

2024 REMUNERATION POLICY

1. CONTEXT

This remuneration policy complies with the provisions of the Belgian Corporate Governance Code 2020 (“2020 Code”) and article 7:89/1 of the Companies and Associations Code (“CAC”).

The remuneration policy, on the recommendation of the nomination, remuneration and corporate governance committee (“NRC”), was approved by the board of directors on 21.03.2024 (“Remuneration Policy”). The Remuneration Policy will be submitted for approval to the annual general meeting on 08.05.2024 and, if approved, will apply as from the financial year beginning 01.01.2024. It will replace the 2020 remuneration policy approved by the ordinary general meeting of 13.05.2020 and amended by the ordinary general meeting of 11.05.2022. It will be available for consultation on the company's website for as long as it remains in force. The Remuneration Policy is deemed to apply for four years, until the end of the 2027 financial year, unless the board of directors requests approval for material amendments to this policy at an earlier time, if appropriate.

The company proactively engages with its stakeholders on an ongoing basis to understand how it can improve its remuneration practices and policies. Similarly, should a significant proportion of votes be cast against the Remuneration Policy, the company will take the necessary steps to address the concerns of those voting against.

2. PURPOSE AND OBJECTIVES

The Remuneration Policy covers the remuneration of the members of the board of directors, the managing director and the members of the executive committee. It is intended to remunerate those involved in the management of the company in a way that attracts, retains and motivates them in line with the company's characteristics and objectives. Its overall objective is to support the company in its development and thereby create sustainable value for shareholders, other stakeholders and society in general.

3. CHANGES

The review of the Remuneration Policy revealed that, overall, the framework remains fit for purpose.

The NRC also sought to adapt the long-term incentive (“LTI”) to a large extent, to place greater emphasis on the creation of shareholder value as well as alignment with stakeholders and the company's strategy, and drive performance with a long-term view.

The NRC also took this opportunity to refine the overall structure of the policy and its narrative, to improve clarity and ensure alignment with the market, stakeholder expectations and the company's strategy.

The main changes are as follows:

- Long-term incentives LTI

The objectives of the redefinition of the LTI are to:

- attract, retain and motivate the members of the executive committee;
- drive performance and linkage to long-term business strategy;
- align the plan with best practice and with the interests of shareholders by encouraging the members of the executive committee to adopt a long-term view.

In this context, and with a view to creating long-term value, the main changes to the plan are as follows:

- a long-term incentive scheme that is subject to the achievement of performance criteria measured in a 3-year performance cycle instead of a 1-year performance cycle;
 - the elimination of personal objectives, which allows the emphasis to be placed on long-term strategic objectives and collegial functioning;
 - mainly financial and ESG performance criteria, with majority weighting on financial and share price related measures;
 - a cash payment that can be used under certain conditions to acquire shares in the company at a discount of 100/120 with a holding a period of 2 years;
 - the introduction of a claw-back.
- Differentiation between the managing director and the members of the executive committee

The Remuneration Policy reflects the clarification in the governance model submitted for approval to the extraordinary general meeting on 08.05.2024 (or, if the required quorum is not reached at this meeting of 08.05.2024, on 05.06.2024) and applicable as of 01.06.2024. This clarification aims to streamline the organisation within the framework of the one-tier governance model. The managing director is now the sole delegate of daily management and acts with the support of the executive committee. As strategic leader, decision-maker and delegate of daily management, the managing director assumes responsibilities and risks that justify differentiated remuneration of the members of the executive committee. This difference is aligned with the overall performance, both financial and non-financial, and with the company's short- and long-term strategic objectives, including the environmental, social, and governance (ESG) criteria.

Under the Short-Term Incentive (STI) and Long-Term Incentive (LTI) schemes and supported by the result of a benchmarking exercise (cf. 5.2), the managing director's remuneration target is set at 50% of the fixed base salary with a maximum of 75% (previous target at 40% with a maximum of 60%). Remuneration targets remain unchanged for the other members of the executive committee i.e. 40% of the fixed base salary with a maximum of 60%. This differentiation will apply from the financial year beginning 1 January 2024 for the STI, the LTI transition plan and the new LTI plan.

4. REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

The Remuneration Policy for non-executive directors is simple and cash-based. It appropriately compensates board members for their work on the basis of competitive market levels, while reinforcing the link with the company's strategy, long-term interest and sustainability by requiring non-executive directors to hold shares during their term of mandate.

The remuneration of non-executive directors consists exclusively of a fixed annual fee and attendance fees for each meeting attended.

4.1. Market positioning / benchmark

As part of a full evaluation of the Remuneration Policy of the non-executive directors, the NRC compares regularly the remuneration of non-executive directors of other listed Belgian companies of a similar size and complexity, with the help of an external specialized consultant. The aim is to ensure that the remuneration remains adequate and in line with market practice, having regard to the size and the complexity of the company, its financial situation, its position within the Belgian economic environment and the level of responsibilities assumed by non-executive directors.

4.2. Composition

No changes are proposed to the Remuneration Policy for non-executive directors.

Element	Summary
Remuneration of the board of directors	<p><u>Purpose</u> Attract people with the skills and experience required to hold the positions of member or Chairman of the board of directors and/or board committees.</p> <p><u>Operation</u></p> <ul style="list-style-type: none">• The remuneration of non-executive directors consists exclusively of a fixed annual remuneration and attendance fees for each meeting attended:<ul style="list-style-type: none">- for board membership, the remuneration comprises a fixed annual fee of EUR 30,000 and attendance fees of EUR 2,500 per board meeting;- for committee membership, the remuneration comprises a fixed annual remuneration of EUR 6,250 (EUR 12,500 for chairing a committee) and attendance fees of EUR 1,000 per committee meeting.• Non-executive directors residing abroad receive an additional allowance for attending in-person meetings. The additional allowance covers additional time directors devote to their mandate compared to directors residing in Belgium. The flat-rate amount is EUR 1,000 per trip to attend a board meeting or a committee meeting.• The remuneration of the Chairman of the board of directors is set at EUR 100,000 per annum for his responsibilities as Chairman of the board of directors, EUR 12,500 for his responsibilities as Chairman of the NRC and attendance fees of EUR 1,000 per NRC meeting.
Travel and accommodation	<p><u>Purpose</u> Reimbursement of expenses and allowances.</p>

	<p><u>Operation</u></p> <ul style="list-style-type: none"> Expenses incurred by non-executive directors in connection with specific assignments entrusted to them by the company, as well as for the requirements of their position, will be covered by the company, subject to presentation of supporting documents. Reasonable travel expenses incurred by non-executive directors residing abroad to attend board or committee meetings in person are reimbursed upon presentation of receipts.
Shareholding requirement	<p><u>Purpose</u></p> <p>To strengthen the link between the company's strategy and the long-term interests of shareholders, non-executive directors should hold part of their remuneration in the form of shares in the company (Principle 7.6 of the 2020 Code).</p> <p><u>Operation</u></p> <ul style="list-style-type: none"> Each non-executive director must acquire, each year, a number of shares equivalent to at least 20% of their annual remuneration after deduction of the withholding tax: <ul style="list-style-type: none"> these shares must be held for at least one year after the non-executive director leaves the board of directors and for at least three years after they are allocated ; dividends allocated during the lock-up period will be paid at the same time as for other shareholders. To facilitate the practical application of this rule, the number of shares to be acquired by each non-executive director will be set at the end of the year, taking into account the average share price over the previous 12 months. Non-executive directors may anticipate this acquisition obligation by acquiring a sufficient number of shares to cover the remainder of their term of mandate. Non-executive directors who represent an institutional shareholder will not be subject to this share reinvestment obligation if they pass on their remuneration to the shareholder they represent.
Exclusions	<ul style="list-style-type: none"> Non-executive directors do not receive variable performance-related pay, share options, savings and pension schemes or benefits in kind.
Contractual relationship	<ul style="list-style-type: none"> There is no contract of employment between the company and the non-executive directors, who exercise their mandate as Independent Directors. Non-executive directors may be dismissed by the General Meeting at any time, with immediate effect and without cause.

5. REMUNERATION POLICY FOR THE MANAGING DIRECTOR AND THE MEMBERS OF THE EXECUTIVE COMMITTEE

5.1. Principles

The Remuneration Policy for the managing director and the members of the executive committee is based on a balanced approach that takes account of the following elements:

- (i) an alignment with the company's business strategy, through financial and non-financial performance targets that generate long-term sustainable and profitable growth ;
- (ii) an alignment with the interests and expectations of the shareholders, through an alignment of the interest of the executive committee with those of the shareholders and encourage the members of the executive committee to adopt a long-term view;
- (iii) an alignment with a market positioning, though an alignment with the local (country) market practice and regulation, to maintain externally competitive levels in comparison to close industry competitors.

The objectives are set at the same time as the annual and multi-year budgets are drawn up, and take these into account to ensure that the objectives are aligned with the company's strategy. The objectives defined for the determination of variable remuneration also serve as a general framework for the determination of employee objectives.

The set objectives consist of a combination of financial, non-financial, collective or individual objectives, to which a weighting is assigned. The board of directors sets criteria that favour objectives that have a positive influence on the company in the short term, under the STI, and in the long term, under the LTI, including ESG criteria, and that are aligned with the company's strategy.

The board of directors sets a maximum percentage of variable remuneration that can only be awarded in the event of performance that exceeds the achievement of objectives.

5.2. Market positioning / benchmark

The design and levels of remuneration offered to the managing director and to the members of the executive committee are also regularly assessed and compared with the market with the help of an external specialized consultant.

The competitiveness of remuneration is checked against two distinct reference groups:

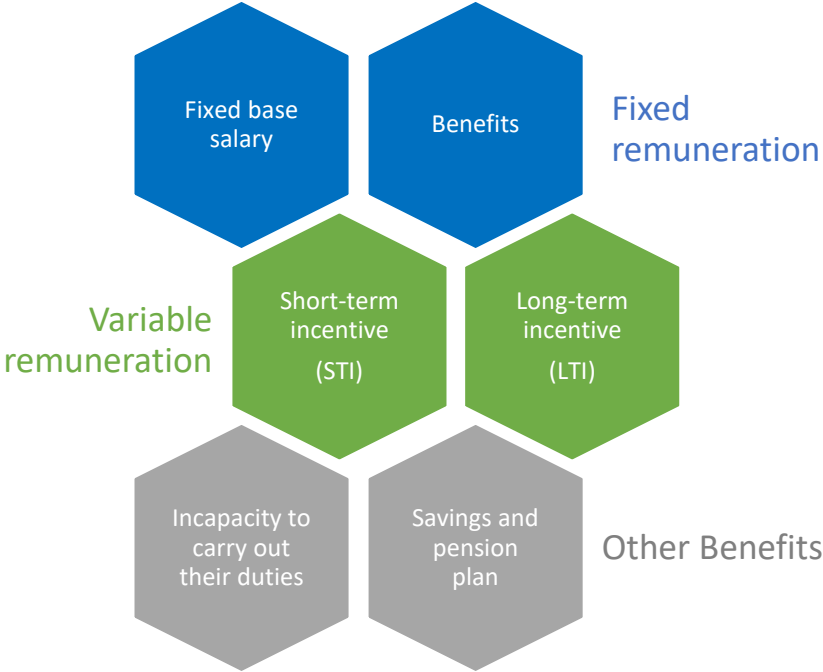
- the first benchmark group is made up of REIT companies headquartered in Belgium to reflect Cofinimmo's local talent (and business) competitors;
- an additional secondary benchmark has been established in the form of a European REIT benchmark group to reflect a broader, sector-specific regional perspective.

The competitive positioning sought is the median compensation of the peer group for all the key elements of the package, with relative positions varying according to the company size compared to the peer group and the maturity in the function.

Cofinimmo periodically reviews the benchmark approach to ensure that it continues to reflect Cofinimmo's strategic direction.

5.3. Composition

The remuneration of the managing director and the members of the executive committee, for all their services within the Group, is made up of the following elements: a fixed base salary, benefits, short-term incentive, a long-term incentive, a savings and pension plan and other benefits.



Elements	Summary
Fixed base salary	<p>The fixed remuneration of the managing director and the members of the executive committee is determined on the basis of their individual responsibilities and skills.</p> <p>There is no alignment of the fixed remuneration of the managing director and the members of the executive committee.</p> <p>It is based on management agreements and depends, among other things, on the maturity of the executive in the exercise of the function.</p> <p>It is not indexed.</p> <p>The fixed remuneration is payable by Cofinimmo and, where applicable, by another Group entity, subject to local tax and social security regulations.</p> <p>The fixed annual remuneration payable by Cofinimmo is payable monthly in twelfths and after deduction of the withholding tax. The remuneration payable by the Group entity referred to above is paid annually.</p> <p>For the managing director and the members of the executive committee who are also members of the board of directors, it covers their services as members of the board of directors and their attendance at meetings of the various committees.</p>

<u>Benefits</u>	Cofinimmo incurs annual costs for medical cover for the managing director and the members of the executive committee. The company also provides the managing director and the members of the executive committee with a company car and reimburses them for all business expenses incurred in the course of their duties. The managing director and the members of the executive committee also have a laptop and a mobile phone.
<u>Short-term incentive (STI)</u>	Goal To reward the collective and individual contribution of the managing director and the members of the executive committee on the basis of the achievement of predetermined annual financial, non-financial and individual targets.
	<u>Operation</u> The board of directors, on the recommendation of the NRC : <ul style="list-style-type: none"> – determines the measures included in the STI and sets the minimum, target and maximum level of achievement for each measure at the beginning of the performance period; – assesses and approves the results and payments of the STI after the end of the performance period.
<u>Change</u>	Performance measures Performance measures may vary from year to year depending on strategic priorities. The weighting of each measure is within the following ranges: - Financial: 70% - 90% - Non-financial and individual: 10% - 30% The financial objectives generally may include, but not limited to, adjusted net profit from the Group's core businesses, operating margin, acquisitions, divestments, occupancy and special projects. The non-financial and individual objectives cover areas that can be categorised into efficiency, leadership and special initiative projects. The detailed non-financial and individual objectives will be disclosed in the relevant remuneration report. To support the company's high performance achievements in line with its strategy, no payments are made under the STI if 80% of the budget in terms of EPS (Earnings Per Share) is not achieved.
<u>Change</u>	Opportunity To take account that the managing director assumes the responsibilities and the risks as strategic leader, decision-maker and delegate of daily management, the managing director's remuneration target is set at 50% of the fixed base salary with a maximum of 75%, and the executive committee members' remuneration target is set at 40% of the fixed base salary with a maximum of 60%. This gives a consistent positioning according to the benchmarks made with the help of an independent consultant.

	<p>Clawback See notes to the tables.</p>
	<p>Discretionary power See notes to the tables.</p>
<p><u>Long-term Incentive (LTI)</u></p>	<p>Goal To reward the managing director and the members of the executive committee on the basis of the achievement of predetermined long-term financial and non-financial objectives and to align the interests of the managing director and the members of the executive committee with those of the shareholders by creating a beneficial relationship between performance and the creation of long-term value.</p>
	<p>The board of directors, on the recommendation of the NRC</p> <ul style="list-style-type: none"> - determines the measures included in the LTI and sets the minimum, target and maximum level of achievement for each measure at the start of the performance cycle; - assesses and approves the results and payments of the LTI after the end of the 3-year performance cycle.
<p><u>Change</u></p>	<p>Vehicle</p> <ul style="list-style-type: none"> - Long-term cash compensation plan based on performance over a 3-year performance cycle. - On vesting, the managing director and the members of the executive committee have the option of acquiring shares, net of withholding tax, at a unit price corresponding to the last closing share price with a discount (100/120) and on condition that the shares acquired are made unavailable for a period of 2 additional years
	<p>Allocation approach</p> <ul style="list-style-type: none"> - Allocation of an amount based on a percentage of basic remuneration
<p><u>Change</u></p>	<p>Performance cycle</p> <ul style="list-style-type: none"> - Allocation paid in cash at the beginning of the year following the 3-year performance cycle. - Three-year performance and vesting cycle, with a 2-year holding period for share purchases. <p><u>Transitional provision</u> The introduction of the new LTI remuneration plan with three-year performance cycles will be subject to the following transitional provision:</p> <ul style="list-style-type: none"> - continuation of the previous plan for a further 2 years with a vesting of 2024 plan in 2025 and a vesting of 2025 plan in 2026; - first grant of the new plan in 2024 with vesting in 2027 for the 2024-2025-2026 performance cycle.

<p><u>Change</u></p>	<p>Performance measures</p> <p>The performance measures reflect the diversity of the long-term strategic objectives in a multi-year perspective.</p> <p>The weighting of each measure is mainly financial and ESG performance criteria, with majority weighting on financial and share price related measures.</p> <p>The financial objectives may include, but not limited to, EPS (earnings per share) and TSR (total shareholder return) performance.</p> <p>The non-financial objectives may include, but not limited to, strategic deployment and ESG criteria to support this multi-year perspective.</p> <p>The detailed non-financial and individual objectives will be disclose in the relevant remuneration report.</p>
<p><u>Change</u></p>	<p>Opportunities</p> <p>To take account that the managing director assumes the responsibilities and the risks as strategic leader, decision-maker and delegate of daily management, the managing director's remuneration target is set at 50% of the fixed base salary with a maximum of 75%, and the executive committee members' remuneration target is set at 40% of the fixed base salary with a maximum of 60%. This gives a consistent positioning according to the benchmarks made with the help of an independent consultant.</p>
	<p>Clawback</p> <p>See notes to the tables.</p>
	<p>Discretionary power</p> <p>See notes to the tables.</p>
<p><u>Other benefits</u></p>	<p>Savings and pension plan</p> <p>The savings and pension plan aims to reduce as far as possible the gap between the resources available to the beneficiaries before they retire and those they will have afterwards. The supplementary pensions are financed exclusively by contributions from Cofinimmo. The managing director and the members of the executive committee benefit from a defined contribution group insurance policy taken out with an insurance company. In addition, the managing director and the members of the executive committee have access to an "Individual Pension Commitment" insurance policy, the sole purpose of which is to pay a lump sum for life or a lump sum for death.</p> <p>Incapacity to carry out their duties</p> <p>If the managing director or the members of the executive committee are unable to carry out their duties due to incapacity (illness or accident), Cofinimmo continues to pay them the fixed part of their emoluments for a period of two months from the first day of incapacity. Thereafter, they receive a disability pension (paid by an insurance company) equivalent to 70% of their total remuneration.</p>

<p><u>Shareholding requirement</u></p>	<p>Shareholding threshold</p> <p>In accordance with principle 7.9 of the 2020 Code, the board of directors has set a minimum threshold of shares in the company that the managing director and the other members of the executive committee must each hold throughout their term of mandate, namely :</p> <ul style="list-style-type: none"> – at least 8,000 shares for the managing director and, – at least 2,000 shares for each member of the executive committee. <p>The managing director and the members of the executive committee have 4 years from their appointment to reach the minimum holding threshold. When new members of the executive committee are recruited, they have a period of 4 years from the date of their first LTI vesting to reach the minimum holding threshold. Thereafter, they must maintain this level throughout their term of mandate.</p>
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5.4. Notes to the tables.

5.4.1. GOVERNANCE / PROCEDURE

The NRC regularly discusses and verifies the relevance of the Remuneration Policy in the light of changes in the company's organisation and strategy, changes in legislation or stakeholder considerations. In this context, the NRC may propose changes to the Remuneration Policy to the board of directors, for final submission to the Annual General Meeting. The Remuneration Policy is submitted to the Annual General Meeting for approval whenever significant changes are made and, in any event, at least every four years.

Non-executive directors

The remuneration of the non-executive directors is determined by the General Meeting on the recommendation of the board of directors, which itself receives recommendations from the NRC.

Managing director and members of the executive committee

The terms of this policy and the general terms of remuneration of the managing director and the members of the executive committee comply fully with local legal requirements.

The remuneration of the managing director is determined by the board of directors, on the recommendation of the NRC, and the remuneration of the members of the executive committee is determined by the board of directors, on the recommendation of the managing director and the NRC.

With regard to measures to prevent conflicts of interest in the determination, review and implementation of the Remuneration Policy, no director, managing director or member of the executive committee takes part in the NRC's discussions or deliberations concerning his or her own remuneration. The NRC may hold sessions without the managing director or a member of the executive committee whenever it deems appropriate. Any decision concerning the remuneration of executives is subject to the provisions of the CAC relating to conflicts of interest.

The NRC also ensures that the target-setting process that determines the level of variable remuneration remains in line with the company's ambitious strategy and risk appetite. It submits the results of its analysis and any reasoned recommendations to the board of directors for a decision.

The extent to which objectives have been achieved is determined under the supervision of the Audit committee. The NRC then submits a proposal for variable remuneration to the board of directors, which in turn assesses the performance of the managing director and the executive committee and makes the final decision on the amount of variable remuneration to be awarded. For both short-term and long-term incentives, the extent to which the performance criteria have been met is verified using accounting and financial data, which are analysed by the audit committee.

5.4.2. CLAWBACK

Managing director and members of the executive committee

The agreements concluded with the managing director and the members of the executive committee provide that the board of directors, on the recommendation of the NRC, has the discretionary power to recover the variable remuneration paid and/or granted over the last three years in case of gross misconduct and corporate failure and if it appears that payment has been made on the basis of incorrect information concerning the achievement of the performance targets or about the circumstances, on which the variable remuneration was dependent.

5.4.3. DISCRETIONARY POWER

The NRC calculates the amounts according to the rules defined for the STI and LTI. This quantified calculation serves as an indication for the final determination of the variable remuneration. The NRC has full discretion to adjust the results of the variable remuneration plans in the following cases:

(i) the occurrence of certain events that would, in the reasonable opinion of the NRC, unfairly benefit or disadvantage beneficiaries, and/or

(ii) the amount that a beneficiary would/should receive under an award which would result in the beneficiary receiving an amount that the NRC considers to be unjustified or which, in the NRC's opinion, would unfairly disadvantage or advantage a beneficiary.

In exercising this discretion, the NRC may take into account all the circumstances, including (but not limited to) the financial performance of the company, any movement in the share price of the company, and the performance, conduct and contribution of the beneficiary.

Any discretion so exercised and the details thereof will be disclosed in the Remuneration Report.

5.4.4. Other considerations :

Legacy arrangements and/or payments

The board of directors reserves the right to make payments of remuneration and/or payments for loss of mandate (including exercising any discretion it may have in relation to such payments) even if they do not comply with the policy set out above, where the terms of the payment were agreed:

(i.) prior to the commencement of this policy, provided that the terms of the payment comply with the Remuneration Policy in force at the time they were agreed; or

(ii.) at a time when the individual concerned was not a member of the board of directors/executive committee of the company and, in the opinion of the board of directors, the payment was not made in consideration of the individual becoming or having been a member of the board of directors/executive committee of the company.

For these purposes, the term "payments" includes variable remuneration awards approved by the board of directors and, in respect of share awards, the terms of payment are "agreed" at the time of grant of the award.

Approach to recruitment-related remuneration

When hiring new members of the executive committee, the NRC aligns the proposed remuneration package with the policy at the time of recruitment.

The NRC ensures that the arrangements made are in the best interests of the company and its shareholders, and does not seek to pay more than necessary to secure the services of the right candidate. To enhance the Group's ability to attract high calibre executives, the board of directors may exercise its discretion to compensate for the loss of remuneration opportunity from the previous employer taking into account what it considers reasonable and within the parameters of the policy. Any payable 'buy-out' is linked to the performance of the business and the member of the executive committee over a period of at least six months from the date of taking up the post.

On the appointment of a new member of the board of directors, the NRC aligns the remuneration package with the board member policy described above, including fees and travel benefits.

5.4.5. Contractual terms and conditions

- **Management agreement**

The company has concluded a management agreement with the managing director and the members of the executive committee for an indefinite period. They have self-employed status and carry out their duties free from any subordination, with complete autonomy and independence. In carrying out their duties, however, they are guided by the guidelines and strategic decisions of the board of directors and the managing director, and by the rules governing the powers and functioning of the managing director and the executive committee.

- **Severance pay**

Company contracts comply with the CAC. They stipulate that the contract may be terminated by giving 12 months' notice in the event of termination by the company and three months' notice in the event of termination by the managing director or the members of the executive committee, or by paying equivalent compensation calculated on the basis of the emoluments in force at the time of termination. The contract concluded in 2007 for the member of the executive committee appointed in 2004 may be terminated subject to 24 months' notice in the event of termination by the company and three months' notice in the event of termination by the member of the executive committee, or payment of equivalent compensation calculated on the basis of the emoluments in force at the time of termination.

- **Good and bad leaver arrangements**

In the event that the company terminates the management contract for serious reasons or in the event of voluntary resignation, the beneficiary of the long-term incentive loses all of his/her awards that have not yet vested at the end of the three-year performance cycle. In other cases of departure, such as termination of the management contract without cause, pension, death or long-term disability, the beneficiary retains his/her awards *prorata temporis*.

- **Provisions in the event of a change of control**

In the event of a change of control of the company, the board of directors may decide between a pro rata acquisition of current benefits or a transfer of unvested benefits in the form of new shares in the company.

- **Non-competition clause**

The employment contracts of the managing director and the members of the executive committee include a non-competition clause for a period of 12 months after the end of the contract. This clause will only apply if the company decides to take advantage of it. In this event, compensation equal to 12 months' fixed emoluments will be paid.

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