assesses buildings' performances in the fields of energy, water, materials, pollution, soil management and ecology, health and well-being, waste and mobility. Cofinimmo will pursue BREEAM In Use certification for its office buildings, while prioritising those currently being marketed.
- The last carbon audit on the head office was in 2010. This will be updated in 2015.

# Performance indicators

## Energy performance

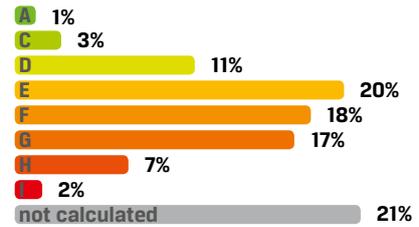
**Offices in Brussels<sup>1</sup>**  
The current average of the buildings situated in Brussels lies between D and E (source IBGE/BIM). 27 buildings certified (32.5% of the office space)



**Healthcare real estate<sup>2</sup>**  
32 care homes certified in France, or 19.4% of the healthcare property portfolio



**Property of distribution networks<sup>3</sup>**  
Cofinimur: MAAF agencies in France  
The energy mapping of MAAF agencies has been known since their acquisition.



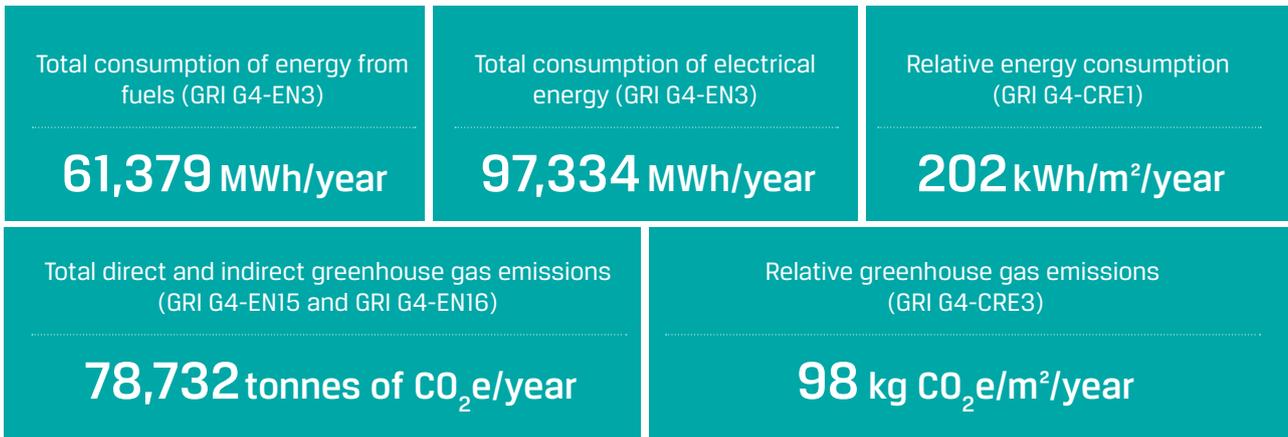
### Energy kWh EP/m<sup>2</sup>/year

Belgium	A: < 62	B: 62-155	C: 156-248	D: 249-341	E: 342-434	F: 435-527	G: > 527		
France	A: < 51	B: 51-90	C: 91-150	D: 151-230	E: 231-330	F: 331-450	G: 451-590	H: 591-750	I: > 750

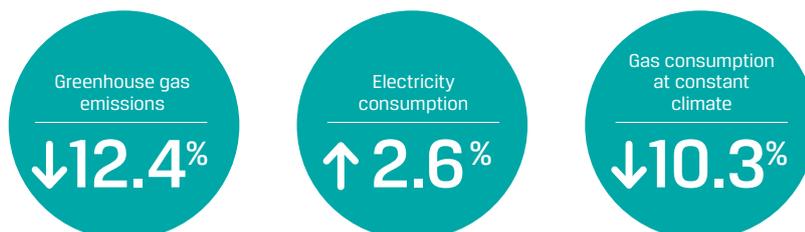
## Consumption

Cofinimmo has adopted the performance indicators recommended by the European Public Real Estate Association (EPRA). Drawn from the Global Reporting Initiative (GRI), these 11 indicators give a very clear picture of the various buildings' performance year on year. The data are calculated on the basis of information in the possession of Cofinimmo as owner and Cofinimmo Services as manager of its real estate portfolio. They also include data obtained from the buildings' occupants.

Complete results (gross and normalised) can be found on the website [www.cofinimmo.com/sustainable-development/performances-and-objectives](http://www.cofinimmo.com/sustainable-development/performances-and-objectives). They relate to surface areas used as offices in the offices and PPP segments (731,117m<sup>2</sup>) and, for the first time, a sample of surface areas used as nursing homes (57,828m<sup>2</sup>) out of a total of 1,780,357m<sup>2</sup>.



## Changes on a like-for-like basis between 2013 and 2014



<sup>1</sup> Not applicable to Flanders and Wallonia

<sup>2</sup> In Belgium, only service flats have to comply with E-Level requirements, namely those applicable to residential properties.

<sup>3</sup> No compulsory energy efficiency measures currently exist for this type of building, except for flats located above establishments. An energy performance certificate has been produced for 29 of the 77 flats.



## Innovation

Innovation is a necessity for Cofinimmo's survival. It must not only detect new growth opportunities, but also ensure the long-term future of existing properties. By researching new value propositions in line with clients' needs, it can reduce its portfolio's rental vacancy. Applying new, more sustainable construction techniques will make it possible to extend its buildings' operating cycles. In parallel, it must also consider integration of new technologies facilitating the operation of its buildings and establish new mobility solutions.

**“ As a major player in the Belgian real estate market, Cofinimmo has a duty to be visionary and contribute to the debate on actual future real estate needs. ”**

Patrick Luysterman, De Tijd, journalist, Corporate editor and a specialist in the real estate and construction sectors

## Responses / actions

Cofinimmo has always aimed to be innovative at a financial level. The debt sale opened access to the Public-Private Partnerships market. In 2011, in order to partially finance the acquisition of MAAF agencies, it carried out an issue of bonds convertible into shares via its subsidiary Cofinimur I.

Over time, Cofinimmo has gradually expanded its range of products and services and incorporated the various real estate business lines. Firstly Project Management, in order to have control over buildings' quality from the construction stage. Then Property Management, in order to improve and guarantee its clients the proper functioning of buildings. It grafted on further services in addition to leasing, to make its customers' lives easier.

It then seized new opportunities in the healthcare, distribution networks and Public-Private Partnerships real estate segments. These

decisions, sometimes perceived as going against the market flow, allowed it to guarantee its shareholders stable income and to offer value in these new segments through its real estate expertise.

Cofinimmo's internal structure has also evolved. Organisational efficiency has been improved thanks to upgraded IT systems and the implementation of electronic management of documents, as well as correspondence since 2004 and invoices since 2014.

In 2014, Cofinimmo set up a think tank on changes in its business lines. This group is made up of 13 people from all business areas and all the company's business lines. Four projects resulting from this reflection are currently undergoing validation. Cofinimmo hopes to be able to implement the projects selected from 2015. It will also set up a new working group to ensure the continuation of the innovation process.

# Performance indicators

“ In Belgium, Cofinimmo is perceived as a pioneer in its sectoral choices and management and financing methods. It must remain innovative. ”

Pierre-Hugues Bonnefoy, Deloitte, Partner



# 500

In 2014, approximately 500 man-hours were devoted to the search for new products and services or the improvement of existing ones

# 11%

11% of employees participated in the innovation group.





## Mobility

Mobility has a direct impact on accessibility and therefore buildings' appeal. The increase in road traffic makes traveling in cities more difficult and is a source of discomfort for local residents due to increased air and noise pollution. The use of electric vehicles in response to this issue also requires the installation of special facilities such as recharging points.

Cofinimmo therefore contributes to mobility in cities through the location of its buildings, the number of parking spaces available and the proximity to public transport.

## Responses / actions

- Cofinimmo conducts impact studies and maintains a dialogue with public bodies to assess and reduce a building's impact in the construction and operation phases. Special attention was paid to buildings' accessibility. In 2002, for example, Cofinimmo was involved in the creation of a roundabout close to its Leopold Square site in Diegem.
  - Cofinimmo made shared vehicles and parking spaces available to stakeholders. In 2013, in partnership with Zen Car, a testing in sharing electric vehicles was conducted in around ten office buildings. This test led to three tenants signing electric vehicle leasing contracts. However, the sharing package did not achieve the expected results.
  - In partnership with BePark, Cofinimmo also made its head office parking spaces available to local residents outside office hours.
  - Travel accounts for 70% of the company's carbon footprint. Cofinimmo is therefore very attentive to reducing its vehicle fleet's average CO<sub>2</sub> emissions. It raises awareness among employees by publishing fuel consumption, offering use of shared electronic vehicles and supporting carpooling and alternative means of transport.
- In 2015, Cofinimmo will study various innovative solutions in order to respond to the gradual reduction in the number of parking spaces authorised by the public authorities in Brussels. Shared parking spaces<sup>1</sup>, public parking spaces and other solutions will be added to the agenda. It will also study the roll-out of new electric recharging points in its buildings.

<sup>1</sup> Shared car park: car park made available to local residents/the public outside office hours subject to prior affiliation.

## Performance indicators



### Proximity of public transport to our property portfolio

In Brussels, out of 48 office buildings assessed:

19

are less than 400m from a (pre-)metro station

16

are between 400m and 700m from a (pre-)metro station

13

are more than 700m from a (pre-)metro station

This analysis will be completed for other buildings in other regions, as well as other segments in 2015.

P

### Number of shared and public parking spaces

65

shared parking spaces

200

public parking spaces

These 265 spaces represent 2% of the available parking spaces in the office portfolio.

### Number of charging points for electric vehicles

We are studying their installation in four buildings.



## Safety and well-being

Cofinimmo has an influence on well-being, health and safety:

- **Cofinimmo's employees (114):** appropriate working conditions, fair treatment, prospects for the future, attention to work-life balance, etc. These factors should ensure motivated staff, committed to carrying out the work entrusted to them. The increase in workplace stress, which is affecting more and more people, may have severe negative effect, causing some individuals to reach burn-out. This diagnosis leads to a long absence for the person affected and reduces the employer's human resources, a source of value-added for the company.
- **Its buildings' occupants:** construction choices as well as maintenance quality have an impact on occupants' safety and well-being. The presence of hazardous uncontrolled materials, non-compliance with safety standards and badly configured air-conditioning units can have consequences for occupants' well-being.
- **Suppliers** for whom Cofinimmo is responsible, sometimes directly but more often indirectly. Suppliers' compliance during negotiations and a focus on their employees' safety are important elements. A commercial relationship can only be maintained through the parties' respect and understanding of their concerns and objectives.

“ Cofinimmo is in a position to encourage its subcontractors to behave in a more socially responsible way through the contracts it draws up. ”

Jean-Philippe Herkens, Iris Cleaning, Business Unit Manager

## Responses / actions

Cofinimmo has set up a series of practices for its employees to ensure their well-being and allow them to carry out their work under the best conditions:

- When they start work, new employees receive a welcome pack setting out all the firm's practical measures and safety instructions.
- Discussion forums also exist where they can share their ideas and/or recommendations: monthly lunch meeting, working group on improving internal communications, etc.
- Team building sessions are organised as required to learn to know ourselves better and, where relevant detect points for improvement in the team dynamic.
- Cofinimmo is also attentive to the potential for workplace stress and burn-out. In 2014, all managers attended an information seminar on this topic

For occupants of its buildings, Cofinimmo analyses all elements likely to have an impact on public health:

- The presence of asbestos, soil pollution, fire protection measures, etc. are systematically analysed during the due diligence process<sup>1</sup>.
- In existing buildings: management of asbestos risk for the oldest buildings, fire safety, access control system, use of the least noxious and most environmentally-friendly products.

Cofinimmo includes provisions to ensure the well-being and safety of its subcontractors:

- In the context of major renovation works, Cofinimmo has employees trained in safety coordination who draw up and verify risks and prevention measures to apply, worksite after worksite. It also calls on external safety coordinators depending on the work load.

<sup>1</sup> Procedure aiming to establish a complete inventory of a company, a building or a real estate portfolio (accounting, economic, legal and tax aspects) before a financing or acquisition operation.

- As part of calls for tenders, it sets out everyone's responsibilities clearly and unequivocally in its specifications documents.
- In the context of buildings maintenance, Cofinimmo fits its buildings with safety systems in order to guarantee suppliers physical safety (e.g. aerial lifts and anchoring points for

window-cleaning teams). Subcontractors' services are subject to framework contracts allowing partnerships to be developed with Cofinimmo.

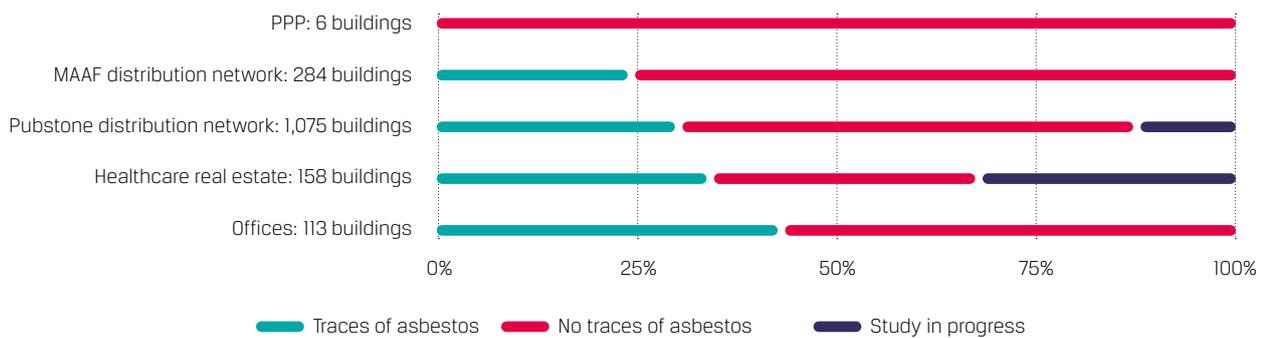
In 2015, Cofinimmo plans to improve its control of real estate legislation in countries other than Belgium, where it owns buildings.

## Performance indicators

### Asbestos control in leased buildings

The asbestos present in buildings is encased in materials. In the event of deterioration, this material is removed in accordance with legislation to ensure user safety.

Periodic asbestos inspections are conducted either by occupants or by Cofinimmo or its subsidiaries, depending on applicable regulations.



### Employee well-being

1.6%

Rate of short-term absenteeism

2%

Rate of long-term absenteeism (surgery, prenatal, etc.)

0

Number of workplace accidents in 2014



## Business ethics

As a leader in its market and a listed company, Cofinimmo must demonstrate transparency and ethics in the conduct of its activities at all times.

In recent decades, the real estate sector has often been singled out for shady or even illegal practices such as undeclared employment, corruption, social dumping, etc. These practices are counter to the principles of sustainable development, fair treatment, equal opportunities and respect for others.

Cofinimmo plays an active role in improving the image of the real estate sector.

## Responses / actions

Since 2004, Cofinimmo has applied the Corporate Governance Charter<sup>1</sup> which recommends transparency regarding decisions taken, from the Board of Directors to each individual employee. On a daily basis, Cofinimmo employees comply with the Code of Conduct and corporate values. Any form of corruption is prohibited by very strict rules governing calls for tenders, by application of the double signature method for any commitments, the approval of financial

statements by an external auditor, the presence of an internal auditor and the adoption of a "whistleblowing" policy<sup>2</sup>.

In 2015, Cofinimmo will continue to comply rigorously with the best transparency and ethics rules. The operating principles will be extended to other countries (Germany for instance) and other business lines, including subcontracted activities.

<sup>1</sup> Corporate Governance rules are set out in detail in the 2014 Annual Financial Report, from page 100.

<sup>2</sup> Every employee must be able to report any ethical issue to his knowledge, without thinking he is endangering his relation to the company.

## Performance indicators

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No examples of misappropriation were detected in 2014

All employees receive an annual reminder of the code of conduct

Each new employee is informed about this topic





## Respect for differences and cultural diversity

Diversity (cultural, generational, linguistic, gender, etc.) and equal opportunities are deep-rooted in Cofinimmo's corporate culture. Diversity widens perspectives, improves the richness of exchanges between people and so leads to the discovery of innovative solutions in the various business lines.

“ Our comfort lies within our similarities. Our strength lies within our differences. We love cultural diversity which allows us to reinforce our creativity. ”

Françoise Roels, Cofinimmo, General Secretary & Group Counsel,  
founding member of the Women on Board association.

### Responses / actions

Cofinimmo initially obtained the "Diversity Label" in 2010 and now works to maintain its commitment in this area, which is reflected at a number of different levels:

- recruitment, by strengthening interaction with young people in particular;
- human resources management, by offering coaching (both individual and team coaching) and training sessions
- external positioning of the company, by continuing actions on networking and testimonies on the issue of diversity within companies.

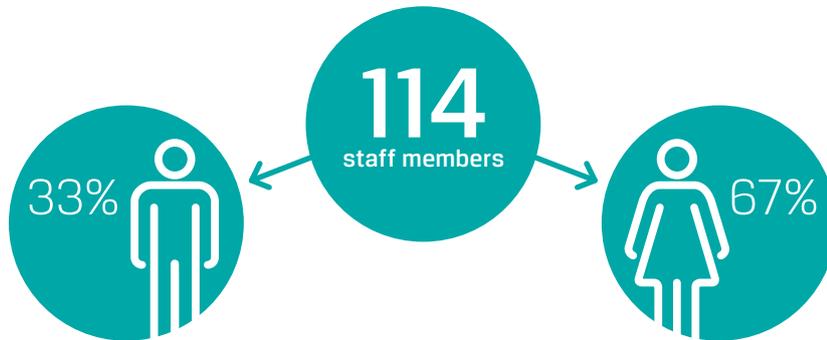
Cofinimmo is planning to renew its "Diversity Label" in the coming years.

Furthermore, Cofinimmo encourages the evolution towards gender equality in every echelon of the company.

It supports, among others, the association Women on Board which promotes the presence of women in Boards of Directors.

In 2014, seven people were hired to replace five workforces and to fill two new positions.

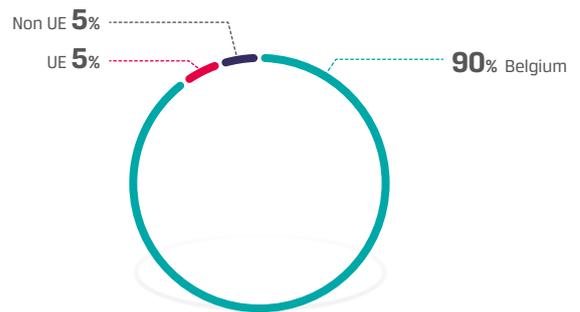
# Performance indicators



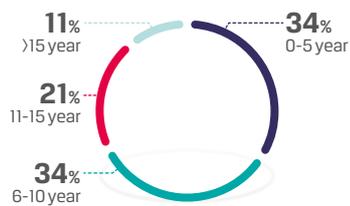
### Staff members by age group



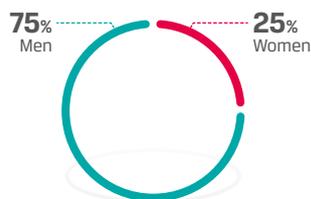
### Nationality of employees



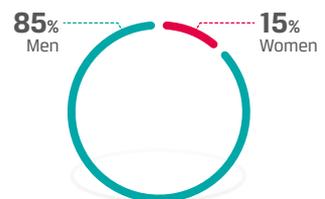
### Seniority



### Men/women - Executive Committee



### Men/women - Board of Directors





## Employee training

Human capital represents a major competitive advantage which can help the company stand out. Cofinimmo takes a medium-term approach, encouraging the professional and personal development of each of its employees throughout their career. In the longer term, it aims to ensure that the end of their career has plenty of challenges while being free of future worries.

**“ Cofinimmo has always favoured an open and socially-responsible approach and motivation of its employees, whose expertise is valuable to the company. ”**

Chantal Cabuy, Cofinimmo, Head of Human Resources & Internal Communication

## Responses / actions

The Investor in People (IIP) label underlines this essential deployment of knowledge. The Human Resources department works with managers and employees to draw up an individual development plan. This covers languages, information technologies and communications, technical subjects as well as soft skills. In tandem with

the more traditional training courses, the company offers its staff the opportunity to pursue longer-term training at post-graduate level, both in Belgium and, more exceptionally, abroad. In 2018, Cofinimmo is aiming to achieve the "Gold" level of the IIP label.

# Performance indicators

<b>80%</b> staff members who took one or more training courses	<b>2,250</b> Total combined number of training hours	<b>1.6%</b> Budget for training courses in 2014 in relation to the gross payroll
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<b>50%</b> Graduate	<b>32%</b> Post-graduate
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## Aesthetics, respect for public spaces and the diversity of districts

Cofinimmo's position allows it to influence the aesthetics and diversity of districts through its investment decisions, even if they are above all based on economic considerations. By converting certain vacant office buildings, it is able, from the design stage, to restore diversity to districts (housing units or nursing homes in office districts), thereby improving the appeal of its buildings (proximity of schools, shops and leisure facilities) and reducing the need to commute between home, work and shopping areas.

The buildings' architectural appeal also helps to improve their occupants' standing and the brand image of the companies operating in them. Cofinimmo aims to contribute to the beauty and harmony of the city by encouraging the construction of emblematic buildings which can be real landmarks contributing to the profile of the city and the development of tourism.

**“ Sustainable development in real estate must now be considered at the level of a whole district and certainly take into account more than a single building. ”**

Peter-Paul Ramselaar, Head of "Buildings policy" sector, European Commission, Office for Infrastructure and Logistics in Brussels (OIB)

### Responses / actions

In 2013-2014, Cofinimmo converted the Livingstone I and Woluwe 34 office buildings into 191 housing units. In April 2015, the project to redevelop Belliard 40, which was awarded the IBGE/BIM "Exemplary Building 2011" award will begin. This is a landmark building which

will bring a new dynamic to Rue Belliard with its combination of offices, housing and shops. During the course of the year, renovation of the Arts/Kunsten 19H project is also set to begin, following the winning project of an architecture competition.

## Performance indicators



“ Cofinimmo must not underestimate the environmental and societal impact of its choices when dealing with large buildings. They have a major, long lasting impact on town and country planning. ”

Jean Blavier, economic and financial journalist

24,000m<sup>2</sup>

Office space area converted into housing in 2013-2014

191

Number of housing units created in 2013-2014



# Focus

## Belliard 40:

a stimulating and innovative workplace –  
minimal environmental impact

- Address: Rue Belliard 40 – 1000 Brussels
- Surface area: 17,700m<sup>2</sup>
- Architect: Pierre Lallemand/Art & Build
- Available: Q1 2017
- Environmental objectives: Level E (energy consumption) 45, Level K (thermal insulation) 35, BREEAM "Excellent" certificate



Cofinimmo aims to make this new development a landmark building in the heart of Brussels. With the creation of a square on the corner of rue de la Science and rue Belliard, a transparent five-storey atrium and the internal garden located behind the building, this project will bring a new dynamic to rue Belliard. The project received the IBGE/BIM "Exemplary Building 2011" award.

### Façade

- Triple-glazed windows
- Solar protection

### Roofs

- Green roofs on all raised flat roofs

### Rainwater recovery

- Recovery of rainwater
- Storm drain in the basement

### Hot and cold production

- Condensing boilers and cooling units with very high degree of efficiency
- Cooling and heating distribution through a reversible ceiling (hot/cold) with flexible controlling
- High-efficiency ventilation units equipped with speed regulators
- Energy recovery through recovery wheels

### Lighting

- Presence sensors with automatic extinguishing systems in case of absence
- Controlling of the luminous flux depending on daylight

### Plumbing

- Leak detection in sanitary facilities to ensure minimal municipal water consumption
- Basement showers

### Parking

- 100 bicycle parking spaces and 90 car parking spaces

## Suzanna Wesley:

a warm home in the heart of  
a changing Brussels neighborhood



- Address: rue Beeckman 26 - 1180 Brussels
- Architecte: Marc Lepage / Mates
- Surface area: 4,766m<sup>2</sup>
- Number of beds: 86
- Available: Q3 2015
- Environmental objectives: K23 (thermal insulation) level (inferior to K40 level required by the PEB/EPB\* regulation)

Cofinimmo wishes, with the construction of this type of nursing home, to establish a basis for sustainable construction of this kind of asset and to anticipate future PEB/EPB regulations, now non-existent in the area. Particular attention is given to the garden that will represent a real added value for future residents and for the whole neighborhood.

#### Façade

- Solar protection

#### Roofs

- Green roofs on almost all flat roofs

#### Rainwater recovery

- Rainwater recovery for the sanitary facilities
- Storm drain

#### Hot production and ventilation

- D system ventilation and ventilation group with heat recovery unit
- Condensing boilers

#### Lighting

- LED lighting

\* Energy performance of the buildings

# GRI G4 Reference

SDR : SUSTAINABLE DEVELOPMENT REPORT - AFR: Annual Financial Report

## Strategy and analysis

No.	Indicators	Page	Comments/ Correspondence	External review
G4-1	Provide a statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	SDR p. 1		

## Organisational profile

No.	Indicators	Page	Comments/ Correspondence	External review
G4-3	Organisational profile		Cofinimmo SA	
G4-4	Primary brands, products and services	SDR p. 4-5 SDR p. 10 to 13 AFR p. 44 to 69		
G4-5	Location of the organisation's headquarters		Boulevard de la Woluwe 58, 1200 Brussels, Belgium	
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations		Belgium, France, Netherlands, Germany	
G4-7	Nature of ownership and legal form	SDR p. 4-5 AFR p. 204 to 213		
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	SDR p. 4-5 AFR p. 28 to 69		
G4-9	Scale of the organisation (total number of employees, operations, net sales, debt and equity, products or services).	SDR p. 5 AFR p. 12-13		
G4-10	Total number of employees (permanent and temporary) by employment type, by region and by gender (and variations).	SDR p. 33 AFR p. 83		
G4-11	Percentage of all employees covered by collective bargaining agreements.		There is no union representation within Cofinimmo due to a lack of candidates in the compulsory employee elections held every four years. Cofinimmo is part of the joint 218 employment committee which governs employees' status.	

No.	Indicators	Page	Comments/ Correspondence	External review
G4-12	Organisation's supply chain	SDR p. 10 to 13		
G4-13	Substantial changes in the organisation's size, structure, capital or procurement chain.	AFR p. 1 AFR p. 26-27		
G4-14	Indicate whether and how the precautionary approach or principle is addressed by the organisation.	AFR p. 2 to 7		
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.	SDR p. 2-3 AFR p. 100	Participation in surveys GRESB and CDP	
G4-16	Memberships of associations (such as professional associations) and national or international advocacy organisations [...]		Member of KAURI, Business & Society, Women on Board, UPSI/BVS, IIP, EPRA, RICS, ULI, Alter Forum, ONA	

## Material aspects, issues and boundaries

No.	Indicators	Page	Comments/ Correspondence	External review
G4-17	Entities included in the organisation's consolidated financial statements.	AFR p. 190-191		
G4-18	Content and scope defining (= sub-themes) process.	SDR p. 17 AFR p. 76		
G4-19	List all the material aspects identified in the content defining process.	SDR p. 19		
G4-20	Relevance of aspects and precision of the scope within the organisation (according to the description in point G4-17).	SDR p. 18 AFR p. 75		
G4-21	For each of the relevant aspects, indicate the scope outside the organisation	SDR p. 12-13		
G4-22	Effects of any restatements of information provided in previous reports and the reasons for such restatements.		Not relevant if it is a first report in GRI G4 format.	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries.		Not relevant if it is a first report in GRI G4 format.	

## Stakeholder engagement

No.	Indicators	Page	Comments/ Correspondence	External review
G4-24	Provide a list of stakeholder groups engaged by the organisation.	SDR p. 14 to 16 AFR p. 77-78		
G4-25	Basis for identification and selection of stakeholders with whom to engage.	SDR p. 14		
G4-26	Report the organisation's approach to stakeholder engagement, including frequency of dialogue by type and by stakeholder group, and an indication of whether any dialogue was undertaken specifically as part of the report preparation process.	SDR p. 17		
G4-27	Key topics and concerns that have been raised through stakeholder dialogue, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	SDR p. 20 to 37 AFR p. 79 to 81		

## Report profile

No.	Indicators	Page	Comments/ Correspondence	External review
G4-28	Reporting period (such as fiscal or calendar year) for information provided.		Tax year from 01.01.2014 to 31.12.2014	
G4-29	Date of most recent previous report (if any).		For 2013, the sustainable development strategy was subject to a chapter in the Annual Financial Report 2013.	
G4-30	Reporting cycle (such as annual, biennial).		Annual	
G4-31	Contact point for questions regarding the report or its contents.		Valérie Kibieta, Head of External Communication & Investor Relations  Jean Van Buggenhout, Head of Property Services & CSR	
G4-32	GRI G4 compliance option chosen by the organisation ("Core" or "Comprehensive") and reference to the external audit report.		The "Core" option was chosen.	
G4-33	Seeking external review		Deloitte reviewed the key performance indicators.	

## Gouvernance

No.	Indicators	Page	Comments/ Correspondence	External review
G4-34	Governance structure of the organisation, including committees of the highest governance body.	SDR p. 7 AFR p. 82 AFR p. 108-109		

## Ethics and integrity

No.	Indicators	Page	Comments/ Correspondence	External review
G4-56	The organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	SDR p. 6 AFR p. 100	<a href="http://www.cofinimmo.com/corporate-governance/charter">http://www.cofinimmo.com/corporate-governance/charter</a>  <a href="http://www.cofinimmo.com/corporate-governance/conduct--ethics">http://www.cofinimmo.com/corporate-governance/conduct--ethics</a>	

# Specific information by theme

## Description of the managerial approach

No.	Indicators	Page	Comments/ Correspondence	External review
G4-DMA	Description of the managerial approach.	SDR p. 20 to 37		

## Economic performance

No.	Indicators	Page	Comments/ Correspondence	External review
G4-EC1	Direct economic value generated and distributed	SDR p. 21		
	Current earnings per share	SDR p. 21		
	NAV <sup>1</sup> (in fair value) per share	SDR p. 21		
	Dividend	SDR p. 21		
	Average cost of debt	SDR p. 21		

## Environment

No.	Indicators	Page	Comments/ Correspondence	External review
G4-CRE8	Total number of buildings which received certification by type and by level	SDR p. 23 AFR p. 45, 51 and 59	Key performance indicators 2014 <sup>2</sup> , p. 7	
G4-EN3	Total direct energy consumption coming from fuels and indirect energy consumption coming from electrical energy	SDR p. 23	Key performance indicators 2014 <sup>2</sup> , p. 2-3	

<sup>1</sup> Net Asset Value.

<sup>2</sup> see [www.cofinimmo.com/sustainable-development/performances-and-objectives](http://www.cofinimmo.com/sustainable-development/performances-and-objectives)

No.	Indicators	Page	Comments/ Correspondence	External review
G4-CRE1	Relative energy consumption	SDR p. 23	Key performance indicators 2014 <sup>1</sup> , p. 4	
G4-EN16	Total indirect greenhouse gas emissions	SDR p. 23	Key performance indicators 2014 <sup>1</sup> , p. 5	
G4-EN15	Total direct greenhouse gas emissions	SDR p. 23	Key performance indicators 2014 <sup>1</sup> , p. 5	
G4-CRE3	Relative greenhouse gas emissions	SDR p. 23	Key performance indicators 2014 <sup>1</sup> , p. 6	
G4-EN8	Total water consumption per supply source		Key performance indicators 2014 <sup>1</sup> , p. 6	
G4-CRE2	Relative water consumption per supply source		Key performance indicators 2014 <sup>1</sup> , p. 6	
G4-EN23	Total weight and percentage of waste collected per processing channel		Key performance indicators 2014 <sup>1</sup> , p. 7	

## Company

No.	Indicators	Page	Comments/ Correspondence	External review
G4-LA6	Levels and types of workplace accidents, work-related illnesses, absenteeism, proportion of lost work days and total number of work-related fatalities, by geographical region and by gender	SDR p. 29		
G4-S05	Proven cases of corruption and measures	SDR p. 31		
G4-LA1	Total number and percentage of new employees hired and employee turnover by age group, gender and geographical region	SDR p. 32		
G4-LA12	Composition of governance bodies and breakdown of employees by professional category, gender, age group, racial minority and other diversity	SDR p. 33		
G4-LA9	Average number of training hours per year, broken down by employee, by gender and by professional category	SDR p. 35		
G4-LA11	Percentage of employees receiving periodic appraisal interviews and career advancement, by gender and by professional category		100%	

<sup>1</sup> see [www.cofinimmo.com/sustainable-development/performances-and-objectives](http://www.cofinimmo.com/sustainable-development/performances-and-objectives)

## **Cofinimmo**

Boulevard de la Woluwe/Woluwedal, 58

B - 1200 Brussels

Tel. +32 2 373 00 00

Fax +32 2 373 00 10

R.L.P. of Brussels

VAT: BE 0426 184 049

[www.cofinimmo.com](http://www.cofinimmo.com)

SEND US YOUR FEEDBACK  
[dscherens@cofinimmo.be](mailto:dscherens@cofinimmo.be)

FOR MORE INFORMATION  
Valérie Kibieta  
Head of External Communication and Investor Relations  
Jean Van Buggenhout  
Head of Property Services & CSR

EDITORS  
Valérie Kibieta  
Jean Van Buggenhout

DESIGN AND REALISATION  
[www.concerto.be](http://www.concerto.be)

PICTURES  
Buildings: Art&Build, Marc Lepage, Yvan Glavie  
Portraits: David Plas

Ce Rapport de développement durable est également disponible en français.  
Dit Duurzame ontwikkelingsverslag is eveneens beschikbaar in het Nederlands.

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