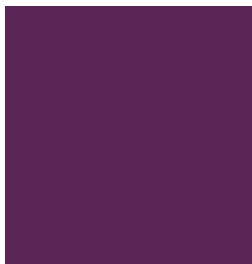




CORPORATE GOVERNANCE CHARTER



CORPORATE GOVERNANCE CHARTER

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I. INTRODUCTION

“COFINIMMO” is a public limited company with its registered office at 270 avenue de Tervueren, 1150 Brussels (the **Company** or **Cofinimmo**).

Cofinimmo is a Belgian listed real estate company founded in 1983 and has as business activity the acquisition, development and rental of properties. It is a major player in the European market.

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 on 26.08.2014.

The Company has a diversified real estate portfolio, with operations in different countries in Europe. Conscious of 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 real estate 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 and targets both Belgian and foreign institutional and retail investors.

Its activities are supervised by the Financial Services and Markets Authority (the **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 is subject to the Belgian Code of Corporate Governance 2020 (**2020 Code**) as well as 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, namely:

- the Company’s articles of association (the **Articles of Association**);¹
- the CCA;
- the 2020 Code;²
- 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 25 April 2024. It will 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 Company’s 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 CG 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.

For further information, please write to the following email 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.* of the 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 of the 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 of shareholders.

The board of directors has set up in its midst 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 board of directors has delegated certain specific powers to the managing director, as provided for by article 12 of the Articles of Association. The managing director may sub-delegate these powers.

The board of directors has also conferred to the managing director the daily management of the Company.

The managing director is supported, in its decision-making processes, by an executive committee, appointed by the board of directors.

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/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 the strategic guidelines for the Company at its own initiative or, as the case may be, further to a proposal of the managing director, supported by the executive committee, and constructively supervises the quality of daily 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 the 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 managing director 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.



2.1.1.2 Responsibilities of the board of directors

The directors form a collective body. The board of directors 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 managing director, supported by the executive committee or, as the case may be, at its own initiative, determining the medium- and long-term strategic guidelines including the sustainability strategy and the objectives of the Company and regularly examining and assessing the implementation of this strategy;
2. Pursuant to a recommendation of the managing director, supported by the executive committee, deciding 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:
 - 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 business plan, the budget and the financial statements:
 - Evaluating and approving the business plan and the budget prepared by the managing director, supported 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 the investors and the public and taking all the measures necessary to ensure the integrity and disclosure in due course of the financial statements and other important information, financial and non-financial, communicated to the shareholders and the 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 managing director, supported 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 a 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 managing director 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 sustainability objectives;
9. Submitting the remuneration policy to the general meeting of shareholders 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 managing director and the other members of) the executive committee:

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

- Ensuring a succession plan for the managing director and in particular designating and removing the managing director;
- Ensuring a succession plan for the other members of the executive committee in consultation with the managing director 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 managing director and the other members of the executive committee.

11. Concerning the composition and remuneration of (the members of) the board of directors:

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

- Formulating recommendations at the general meeting of shareholders 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 vacancies;
- 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 CCA;

14. Ensuring that appropriate procedures related to cybersecurity are in place, as well as training and regular exercise for members of the company.

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, the purpose of the Company, its activities, stage of development, capital structure and size, whilst 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 a 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 members of the board of directors must consist of non-executive directors.

The board of directors emphasises the importance of continuity within the board of directors. Once appointed, a director is required to serve out his/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 of directors and the committees, the needs in respect of skills, knowledge and experience, 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 real estate 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 in 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 real estate sector and to RRECs in particular;
- Experience in remuneration management;
- An impeccable reputation and corporate ethics;
- Having a diversified socio-economic representation of the business world;
- Entrepreneurial spirit;
- Open to diversity 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 the fields of knowledge and the types of expertise on one axis and a list of the board members on the other.

Gap analysis

In the light of the most recent assessment of the directors both on the board of directors and on the committees, the nomination, remuneration and corporate governance committee determines with the help of the 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 appointment or re-appointment 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 and makes recommendations.

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 the approval of a candidate, the board of directors has received sufficient information about the candidate, such as his/her curriculum vitae, an evaluation based on the interview(s), a list of other offices the candidate has held as well as, if applicable, necessary information regarding the assessment of his/her independence.

Following a decision by the board of directors, the appointment of the selected candidate(s) is submitted to the next general meeting of shareholders 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 of shareholders 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-appointments

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-appointment is established.

The mandate of the directors can be renewed.

Prior to the end of the term of each non-executive director, the appropriateness of renewing his/her mandate will be thoroughly assessed, 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 (commitment and constructive involvement in discussions and decision-making) 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.

To ensure a regular input of new talent on the board of directors, the maximum term of a non-executive director is in principle limited to a period of twelve years. For these non-executive directors, re-appointment 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 stakeholders, such as employees, clients, public authorities and supervisory authorities (in particular the FSMA).

Newly appointed directors shall receive training, 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 real estate 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 the 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 among its independent directors. The chairman shall be recognised for his/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 managing director and the other members 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 the board of directors meetings, in consultation with the managing director and the 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 proposals of the managing director, as the case may be prepared with the support of the executive committee, 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 overseeing procedures:

- 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, the managing director and the other members of the executive committee;
- Appointing and re-appointing members of the board of directors and its committees, the managing director and the other members of the executive committee;
- Evaluating the performance of (the members of) the board of directors, (the members of) the committees, the managing director and (the members of) the executive committee;
- Drawing up, monitoring and revising continuous training programmes for the directors, tailored to their individual needs;

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

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

Representation with respect to the shareholders:

- Chairing the general meetings of shareholders and ensuring that they proceed smoothly;
- Ensuring effective communication with the shareholders;
- Assuming the role of key contact for the 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 managing director:

- 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

Planning and agenda for meetings of the board of directors

During the current year, the chairman, in consultation with the managing director, draws up a schedule of meetings of the board of directors for the coming year, which he/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 managing director informs the chairman of the board of directors of progress made concerning matters and files of relevance falling within the competence of the board of directors.

The chairman, in consultation with the managing director 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 discussion or for decision.

The chairman is consulted on any proposal to be submitted to the board of directors. No item 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 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 business days before the meeting of the board of directors. The notification period may be shorter (i) where the chairman and the managing director so decide jointly due 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 the 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 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.

The documentation in support of a proposal for a decision to be taken by the board of directors consists

of a file containing slides and any other documents that the chairman and the managing director might consider useful and important for the proper understanding of the directors.

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

- the description of the project;
- the rationale behind the proposal and its benefit for the Company;
- possible alternatives and their impacts, including sustainability 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, reputational risks;
- 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/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/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 in writing provided that they are taken unanimously (for example by way of an exchange of emails).

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 The 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, the managing director and the executive committee and its members 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 managing director and 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 this CG Charter;

- Constantly ensuring that the Articles of Association, this CG Charter, 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, the committees, the managing director and the executive committee 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, its committees, the managing director and the executive committee;
- Guaranteeing that the essential points of discussions and decisions of meetings of the board of directors, the committees and the executive committee appear correctly in the minutes;
- Facilitating initial training and supporting professional development of the members of the board of directors, if necessary;
- Taking charge of the practical and logistical organisation of the meetings of the board of directors, the committees and the executive committee and of the general meetings of shareholders.

The secretary general is accountable to the chairman of the board of directors and the managing director. The latter prepares his/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 issues to the board of directors’ attention. The board of directors as a whole remains responsible for the 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 audit committee, as described in point 2.1.2; and
- a nomination, remuneration and corporate governance committee (the **NRC Committee**), as described in point 2.1.3.

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 receives oral feedback from each committee.

The board of directors shall ensure that each member possesses the independence, skills, knowledge, experience and capacity required to effectively perform his/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 managing director and the other 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/her absence, the managing director.

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 managing director and the (members of 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 Committee.

This evaluation has four objectives:

- appraise the functioning of the board of directors or 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 the 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 managing director and the executive committee and the evaluation of their interactions with the managing director and (the members of) the executive committee. Once a year at least, the non-

executive directors conduct a regular assessment of their interaction with the managing director and (the members of) 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, the board of directors proceeds with an evaluation of the director under the guidance and with the contribution of the NRC Committee 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 makes recommendations regarding the renewal of terms of office that are about to expire to the board of directors which then decides to submit them to the general meeting of shareholders.

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:

- by two directors, acting jointly;
- by the managing director and another member of the executive committee, acting jointly.

The board of directors has also delegated additional special powers to the managing director, pursuant to which he/she can validly represent the Company within the limits of the mandate granted to him/her.

The board of directors has moreover authorised the managing director to delegate his/her powers, under his/her responsibility and in accordance with the procedures and limits fixed by him/her, to one or more representatives of the Company pursuant to a list he/she draws up and within the limits of the scope of activities and tasks conferred on him/her.

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 the investors and to the public and takes all measures necessary to ensure the reliability and the publication in due course of the financial statements and other significant financial or non-financial information communicated to the shareholders and potential shareholders.

All information communicated to the 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 a year.

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

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

The Company encourages the shareholders, in particular the institutional investors, to play an important role in the 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. The shareholders may moreover write to the Company at info@cofinimmo.be.

2.1.2 The audit committee (terms of reference)

2.1.2.1 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 sustainability.

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.

2.1.2.2 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.

The audit committee has the following tasks:

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 the managing director, supported by the executive committee;
 - 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 managing director, supported by 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 appropriate risk management and control systems have been set up, and proposing 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 managing director, with the support of 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 managing director, supported 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 Company policies ;
- 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 managing director, supported by the executive committee concerning the appointment and replacement of the internal auditor;
- 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 auditor and the statutory auditor;

- Holding a private meeting with the internal auditor, where no member of the executive committee is present, at least once a year. The internal auditor and the head of controlling 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 audit: 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 any member 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 member of the executive committee is present, at least once a year.

5. Sustainability

- Examining and supervising the realisation of the sustainability 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 competence of the audit committee
- Accomplishing any other tasks assigned to it by the board of directors.

2.1.2.3 Composition of the audit committee

The audit committee has 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. 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 be member of the audit committee but may not chair it.

The chairman of the audit committee is appointed by the board of directors. 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/her term of office in the audit committee.

2.1.2.4 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 necessary or at the request of one of its members, the statutory auditor, the internal auditor or the managing director. Members are expected to attend all the meetings of the committee.

The chairman of the audit committee, in consultation with the managing director, draws up the agenda for each meeting of the audit committee. The managing director 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 managing director and (the other members of) the executive committee. It may invite to its meetings any person whose presence it considers may be useful.



2. Notification of meetings – Preparation and prior transmission of documents

In principle, members are notified at least five business days before the committee meeting. However, the notification period may be shorter (i) where the chairman of the audit committee so decides due 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 committee 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 which are important to the proper understanding of the matters to be discussed at the meeting are prepared by the managing director, with the support of 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 managing director, with the support of 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 the managing director and the other 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 head of controlling, the CFO, 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 the 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 managing director.

The minutes are kept at the disposal of the statutory auditor with the secretary general.

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.

2.1.2.5 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 the managing director and the other members of the executive committee or the staff are channelled through the chairman of the audit committee.

The audit committee has the widest powers in the accomplishment of its tasks: it may, on its own initiative, launch any inquiries in the Company and may take advice from outside experts and invite such experts to its meetings.

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.

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

2.1.3.1 Role of the NRC Committee

The role of 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.

2.1.3.2 Responsibilities of the NRC committee

The NRC Committee has the following 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 appropriate to renew directorships.

- The committee ensures that terms of office are staggered so as to ensure they do not all end simultaneously and 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 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 the function of managing director and the other functions in the executive committee and submitting recommendations to the board of directors for the appointment or removal of the managing director and other members of the executive committee. For the appointment or removal of the managing director, the NRC Committee bases its recommendation 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 managing director in consultation with the chairman of the board of directors
- Assessing the efficiency of the board of directors, the committees and the executive committee.
- 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 for approval.
- Proposing a remuneration policy for the managing director and other members of the executive committee to be referred to the board of directors, and if approved, to the general meeting of shareholders for approval.
- Determining the performance objectives of the managing director and the other members of the executive committee; assessing the performances of the managing director and the other members of the executive committee in relation to their KPIs. In order to determine the objectives and assessment of the managing director, the NRC Committee bases its recommendations to the board of directors on a motivated proposal by the chairman of the board of directors; in order to determine the objectives and assessment of the other members of the executive committee, it bases its recommendation on a motivated proposal prepared by the managing director in consultation with the chairman.
- Evaluating and examining the remuneration, any benefits and any arrangements for severance pay for the managing director and other members of the executive committee. All components of the remuneration will be taken into account, and likewise the principles governing the allocation of the fixed and variable portions, the criteria governing the basis of assessment and the allocation of the 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 on the remuneration of the managing director 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 the Articles of Association;
- governance tendencies and best practices.
- Formulating recommendations to the board of directors in governance matters in general.

4. Other

- Accomplishing any other tasks assigned to it by the board of directors.

2.1.3.3 Composition of the NRC Committee

The NRC Committee has 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. 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 appointed by the board of directors.

Where a member of the NRC Committee no longer holds the office of director, this automatically results in the termination of his/her term of office in the NRC Committee.

2.1.3.4 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 necessary 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 managing director 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 managing director and the other members of the executive committee. He or she may invite to its meetings any person whose presence he/she deems useful.

2. Notification of meetings – Preparation and prior transmission of documents

In principle, members are notified at least five business days before the committee meeting. However, the notification period may be shorter (i) where the chairman of the committee so decides due 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 committee 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 which are important to the proper understanding of the matters to be discussed at the meeting are prepared by the managing director, with the support of 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 managing director, with the support of 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 managing director and the other members of 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 chief 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 chairman'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 with the secretary general.

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.

2.1.3.5 Powers of the audit committee

The NRC Committee has unlimited access to all information relating to corporate matters, including the individual files of the 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 executive committee or to select a board Candidate in order to obtain any relevant information. The managing director, all members 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 chief human resources manager, 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.

2.1.4 The executive committee (terms of reference)

2.1.4.1 The managing director

In accordance with Article 12 of the Articles of Association, the board of directors has delegated to the managing director the daily management. The daily management comprises all acts and decisions that do not go beyond the needs of the daily life of the Company, as well as acts and decisions that do not justify the intervention of the board of directors for reasons of minor importance or because of their urgency.

In addition, the board of directors has delegated to the managing director special powers, limited to 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.

2.1.4.1.1 Role of the managing director

The managing director has the following tasks:

- Propose the Company's strategy including sustainability 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 managing director is an effective manager ("effectieve leiders" / "dirigeants effectifs") in accordance with the RREC Act.

2.1.4.1.2 Responsibilities of the managing director

The board of directors has delegated to the managing director, the following powers:

1. The development of proposals 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 managing director 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 managing director 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 managing director, both in Belgium and abroad:
- negotiates, concludes, signs, modifies, terminates and/or executes any agreement relating to commercial management (including rights in rem, leases and other occupancy rights), operational or technical management (including agreements relating to maintenance, repair works and the like) of the property portfolio which the managing director 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;
 - executes and supervises all payment orders, bank transfers, issues and receipts of all cheques and, in general, all fund transfer operations;

- 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 managing director 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 managing director 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 managing director 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 managing director is in charge of:
 - the publication of press releases;
 - the preparation for general meetings of shareholders (without prejudice to the power of the board of directors to convene the general meeting of shareholders and to approve the special reports of the board of directors for submission to the general meeting of shareholders);
 - 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 managing director,
 - 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 with the exception of those appointed by the board of directors on the recommendation by the NRC Committee) and corporate restructurings (mergers, demergers, 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 managing director has delegated his/her powers, under his/her responsibility and in accordance with the procedures and limits set by him/her, to one or more representatives of the Company in accordance with a list drawn up by him/her and within the limits of the scope of activities and tasks conferred on him/her.

The managing director, both as daily manager and under the delegation of specific powers, must not act alone but shall act jointly with another member of the executive committee at all times (the "four-eyes principle").

2.1.4.2 The executive committee

The board of directors has established an executive committee consisting of the managing director and several other members who are operational and/or functional managers of the Company.

2.1.4.2.1 Role of the executive committee

The Executive Committee acts as a collective body, to support the managing director in carrying out his mandate, helping to enrich the decision-making process and to ensure the effective implementation of the organisational strategy.

The Executive Committee's discussions and preparations for decisions will enrich the managing director's thinking by providing in-depth analyses, recommendations and diverse points of view on the subjects discussed; the final responsibility for decision-making remains with the managing director.

More in particular, the executive committee supports the managing director in carrying out his/her mission, and its tasks include a.o.:

- propose the Company's strategy, including the sustainability strategy, to the managing director;
- implement this strategy, under the leadership of the managing director;
- support the managing director in investment and divestment policies, including the preparation of decisions to acquire, transfer or pledge property rights on real estate or the shares of real estate companies;
- support the managing director in appropriate risk management policies;
- support the managing director in the day-to-day management and operational management of the Company;
- support the managing director in the financial and administrative management of the Company;
- timely provide all information needed by the managing director to perform his/her duties.

Each member of the executive committee is individually responsible for the operational and functional duties entrusted to him or her by the managing director, under the leadership of the managing director.

All members of the executive committee are effective managers of the Company in accordance with the RREC Act.

2.1.4.2.2 Powers of the members of the executive committee

The managing director may delegate certain (individual or joint) powers to members of the executive committee, within the limits of his/her own powers.

A member of the executive committee, with respect to his/her individual powers (if any), must not act alone but shall act jointly with the managing director, another member of the executive committee or another representative of the Company at all times (the "four-eyes principle").

2.1.4.2.3 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 managing director 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 managing director.

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.

2.1.4.2.4 Composition of the executive committee

The executive committee has at least three members, with the managing director as chair.

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.

The responsibilities of the managing director (as the chairman of the executive committee) 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, 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 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 positions adopted 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.



2.1.4.2.5 Functioning of the executive committee

1. *Planning, agenda and participation in executive committee meetings*

The executive committee meets when convened by the managing director, in principle every week on Monday or, failing that, on the date set at the previous meeting. It can, if need be, be convened at any other time by the chairman, the managing director or at the request of at least two members.

The executive committee deliberates by means of a predetermined agenda and on the basis of files containing all the information necessary for deliberation and of which every member has received a copy in advance.

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

2. *Quorum and deliberations*

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

If the quorum is not met or if the managing director is not present or validly represented by another member of the executive committee, a new meeting must be called.

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.

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

The minutes signed by the managing director are held at the disposal of the members of the executive

committee with the general secretary. 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 managing director reports to the board of directors on important aspects of the day-to-day management. The managing director 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 (a.o.):

- 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 competence of the board of directors.

2.1.4.2.6 Objectives and assessment of 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 managing director, 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.

2.1.4.2.7 Representation of the Company by the executive committee

The Company shall be represented by (the members of) the executive committee within the limits of the mandate granted to them (if any).

Reference is made to point 2.1.1.10, "Representation of the Company".

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

The members of the executive committee who are effective managers, 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 point 2.1.2.

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.

2.2.1.3 The internal audit function

1. Definition of the internal audit function

In coordination with the auditors and regulators, the internal audit function is an independent and objective assurance and consulting activity which essentially consists of examining and assessing the existence and smooth functioning, effectiveness and relevance of processes, procedures and activities, as well as the internal control and risk management system.

This function is carried out by the internal auditor. He/she assists the managing director, the executive committee and the audit committee in the exercise

of their responsibilities by making proposals for the improvement of processes and internal control system 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, while its continuous monitoring is under the responsibility of the second level such as the risk manager and the compliance officer. Internal audit exercises the third level control by giving an independent assurance.

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.

Different types of audits are possible: financial (verification of the reliability of financial information), compliance (verification of compliance with laws and regulations, policies and procedures), and operational (verification of the quality and appropriateness of methods and procedures and critical analysis of organisational structures and resources used in relation to objectives).

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

2. Purpose and scope of the internal audit function

Purpose

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 the executive committee'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.

The internal auditor makes recommendations and monitors their implementation, taking into account the pace at which the Company is able to assimilate these recommendations.

The internal auditor has no operational responsibility, nor the power to impose its recommendations. The managing director, supported by the executive committee, is responsible for implementing the recommendations made by the internal auditor. Through its opinions, suggestions or recommendations, the internal auditor therefore strives to help management implement and exercise of internal control. The heads of department are therefore fully responsible for the smooth functioning of the internal controls.

Scope

All the activities, processes, systems and entities of the Cofinimmo Group as well as outsourced core activities fall within the scope of the internal Audit, without reservation or exception. The scope of intervention includes all operational, support and management processes, as well as corporate governance, risk management and control processes.

Apart from exceptions linked to possible regulatory requirements, the scope of the internal audit does not cover the activities of companies in which the Cofinimmo group only holds a minority shareholding. However, it is the responsibility of the Cofinimmo representative, appointed to the board of directors of these companies, to check the state of the internal control system and, if necessary, to alert the managing director and the Audit Committee of the Cofinimmo Group.

The audit committee determines the internal auditor's programme based on a multi-year plan proposed by the internal auditor and submitted beforehand to the managing director. 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 the internal auditor with any task that it deems necessary in the interest of the Company.

3. *Tasks of the internal auditor*

The internal auditor 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.

As such, it is his/her responsibility to assess or perform:

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

This means that he/she:

1. Checks the existence of procedures that allow a good internal control:
 - if procedures do not exist, the internal auditor endeavours to have them developed and implemented by the relevant managers.
 - if procedures exist, he/she ensures that they are up to date and seeks to improve them.
2. Checks the correct application of internal procedures:
 - he/she verifies the knowledge, understanding and dissemination of these within the Company.

- he/she 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. Performs the analysis and control of risks associated with the operations carried out by the Company. More specifically, he/she 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. Performs the analysis of expenditure and investments. In particular, he/she seeks to verify the conditions under which contracts are entered into as well as the justification of expenses, whether these are personnel costs, other overhead costs 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 managing director, supported by 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 managing director, supported by the executive committee or in the context of incidents of a suspicious or fraudulent nature that require in-depth investigation (incidents which must be referred to the internal auditor immediately by the responsible hierarchical level).

4. *Appointment of the internal auditor*

The internal auditor is appointed by the board of directors based on the proposal of the managing director and the recommendation of the audit committee.

The internal auditor may designate one or more colleagues, preferably with several years' experience within the Company, to carry out or assist with the performance of his/her duties.

5. *Authority of the internal auditor*

- 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 auditor*

To enable the internal auditor to perform its duties and assume its responsibilities in accordance with the rules established by the Institute of Internal Auditors, 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 his/her task, the internal auditor reports administratively to the managing director, with whom he/she meets regularly, whereas he/she is under the functional supervision and responsibility of the chairman of the audit committee. The internal auditor reports at least three times a year to the chairman of the audit committee and shall have direct access to him/her if he/she deems it necessary.

7. *Competencies of the internal auditor*

The internal auditor function must ensure that sufficient competencies are acquired and developed within the internal audit function through:

- adequate training of staff 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 function 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.

2.2.1.4 **The compliance function**

1. *Definition*

The compliance function is an internal, independent and permanent function within the Company, responsible, amongst other, for ensuring that the Company and its subsidiaries comply with this CG Charter and Company policies, more generally, that it complies with all the legal and regulatory provisions in force which are applicable to the Company and its subsidiaries.

2. *Purpose of the Compliance function*

The purpose of the compliance function is to:

- ensure compliance with the laws and regulations applicable to the Company and its subsidiaries;
- ensure compliance with this CG Charter and with the articles of association of all Cofinimmo group entities;
- identify and assess the compliance risk to which the Company and its subsidiaries are exposed;
- ensure compliance with Company policies, amongst other: the rules on conflicts of interest, integrity policy (code of good conduct) and market abuse (dealing code);
- establish and maintain an effective and adequate whistleblowing procedure within the Cofinimmo

group, and receive, review and process reports of alleged non-compliance;

- take the initiative for awareness-raising and continuous training actions in the field of compliance;
- 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 board of directors, which generally appoints the secretary general as compliance officer, based on the proposal of the managing director and the recommendation of the audit committee.

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 his/her duties.

4. Independence of the compliance officer

The compliance officer is completely independent.

He/she reports on a regular basis to the chairman of the audit committee and reports administratively to the managing director.

He/she is required to inform the managing director in the event of an actual or potential conflict of interest that could compromise the objectivity or independence of the compliance function.

He/she can contact the internal auditor, the managing director, the chairman of the board of directors, the audit committee, the statutory auditor or the FSMA directly, without informing anyone else first. If he/she does so, he/she shall inform the managing director immediately afterwards.

He/she may freely express and make known his/her findings and assessments in the context of his/her task,

without these findings and assessments being held against him/herself.

The compliance officer is subject to the strictest confidentiality. This obligation is without prejudice to the performance of his/her duties and cannot be an obstacle to any notification or information obligation in the context of his/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/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/her task.

He/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, the committees and the executive committee, to the extent required for the performance of his/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 establishes written guidelines for staff and service providers on the proper implementation of laws, regulations, rules and standards through policies and procedures. He/she trains staff with regard to compliance with applicable laws, rules and standards, and acts as an advisor on compliance issues raised by staff members.



The compliance officer regularly informs the managing director 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/she shall immediately inform the managing director and the audit committee of any element relating to compliance that might be significant risk to the Company and/or its subsidiaries.

He/she reports quarterly to the audit committee on the status and results of compliance activities.

At least once a year, the compliance officer reports and informs the managing director 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

1. Introduction - Objective and context

Uncertainty is an intrinsic factor for any company. Therefore, one of the main challenges for the managing director, with the support of 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 organization 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 of the risk manager

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 of the risk manager

The managing director 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 managing director presents a formal review of the risk management process at Cofinimmo.

In terms of the operational risk, the managing director delegates the management of these risks to the heads of department. They are responsible for risk management within their department, ensuring that the tolerance levels are complied with, ensuring that their employees are aware of the risks, and setting 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/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 managing director and the audit committee. He/ she may act as an advisor as regards risk management strategy.

The executive committee supports the managing director in the risk management policy.

4. Appointment of the risk manager

The risk manager is appointed by the board of directors, which generally appoints the secretary general as risk manager, based on the proposal of the managing director and the recommendation of the audit committee.

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 managing director and its support and control bodies.

The executive committee supports the managing director on strategic risk management.

- i) **Operational risk:**
Any occurrence of a newly identified risk corresponding to the "unacceptable" area is immediately reported to the managing director and the risk manager, with at least one proposal aimed at managing and reducing it as quickly as possible. In doing so, the executive committee may be consulted.

Any newly identified risk whose occurrence corresponds to the area of improvement must be reported by the person who identified it, to his/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;

- o 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 managing director 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 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 then submits its proposal to the shareholders for approval.

The general meeting of shareholders 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 FSMA.

The statutory auditor has amongst other the following tasks:

- to confirm in writing every year to the audit committee that it is independent from the Company;
- to inform the audit committee of the additional services provided to the Company and to examine 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, reporting 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 (in particular significant weaknesses in the internal control with regard to the financial reporting process).

2.2.2.4 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 participation in the Company, does not perform management functions for it and has no other link or relationship that could 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.

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 amount of Cofinimmo's capital and the 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).

There are no other transparency thresholds.

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 of the Company.

The Company encourages shareholders to attend the general meetings of shareholders. The general meeting of shareholders is used to communicate with the 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 of shareholders is necessary, the board of directors will endeavour to organise it immediately before the annual general meeting of shareholders.

The general meeting of shareholders 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 of shareholders 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 of shareholders at midnight (Belgian time) (the **Record Date**). Only persons 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, registration 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 registration must be provided to the secretary general at the latest six days prior to the date of the general meeting of shareholders.

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 of shareholders.

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 general meeting of shareholders.

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/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/her absence, by the longest-serving director. When two or more directors have served equally long, the oldest director chairs the meeting. 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 are the bureau.

The attendance and majority requirements for the decision-making of the general meeting of shareholders 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 of shareholders 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 of shareholders 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 of shareholders (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

The principles are set out in the CCA, the specific provisions of the RREC Legislation and the code of good conduct.

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.

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 in principle 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.

4.2.2 Duty to inform

If a conflict of interest, as described under 1, arises, the director involved must in principle 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 nature of 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 the nature of 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 statutory auditor.

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

The Company must in principle 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 by the committee). 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 minimize 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 powers of the managing director, or, as the case may be, of the executive committee), he/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 transaction of the Company, he/she must immediately inform, as the case may be, the chairman of the board of directors or the managing director. The chairman or the managing director 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 nature of this conflict of interest, (iii) the nature of the relevant decision or transaction and (iv) the justification for the decision taken by the Company.