

Housing with care

2018 Corporate Social Responsibility Report



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KARTUIZERHOF, SINT-MARTENS-LIERDE (BE)



COVER PAGE: DE STATENHOF, LEIDEN (NL)

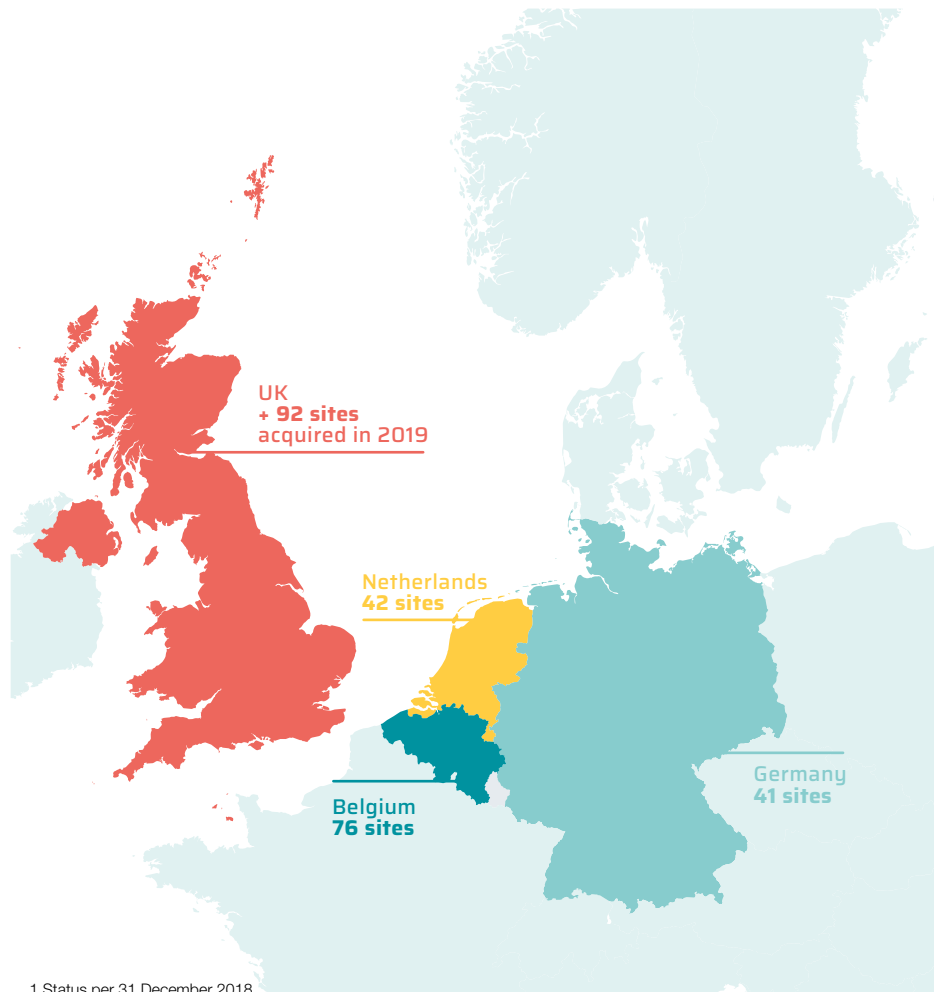


**“Sustainability is core
to our business as a
pure play healthcare
real estate investor.”**

Stefaan Gielens, CEO

Aedifica at a glance

Portfolio by country¹

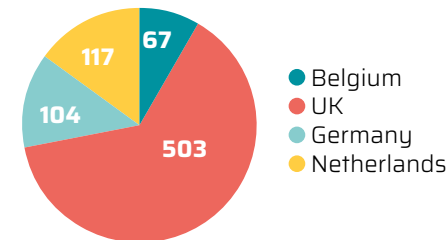


“Aedifica anchored its position as a pure play European healthcare real estate investor.”

Stefaan Gielens, CEO

Investments in healthcare real estate²

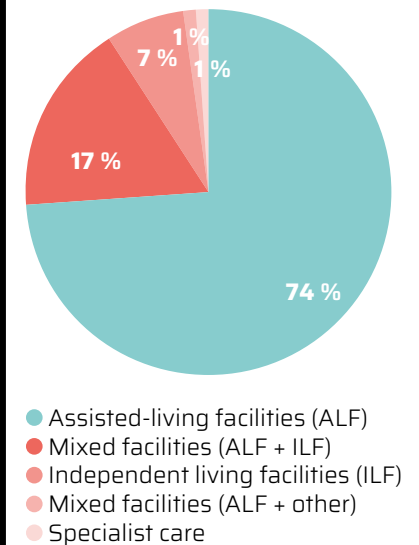
by country (in € million)



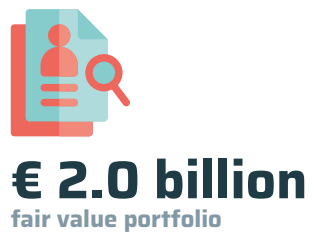
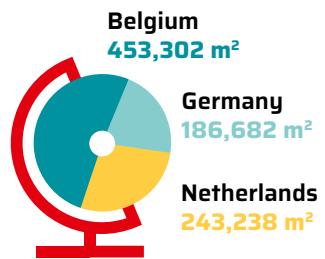
Announced and carried out since the beginning of the fiscal year (1 July 2018)

² Fair value - including UK acquisition concluded in 2019

Portfolio by facility type²



Key facts as of 31 December 2018



78 %
of Belgian portfolio actively monitor
energy and water consumption



¹ Fair value - excluding UK acquisition concluded in 2019

² Fair value - healthcare real estate only; excluding apartments and hotels; excluding UK acquisition concluded in 2019

³ Full-time equivalent at headquarters excluding Immo



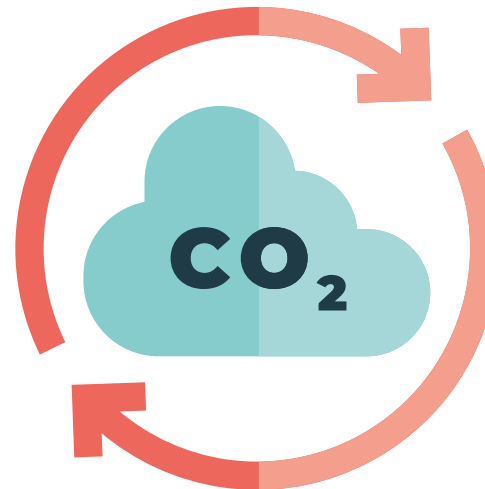
Further embedding sustainability in operations, Aedifica has defined a CSR program and its ambitions for 2025.



80 %

of global portfolio will have an energy monitoring system in place

>10 %
reduction in electricity
and CO₂ per m²



Diversity



Board of Directors



Management Committee



Employees



Aedifica aims to maintain a strong position in gender diversity among belgian listed companies.

Letter to the stakeholders



Stefaan Gielens
Chief Executive Officer

Aedifica cares

- About seniors and their housing needs
- About its long-term relationship with operators and authorities
- About its employees and their wellbeing
- About transparent corporate governance
- About sustainable investments and operations

In late 2015, Aedifica initiated its strategic transition to become a pure play Pan-European healthcare real estate investor and highlighted this ambitious goal by changing its tagline from 'The urban way to live' to 'Housing with Care'. Less than four years later, Aedifica's European pure play ambition has taken shape, thanks to continued investments in healthcare real estate in existing and new geographical markets and the divestment of its non-core portfolios (apartment buildings and hotels). More than ever, we are focused on helping the ageing population in Europe to live in dignity and comfort, and as such, offer support to meet their specific needs.

This first Corporate Social Responsibility Report reflects our commitment to conscious 'housing with care' and the long-term responsibility this implies towards our care home operators and their residents, our shareholders and towards society in general. Indeed, sustainability and corporate social responsibility are an integral part of every aspect of Aedifica's investment strategy and its day-to-day operations.

Our relationship with care home operators is at the core of our business. As Aedifica strives to develop the "perfect care home", integrating innovative care concepts and technology into larger scale purpose-built housing structures with the look and feel of small-scale housing, it always undertakes its constructions and renovations in direct dialogue with its operators. Several operators are pioneers in energy efficiency to reduce their environmental footprint. We have engaged with them to learn about their practices and increase the coverage

"This first CSR Report reflects our commitment to conscious 'housing with care' and the long-term responsibility this implies."

Stefaan Gielens, CEO

of our awareness-raising activities. As an example, we are currently deploying together with our operators a state-of-the-art smart metering system throughout our portfolio.

Our employees are our most valuable assets. Aedifica is blessed with a highly motivated and committed team, for which it aims to create a working environment that is designed to support employee wellbeing and commitment, gender diversity, and continuous learning and development.

Also our own operations are run in a sustainable and responsible manner. Moving to new, low-emission headquarters in Brussels helped us to obtain a carbon neutral label for our head office, and to improve proximity to public transport. Launching a new mobility plan is one of the next steps in our CSR engagement.

Aedifica is proud to showcase in this first Corporate Social Responsibility Report the bond between its business success and its efforts regarding corporate social responsibility. We invite you to read this report and in particular our action plan towards 2025, reflecting our environmental and social ambitions that we will strive to achieve in constant dialogue with our operators, employees and other stakeholders.

Stefaan Gielens
Chief Executive Officer

Aedifica's contribution to sustainable development

**“With an increasingly
ageing population, our
role in senior housing
will continue to grow in
relevance.”**

Stefaan Gielens, CEO

3.1. Housing with care

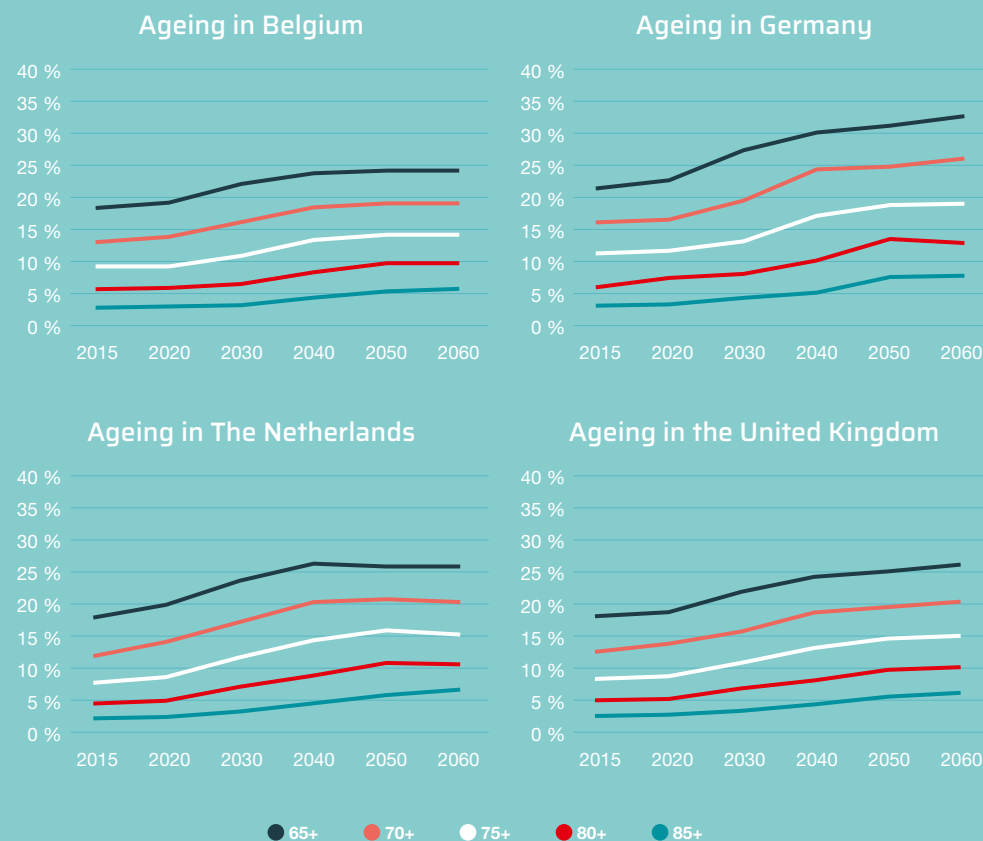
3.1.1. Aedifica in brief

The ageing of the population is a trend that is increasingly defining our society. Our strategy takes into account this trend by focusing on the senior housing market as our primary business line in healthcare. We established ourselves as a pure player in the field of healthcare investments in the European real estate market, and in particular in senior housing. Our vision is to serve seniors and provide them with the “perfect care home” which offers integrated services for the diverse needs of ageing people. Consequently, we have a diversified portfolio, from assisted living facilities to mixed facilities, integrating these services.

The demand for senior housing is expected to grow over the next 40 years. The very large generation of Baby Boomers is ageing and people have an increasing longevity. In Belgium, Germany, The Netherlands and the United Kingdom, four countries where Aedifica is present, by 2060 at least 25 % of the population will be over 65 and 10 % over 80¹.



Population ageing in Europe by age group



+92

In the beginning of 2019, we continued our expansion with the acquisition of 92 care homes in the United Kingdom

We pursue our expansion in Europe as the most active healthcare real estate investor in The Netherlands (in 2017 and 2018 - according to CBRE studies), and the “Investor of the Year” in Germany (2018 – award received at the Altenheim Expo). In the beginning of 2019, we continued this journey with the acquisition of 92 care homes in the United Kingdom for a contractual value of approximately £450 million. Aedifica received for this acquisition the Trends “Deal of the Year 2018” award, honoring the company’s strategic and financial leadership.

For a detailed overview of the real estate market, we refer to the property report section of Aedifica’s Annual Financial Report 2017/2018 (p. 76 and following).

¹ Sources:

“Perspectives de population 2017-2061”, Belgian Federal Planning Bureau, 2018.

“Bevölkerung Deutschlands bis 2060”, Statistisches Bundesamt (Deutschland), 2015.

“Prognose bevolking kerncijfers 2015-2060”, Centrale Bureau voor de Statistiek, 26 January 2016.

“2016-based National Population Projections”, Office for National Statistics, 26 October 2017.

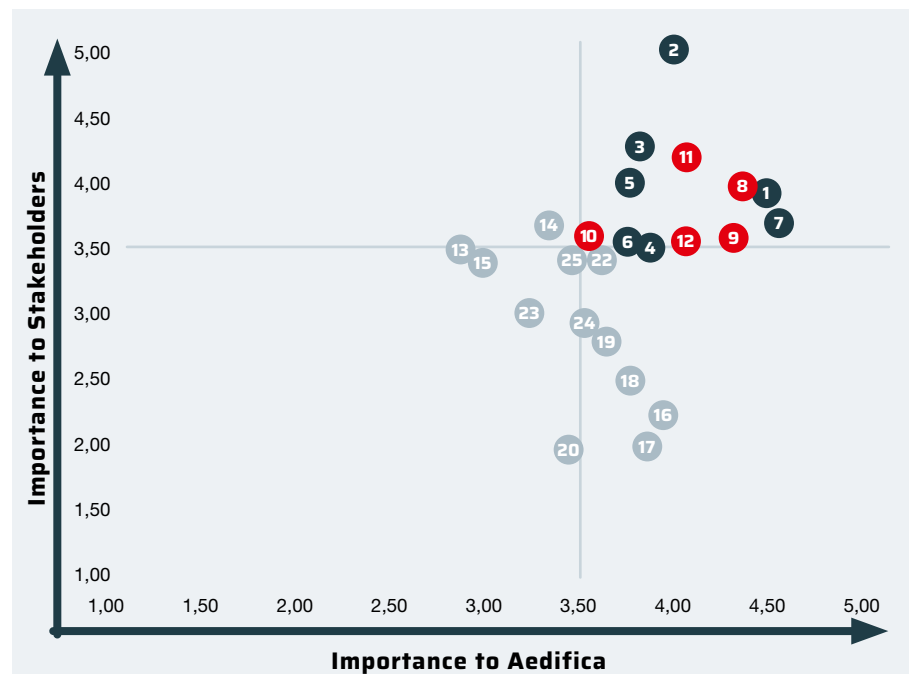
3.1.2. Material CSR topics

In 2018, supported by an external consultant, we performed a benchmark of the main sustainability issues that are relevant to the healthcare real estate industry. This mapping allows us to understand the most impactful topics in our industry.

A list of topics was generated based on this benchmark covering the international framework of the Sustainability Accounting Standards Board (SASB), the European Public Real Estate Association (EPRA), and a market research of material sector topics performed by the French OID (Observatoire de l'Immobilier Durable). In order to distinguish the impact area that affect the topics, each topic was differentiated in being either portfolio-specific or corporate-specific. The analysis resulted in a materiality matrix, where each topic's position is determined by the impact considered by Aedifica's management and employees, as well as the perception of external stakeholders.

The figures highlighted in dark blue and red in the materiality matrix contain the topics that are most material to Aedifica. The other topics in grey are less material. This does not mean that we are not interested in those matters. Rather, it means that Aedifica's efforts would not be as impactful considering our day-to-day operations.

3.1.3. Materiality matrix



The table below provides an overview of the identified material topics ("key priorities")¹. The topics are listed in order of priority:

Colour legend reflecting the nature of the issue:
economic, environmental, social, governance

Portfolio-specific topics

- 1 Housing operators' satisfaction, service quality
- 2 Lifecycle assessment of new development
- 3 Energy management
- 4 Climate change adaptation
- 5 Risk management, incl. social and environmental risks
- 6 Innovation in buildings

Corporate-specific topics

- 7 Employee wellbeing at work
- 8 Ethics, compliance and integrity
- 9 Talent development
- 10 Stakeholder relations
- 11 Mobility
- 12 Diversity

RESIDENTIE SPOENPARK, BERINGEN (BE)



¹ Other topics mapped: 13. Sustainable (CSR/Green) financing; 14. Client (operator) health & safety; 15. Aesthetics, respect for the public space and mixed character of the neighbourhoods; 16. Human rights; 17. Labour rights at building contractors; 18. Transparent remuneration and compensation; 19. Diversity in the BoD; 20. Responsible, green procurement; 21. Management of operators' sustainability impacts; 22. Carbon footprint; 23. Water management; 24. Waste management; 25. Certificates

3.1.4. Value chain

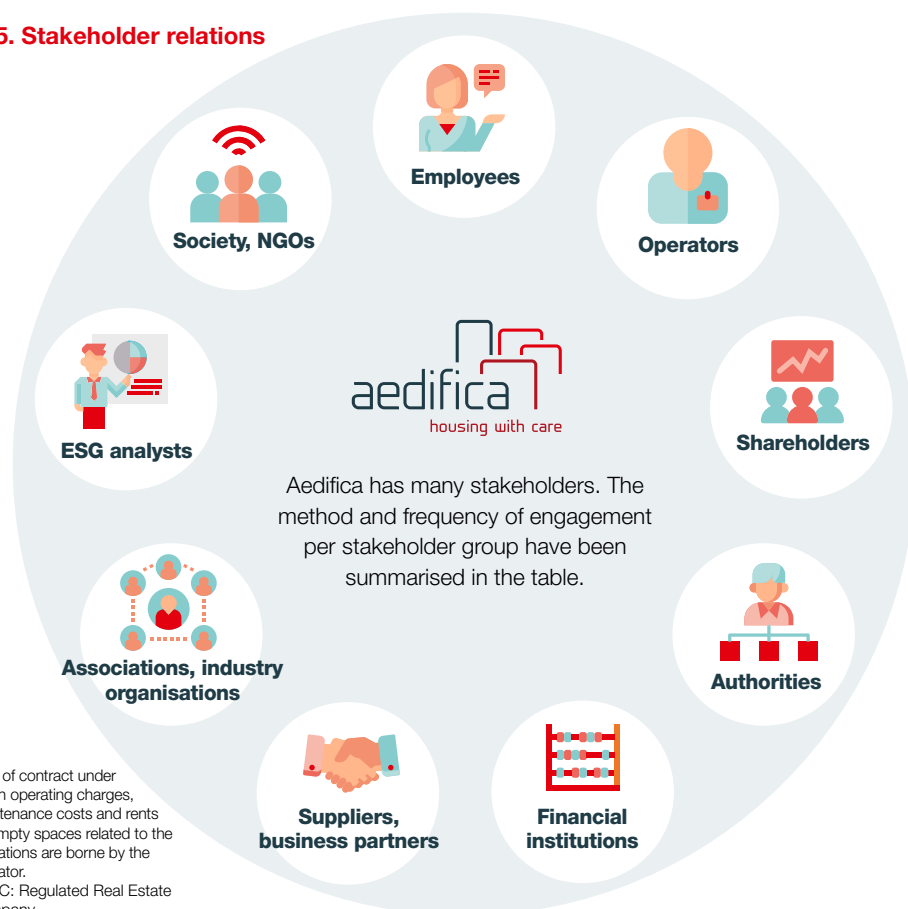
We are a long-term partner to our healthcare operators (both large groups and small care home operators). Our company invests in high quality real estate and enters into triple net long lease contracts¹ with care home operators. This implies that operators are responsible for the day-to-day management and maintenance of the buildings.

Dialogue with operators takes place on a continuous basis to ensure that the business plan is carried out. Meetings cover all aspects of current

projects, such as project progress, new developments and technical, legal or organisational aspects and energy efficiency as well.

Throughout our value chain, particular attention is devoted to labour rights and employee health and safety on construction sites. Contractors are required to abide by labour regulations to assure equal rights, fair pay and good work conditions for all employees.

3.1.5. Stakeholder relations



¹ Type of contract under which operating charges, maintenance costs and rents on empty spaces related to the operations are borne by the operator.

² RREC: Regulated Real Estate Company

Stakeholder	Mode of engagement	Frequency	Main topics / expectations
Employees	- Performance appraisal - Day-to-day communication	- Day-to-day - Annual	- Labour condition, benefits - Wellbeing - Corporate performance - Personal performance, training, development - Job promotion - Brand and values - Community involvement
Operators	- Site visits - One-to-one meetings - E-mail exchange - Annual event	- Quarterly - Continuous informal contact	- Permits - New developments - Energy and water consumption - Occupation rate
Shareholders	- General assembly - Investor relations contact	Regular/quarterly	- Corporate performance - Corporate governance questions - Role in society
Authorities	- Industry roundtables - One-to-one meetings - Compliance screening	Occasional	RREC² regulation
Financial institutions	- Key account managers - Roundtables/events	Regular	- Long-term financing - Risks - Corporate financial performance
Suppliers, business partners	- One-to-one meetings - Project development - Tenders	Regular	- Project development - Compliance with elderly healthcare standards - Health and safety - Environmental impact
Associations, industry organisations	- Membership meetings - Thematic events - One-to-one meetings	Occasional	- Regulation - Market trends
ESG analysts	- Assessment questionnaires - Thematic events - One-to-one meetings	Annual	- Questions, expectations regarding license to operate - ESG assessment - Community involvement
Society, NGOs	- Internet - Various communication channels (press release) - Schools, universities - Social media (Facebook, Twitter) - Memberships	Regular/monthly	- Corporate performance - Role in society - Role of women in management - Community involvement

3.2. Aedifica and the SDGs

3.2.1. Aedifica's actions and effort aligned with the Sustainable Development Goals

On 1 January 2016, the Sustainable Development Goals (SDGs) by the United Nations became effective. These 17 goals work towards the 2030 agenda on sustainable development. They are a call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. Covering a wide spectrum of sustainable development topics relevant to companies – such as poverty, health, education, climate change and environmental degradation – the SDGs can help to connect business strategies with global priorities.

Aedifica too applies the SDGs as an overarching framework to shape, steer, communicate and report on strategies, goals and activities. As such, our company affects 8 out of the 17 SDGs, while 'Housing with care' is most linked to Goal 11, Sustainable cities and communities. The material CSR topics, identified in the materiality matrix (cf. section 3.1.3) fall under the following SDGs:



Aedifica's material CSR topics aligned with the UN SDGs



3.2.2. Scope of impact

In the overview below, we differentiated our eight focus SDGs according to their scope of impact on portfolio-specific topics and corporate-specific topics:

a. Portfolio

SDG	Material topic	Definition
	Housing operators' satisfaction, service quality	Striving for a strong relationship with operators on the long-term, including positive and responsible impact management.
	Innovation in buildings	Implementation of innovation projects to yield sustainable impact.
	Lifecycle assessment of new development	Incorporate environmental considerations into project planning and design, such as circularity of construction waste, energy efficiency, etc.
	Energy management	Management and reduction of total energy consumption of buildings, energy supply (renewable source or not), improvement of energy performance, etc.
	Climate change adaptation	Adaptations to become resilient to climate change risks, especially physical risks, such as extreme weather events, which can impact operations.
	Risk management incl. social and environmental risks	Taking into account environmental and social risks in management, control and asset valuation.

b. Corporate

SDG	Material topic	Definition
	Employee wellbeing at work	Good working conditions, feeling of satisfaction of employees.
	Ethics, compliance and integrity	A Charter of Ethics formalising matters such as conflict of interests, confidentiality, dealing codes, misappropriation of corporate assets, business gifts and respect for others.
	Talent development	Individual development of skills of employees to increase job performance and competences.
	Stakeholder relations	Strong relationship with all relevant stakeholders such as employees, investors, shareholders and communities.
	Mobility	Encouraging eco-friendly and/or carbon-free mobility, proximity and ease of access of headquarters to public transport.
	Energy management	BREEAM certified building for our headquarters.
	Diversity	Gender diversity in the workforce, Management Committee and Board of Directors.

3.3 Key achievements

Assessment of an energy management system roll out

In 2018, a dialogue was started with pioneering operators on monitoring electricity, gas and water consumption using an integrated energy management system. For 40 % of all Aedifica's buildings the consumption is already actively monitored. Based on the insights and experience of our operators, we started the procurement process to roll out a state-of-the-art energy management system over our portfolio.

Our aim is to measure the environmental impact of 80 % of the portfolio by 2025.

Energy management
Climate change adaptation
Innovation in buildings



Relocation of head offices

Given the Company's growth, Aedifica decided to move its headquarters to a modern building in the centre of the European district in Brussels that is conveniently located near several public transportation options. Moreover, the building has a BREAAAM "Excellent" certificate.

The location is easily accessible to Aedifica's staff and (international) clients.

In 2019, the development of an ambitious mobility plan will make it possible to facilitate the widespread use of alternative transport solutions by all employees.

Employee wellbeing at work
Mobility



Investor of the year 2018

On 19 June 2018, Aedifica received the "Investor of the Year 2018" award in Germany. The award was granted by a panel of 11 professionals and the attendees at the Altenheim Expo in Berlin, an event for the German senior care market.

The monetary prize won with this award was donated to Stiftung Bremen Herzen. This is a charitable organisation aiming to improve the care of patients with cardiovascular diseases.

Housing operators' satisfaction,
service quality
Stakeholder relations
Risk management



EPRA Gold Award

On 5 September 2018, Aedifica received its fourth consecutive "EPRA Gold Award" for the Annual Financial Report (financial year 2016/2017), keeping our company among the top of the real estate companies assessed by EPRA.

Ethics, compliance
and integrity



Carbon neutral headquarters

Aedifica is conscious of its carbon footprint. Aedifica obtained the CO₂-NEUTRAL label (in line with the PAS 2060, international standard for CO₂-neutrality) by offsetting 165 tCO₂e which corresponds to the carbon footprint of its headquarter during FY2018/2019. The Company supports certified climate projects in order to offset its carbon footprint.

The following projects are supported by Aedifica: **Green Sahel**, aiming to restore ecosystems in Burkina Faso, and the **Paradigm Project**, which focuses on improving the health and income of people in Kenya by supplying them with energy-efficient cooking stoves and by providing easier access to water.

This label guarantees that Aedifica is actively calculating, reducing and compensating its local and global climate impact. This label can only be achieved through serious climate efforts.

In line with our ambition to be carbon neutral, **our most recently built or refurbished buildings meet the most progressive standards in the field of sustainability.**

Climate action



Innovative project realisation – Martha Flora Rotterdam

The Martha Flora Rotterdam care residence in The Netherlands is intended for the care and housing of people with dementia. The care residence allows residents to live in a safe and secure small-scale environment.

This new purpose built three-storey care residence, consists of 29 care units varying in size from approximately 45 m² to 72 m². The care residence's special feature is the 'Meander'. A 'Meander' is a unique and central space, specially designed for people with dementia. It accommodates a place to eat, meet, organise activities and welcome families. The 'Meander' consists of a library, a living room, a kitchen, a garden/roof terrace and a workshop and offers direct access to the spacious and peaceful garden. By applying this concept, the care residence provides a sheltered environment where you can feel safe and serene, which creates comfort and contributes to the wellbeing of the residents.

Furthermore, the care residence has five couples units and a hospitable guest room is available for family and guests to stay.



“The Martha Flora Rotterdam building is an innovative example of sustainability design”

Laurence Gacoin, Chief Operating Officer



The building composition takes into account the **sun orientation**



Roof overhangs prevent direct sunlight and **excessive heating in summer**



The building is equipped with a **Heat and Cold Storage installation** using 2 heat pumps and 125m deep sources to extract soil energy for heating and cooling of the building



100 % green energy generation through 296 solar panels on the roof, providing sufficient energy for the thermal and hot water installation



No use of natural gas



Equipped with triple HR+++ glass



Balanced ventilation with heat recovery



Re-use of various materials from a former church

3.4 CSR action plan towards 2025

Our CSR approach started with defining commitments on the long-term. This will drive the efforts and strategy going forward.

Our objectives towards 2025 have been set according to the three dimensions of CSR: environment, social and governance. The baseline for quantitative targets is 2017. As mentioned before, Aedifica's sustainability strategy is inspired by the Sustainable Development Goals (SDGs). The next sections elaborate on the 2025 action plan.

Aedifica's material CSR topics aligned with the UN SDGs

Social Impact Portfolio

- Encourage integrated healthcare solutions adapted to changing demographics and needs
- Focus 100 % on healthcare real estate by FY 2019/2020, to service a European demographic boom

Corporate

- Maintain strong position in gender diversity among Belgian listed companies
- Focus on employee wellbeing
- Deliver meaningful trainings to employees

SDGs impacted



Environmental impact Portfolio

- Measuring 80 % of buildings' environmental impact by 2025
- Reduce CO₂ and energy consumption by at least 10 % per m² by 2025
- Introduce life-cycle assessment for each new project
- Introduce systematic dialogue on energy efficiency with operators on an annual basis

Corporate

- Carbon neutral operations
- Launch and manage responsible mobility program as of 2019

SDGs impacted



Progressive Governance Group Operations

- Maintain agile and diverse governance model

SDGs impacted



Aedifica's sustainability vision & performance

“Our motto ‘Housing with Care’ reflects our long term responsibility towards our care home operators and their residents.”

Ingrid Daerden, CFO

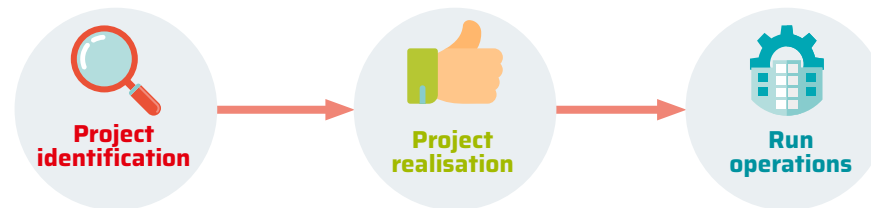
4.1. Operator relationship and social impact on the long-term

Buildings are developed according to the seniors' needs and following strict legal guidelines. With an increasingly ageing population, our role in senior housing will continue to grow in relevance. To ensure quality, and meet the expectations of our operators, we are working on three pillars, from project identification, through realisation, to integration in our daily operations. We will continue to closely follow trends and direct our healthcare real estate investments accordingly.



Housing operators satisfaction service quality

Three pillars of operator relationship



We are in continuous dialogue with professional and specialised operators to identify their needs and support them in developing new integrated healthcare solutions.

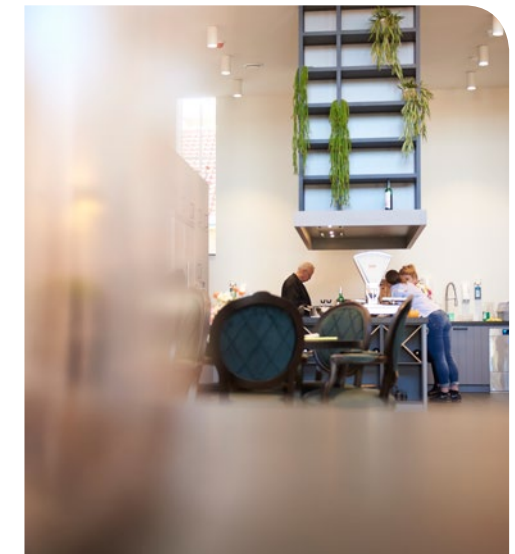
We share our experience and support with operators when identifying new projects. Currently, a trend exists where seniors stay autonomous as long as possible, leading to more diversified and integrated healthcare real estate. This requires a new approach of care to be offered by the operators and impacts the infrastructure required to offer this care.

Aedifica is closely involved in the follow-up of the construction phase of its assets. We stand for transparent and open communication during project realisation. It is important to bring together all different stakeholders during the many stages of a building's lifecycle - operators, architects, engineers, contractors, etc. - in order to achieve innovative and integrated healthcare adapted to changing needs of seniors.

We have a close relationship with our operators. We meet at least quarterly to discuss their needs and ensure service quality, and have continuous informal contact as well. This results in a strong and long-term relationship with all professional and specialised operators.

Our ambition

1. **Focus on healthcare** real estate to service a European demographic boom.
2. **Encourage integrated healthcare** solutions adapted to changing demographics and needs.



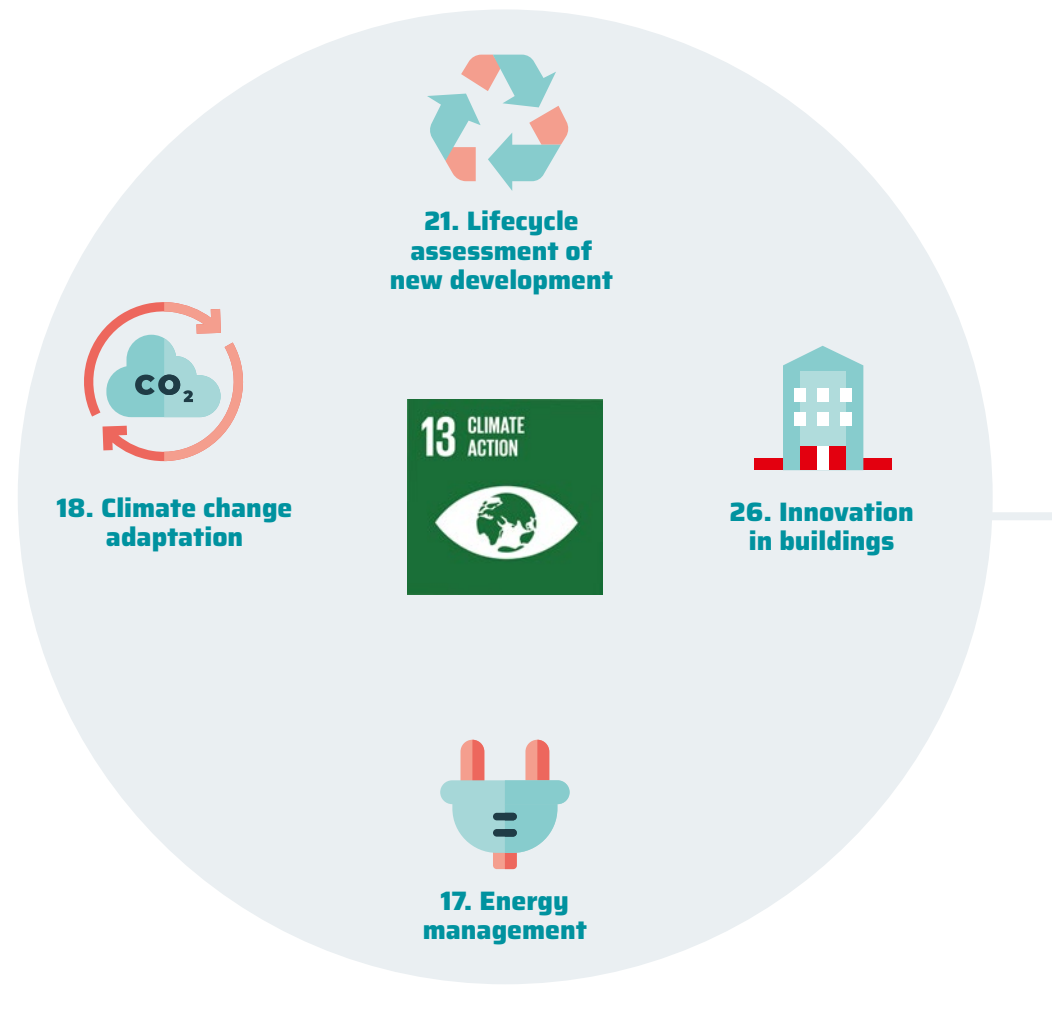
4.2. Integrating environmental impact management

In 2018, a long-term vision towards 2025 was established to initiate investments towards an energy efficient, low-carbon and climate-proof portfolio. We considered the lifecycle of a building and identified the following building blocks to improve our environmental impact:



- Lifecycle assessment of new development
- Innovation in buildings
- Energy management
- Climate change adaptation
- Mobility

The four material environmental topics all relate to SDG 13, Climate action. In order to embed these topics into Aedifica's long-term strategy, four ambitions have been defined.



Ambition 1

Measure 80 % of our building's environmental impact



Ambition 2

Reduce CO₂ and energy consumption by at least 10 % per m²



Ambition 3

Introduce life-cycle assessment for each new project



Ambition 4

Introduce a structural dialogue on energy efficiency with our operators on an annual basis

4.2.1 Lifecycle assessment of new development and climate change adaptation

To limit a building's environmental impact throughout its lifetime, it is important to assess actions at the design stage. Our architects and engineers already include innovative and ecological technologies for new developments to have a positive impact on the energy performance of a building. The use of sustainable resources is favoured when possible. In our environmental ambitions, we have defined to work on a structural approach for each new development.

Moreover, we are aware of the increase in extreme weather conditions, which will also affect our building portfolio. This is something we take into consideration when choosing our buildings' locations. Currently, we do not have any real estate in the portfolio or in ongoing new developments located in areas prone to flooding excepts for sites situated in parts of the Netherlands located below sea level. We keep monitoring climate change consequences, and will adapt our strategy accordingly.

4.2.2 Energy management and innovation in buildings

We explored actions through dialogue with our operators to support our vision. Pioneering operators were already making major efforts in the context of energy and water monitoring. We leveraged their experience to expand the reach throughout our portfolio. By the end of December 2018, 78 % of our Belgian portfolio was monitoring its energy and water consumption.

Based on the insights from our dialogue with our operators, we started a procurement process to install an energy management system covering our portfolio. This allows us to measure real-time energy and water consumption, as well as energy production from solar panels. We aim to equip 80 % of our total portfolio by 2025. This monitoring system will also be included in all of our new developments.

Based on continuous monitoring of energy and water, Aedifica will raise awareness among the operators and stimulate the purchase of sustainable installations, such as photovoltaic solar panels, heat pumps, transition from heating oil to gas, etc. We will support operators with tailored insights in order to make them aware of more sustainable resource management solutions.

The impact of monitoring is not only reflected in more sustainable investment decisions. During pilot projects it was noted that the simple fact of rolling out a monitoring system is leading to a decrease in consumption in the monitored buildings.

In the coming years, we will, together with our operators, assess which other innovative technologies could be installed to optimise energy consumption.

Our ambition

1. Measure **80 % of our building's environmental impact**
2. Reduce **CO₂** and energy consumption by at least **10 % per m²**
3. Introduce **life-cycle assessment** for each new project
4. Introduce a **structural dialogue on energy efficiency** with our operators on an annual basis.



4.3. Environmental performance

For this report, only buildings equipped with an integrated energy monitoring system or energy accounting method are in the reporting scope¹. This corresponds to 78% of the Belgian healthcare portfolio (453,302 m²) and represents 40% of our total healthcare portfolio (883,222 m²). Monthly data were extrapolated to the unequipped part of the portfolio. The like-for-like (Lfl) analysis uses 2017 as the base year.

In 2018, energy figures of an additional 10 buildings were in scope compared to 2017. The difference in scope is reflected in the absolute figures by an increasing trend in consumption.

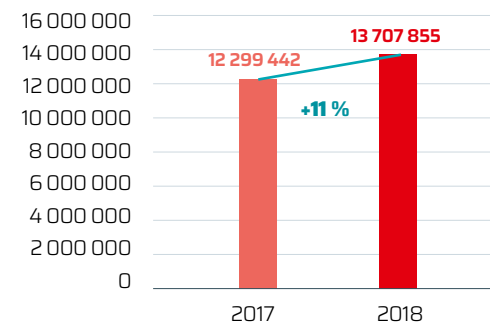
Like-for-like figures allow comparisons based on a consistent portfolio. The method compares buildings that were in scope during the previous year as well.

Regarding corporate headquarters data, only information subsequent to our move in June 2018 to rue Belliard 40 was taken into account. Our headquarters are now located in a BREEAM Excellent certified building and therefore comparison with data from our former headquarters was not considered to be relevant. Consequently, Lfl-figures are not reported for our headquarters.

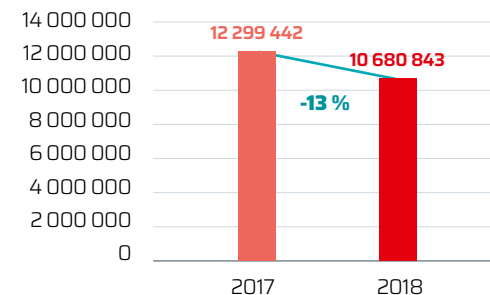
4.3.1. Energy performance

In absolute figures, there is an increase of 11 % in electricity consumption between 2017 and 2018. As previously mentioned, 10 buildings were added in the scope of telemonitoring, explaining this increase in electricity consumption. When looking only at the Lfl-figures, there is a decrease of 13 %. These buildings are managed by two pioneering operators, which installed an energy monitoring system early on. This had a major effect on consumption behaviour.

Electricity consumption (Elec-Abs) – kWh



Electricity consumption (Elec-Lfl) - kWh



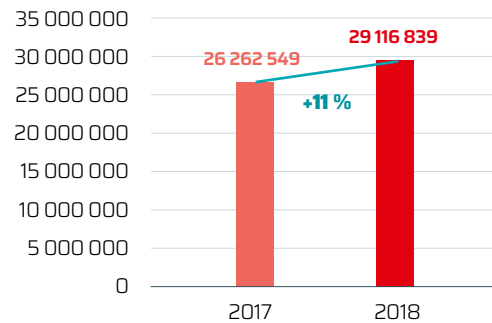
RESIDENTIE SPOENPARK, BERINGEN (BE)



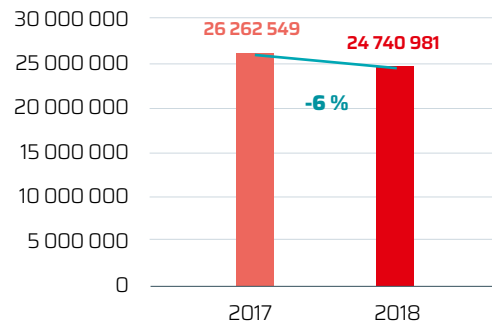
- Lifecycle assessment of new development
- Innovation in buildings
- Energy management
- Climate change adaptation
- Mobility

¹ The reporting boundaries and coverage applied are described in Annex I, Reporting parameters.

Gas consumption (Fuel-Abs) - kWh

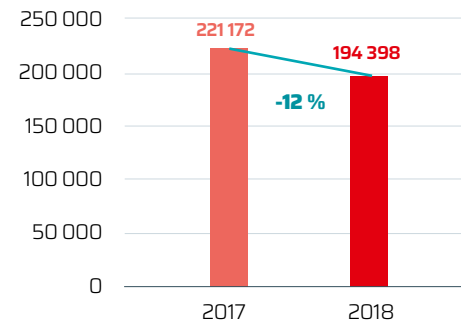


Gas consumption (Fuel-LfL) - kWh



In line with the electricity consumption figures, an increase of 11 % is noted in absolute gas consumption. This is a consequence of the discrepancy in scope between the two years. LfL-figures show a decrease of 6 % in gas consumption between 2017 and 2018.

Heating oil (Fuel-Abs and Fuel-LfL) - kWh



Five buildings in our reporting scope are still using heating oil on their premises. Active monitoring of consumption lead to a decrease in consumption. Since there is no difference in scope between 2017 and 2018 concerning heating oil, LfL figures are identical to absolute data.



-12 %

Heating oil



-6 %

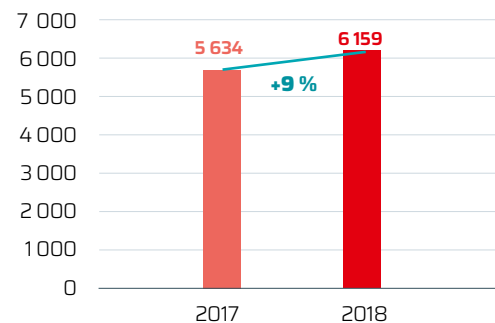
Gas consumption
(Fuel-LfL)



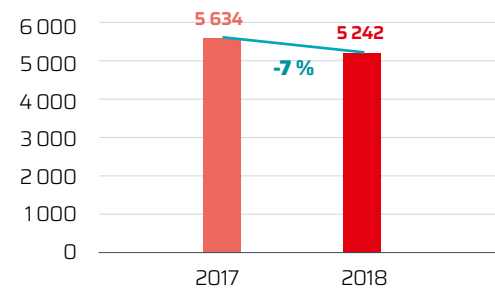
4.3.2. GHG performance

Direct greenhouse gases in our portfolio are directly linked to gas and heating oil consumption and increased by 9 % in absolute terms. LfL-figures decreased by 7 % between 2017 and 2018.

Direct GHG (GHG-Dir-Abs) - tCO₂e

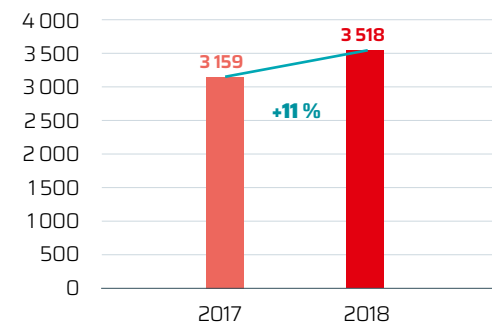


Direct GHG (GHG-Dir-LfL) - tCO₂e

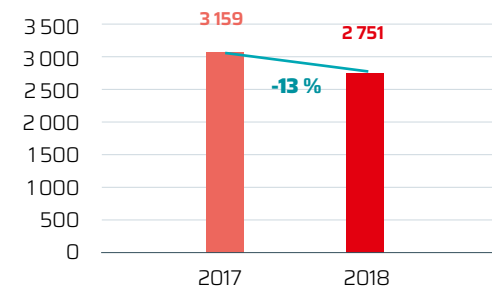


Indirect greenhouse gases reflect electricity use in our portfolio. We noted an 11 % increase in absolute terms. However, when taking into account the LfL-data, a 13 % decrease was achieved between 2017 and 2018.

Indirect GHG (GHG-Indir-Abs) - tCO₂e



Indirect GHG (GHG-Indir-LfL) - tCO₂e

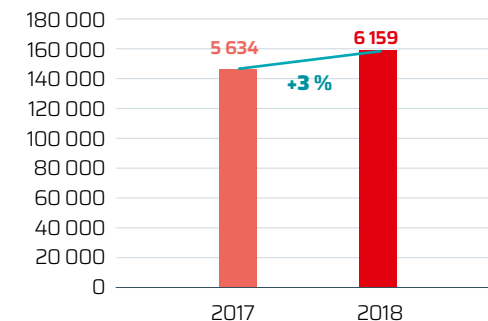


4.3.3. Water consumption

The main water supply source is municipal water. There is a slight increase of 3 % in water consumption between 2017 and 2018. This increase is mainly due to a higher occupation rate in certain buildings which were new in 2017 and where more seniors resided in 2018.

Since there is no difference in scope between 2017 and 2018 concerning water consumption, LfL figures are identical to absolute data.

Water consumption
(Water-Abs and Water-LfL) - m³



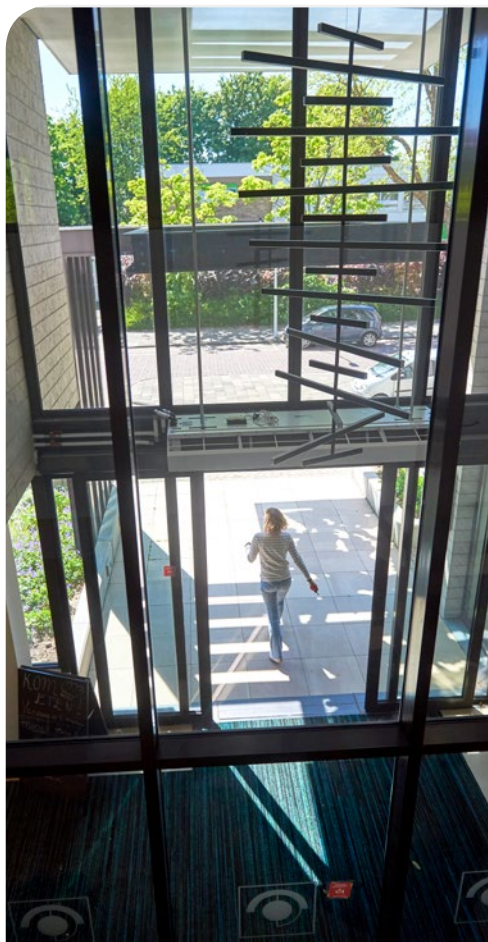
-7 %

Direct GHG
(GHG-Dir-LfL)

-13 %

Indirect GHG
(GHG-Indir-LfL)





4.3.4. Tables on environmental performance

Electricity consumption (Elec-Abs/Elec-LfL)

Elec-Abs/ Elec-LfL	Coverage per segment in m ²	Electricity consumption				Renewable energy gene- rated (kWh)	Renewable energy purchased (kWh)	Renewable source %
		2017 (kWh)	2018 (kWh)	Difference	Difference %			
Headquarters (Abs)	100 %	-	37,180	-	-	-	37,180	100
Portfolio (Abs)	40 %	12,299,442	13,707,855	1,408,412	11 %	222,800	-	2
Elec-LfL¹	30 %	12,299,442	10,680,843	1,168,200	-13 %	222,800	-	2

Heat and cooling consumption (DH&C-Abs/ DH&C-LfL)

This category does not apply to our portfolio, or to our corporate headquarters. None of our buildings is connected to a district heating or cooling network.

Fuel consumption (Fuel-Abs/Fuel-LfL)

Fuel consumption consists of gas in our headquarters and gas as well as heating oil in our portfolio.

Elec-Abs/ Elec-LfL	Coverage per segment in m ²	Fuel consumption				Renewable source %
		2017 (kWh)	2018 (kWh)	Difference	Difference %	
Headquarters(Abs)	100 %	-	19,435	-	-	-
Portfolio (Abs)	40 %	26,483,721	29,311,237	2,827,516	11 %	-
Fuels-LfL¹	30 %	26,483,721	24,935,379	-1,548,342	-6 %	-

¹ LfL-figures are not reported for our headquarters

Building energy intensity (Energy-Int)

Energy-Int	Coverage per segment in m ²	Relative consumption			
		2017 (kWh)	2018 (kWh)	Difference	Difference %
Headquarters (Abs)	100 %	-	45	-	-
Portfolio (Abs)	40 %	114	122	9	8 %
LfL ¹	30 %	114	103	-11	-10 %

Direct greenhouse gases (GHG-Dir-Abs/GHG-Dir-LfL)

GHG-Dir-Abs/ GHG-Dir-LfL	Coverage per segment in m ²	2017	2018	Difference	Difference %
		Total tCO ₂ e	Total tCO ₂ e		
Headquarters (Abs)	100 %	-	140	-	-
Portfolio (Abs)	40 %	5,634	6,159	525	9 %
GHG-Dir-LfL ¹	30 %	5,634	5,242	-392	-7 %

Indirect greenhouse gases (GHG-Indir-Abs/GHG-Indir-LfL)

GHG-Indir-Abs/ GHG-Indir-LfL	Coverage per segment in m ²	2017	2018	Difference	Difference %
		Total tCO ₂ e	Total tCO ₂ e		
Headquarters (Abs)	100 %	-	0 ²	-	-
Portfolio (Abs)	40 %	3,159	3,518	359	11 %
GHG-Indir-LfL ¹	30 %	3,159	2,751	-407	-13 %

Greenhouse gas intensity (GHG-Int)

GHG-Int	Coverage per segment in m ²	2017	2018	Difference	Difference %
		Total kgCO ₂ e/m ²	Total kgCO ₂ e/m ²		
Headquarters (Abs)	100 %	-	112	-	-
Portfolio (Abs)	40 %	32	28	-4	-13 %
LfL ¹	30 %	32	23	-9	-9 %

Water consumption (Water-Abs/Water-LfL)

Water-Abs/ Water-LfL	Coverage per segment in m ²	Water consumption			
		2017 (m ³)	2018 (m ³)	Difference	Difference %
Headquarters (Abs)	100 %	-	121	-	-
Portfolio (Abs)	30 %	164,222	169,399	5,176	3 %
Water-LfL ¹	30 %	164,222	169,399	5,176	3 %

Water intensity (Water-Int)

Water-Int	Coverage per segment in m ²	2017	2018	Difference	Difference %
		Total water/m ²	Total water/m ²		
Headquarters (Abs)	100 %	-	0.10	-	-
Portfolio (Abs)	30 %	0.59	0.60	0.01	1 %
Water-LfL ¹	30 %	0.59	0.60	0.01	1 %

¹ LfL-figures are not reported for our headquarters

² Aedifica's HQ electricity supply is 100 % green. Therefore, in accordance with the market-based method, GHG emissions are 0.

Total weight of waste (Waste-Abs/Waste-LfL)

Aedifica does not have access to data regarding waste. This is information that cannot be provided by our operators in the context of this report.

Our headquarters are located in a building that is shared with other parties. Separate waste information has only been monitored since January 2019. We will report on waste indicators as from the next reporting period.

Type and number of certificates (Cert-Tot)

In Belgium, EPC (Energy Performance Certificate) certificates are required for all new buildings and rented care units (in Flanders since 2008, in Wallonia since 2010, in Brussels since 2011). We are currently mapping the EPC certificates of our complete portfolio.

Moreover, our corporate offices hold a BREEAM "Excellent" certificate. Due to the specific needs of senior residents, BREEAM certificates are not systematically used in Belgium for healthcare real estate.

Cert-tot	Coverage per segment in m²	Number of buildings covered by EPC certificates	Number of BREEAM certificates
Headquarters	100 %	1	1
Portfolio	15 %	20	-



CSR in Aedifica's operations

“With the creation of the CSR Committee, we ensure that environmental, social and governance related issues are integrated in our core strategy.”

Laurence Gacoin, COO



5.1. Ethics, compliance and integrity

As a listed and leading company within the sector, Aedifica strives to act in a transparent and ethical way towards our stakeholders. This means upholding the law at all times, as well as demanding the same of those that do business with Aedifica.

In 2010, we formalised our code of ethics by adopting a Charter of Ethics. This charter guides the way on how to avoid and deal with topics such as conflicts of interest, confidentiality, share purchase and sales, bribery, and respect for others.

Since 17 October 2014, Aedifica has been authorised by the FSMA as a “Regulated Real Estate Company” (“RREC”) under Belgian law (French: “Société Immobilière Réglementée” or “SIR”, and Dutch: “Geregulementeerde Vastgoedenootschap” or “GVV”). As a public RREC, and in order to keep this status, we are subject to the requirements of the Law of 12 May 2014 and to the Royal Decree of 13 July 2014. These include restrictions on operations, debt-to-assets ratio, appropriation account, conflicts of interest, corporate governance, etc.

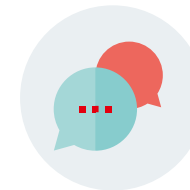
In 2018, we updated our whistleblower procedure to ensure that all employees are encouraged to report any conduct that goes against our Charter of Ethics. Any issue can be reported to Aedifica’s compliance officer or the chairman of the Board of Directors, be it in person or electronically. Reported incidents are dealt with the highest level of discretion and confidentiality.

In November 2018, a CSR committee was established. The committee seeks solutions to reduce waste levels, CO₂ emissions, energy consumption on portfolio and corporate level. Aedifica wants to be in line with important ESG¹ standards for our investors and for our goals as a company. There is a responsibility towards all of the company’s stakeholders, which are not limited to investors. With the creation of the CSR committee, we ensure that climate change related issues are integrated into our core strategy.

The CSR committee meets on a weekly basis to discuss topics such as:



Environment
CO₂ emissions
corporate &
building portfolio
Headquarter’s
waste level
Mobility plan



Social
Pro-actively
investing in our
social responsibility



Governance
Follow-up on best
practices



**Trainings and
innovation in
CSR**
Researching
conferences and
trainings around
CSR



CSR COMMITTEE
Joke Ral, Frédéric Lhoir,
Bob Boeckx,
Laurence Gacoin,
Ingrid Daerden and
Delphine Noirhomme



For more information on corporate governance, we refer to the Annual Financial Report 2017/2018 (p. 139 and following) and the Corporate Governance Charter.

¹ ESG: Environmental, Social and Governance criteria refers to CSR/sustainability components used by our investors for investment screening purposes

Nominating and selecting the highest governance body (Gov-Select)

Gov-Select

Pursuant to Article 11 of the Articles of Association, the members of the Board of Directors (BoD) are elected for a term of up to three years by the shareholders at the Annual General Meeting. They are always revocable and can be re-elected.

If not re-elected, the office of director ends just after the general meeting that decides on re-elections. In case of vacancy of one or several director seats, the remaining directors have the power to provisionally elect one or several persons, to act as director(s) until the next general meeting, when shareholders will decide on the re-election. This right of re-election by the remaining directors becomes an obligation when the number of directors falls below the statutory minimum number. A director elected to replace another director finishes the original term of the replaced director.

When selecting new BoD and Management Committee members, diversity, background, experience and expertise are taken into consideration to diversify the committee.

The reader is referred to the corporate governance statement in the Annual Financial Report 2017/2018 (p. 139 and following) and the Corporate Governance Charter (chapter 2.3 & 4.3) for more details.

Process for managing conflicts of interest

Gov-Col

The reader is referred to section 6 of the corporate governance statement in the Annual Financial Report 2017/2018 (p. 153 and following) and the Corporate Governance Charter (chapter 2.5.4 & 4.8) for more details.



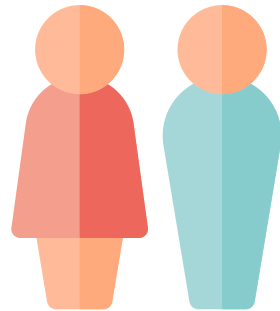
5.2. Diversity, talent development and wellbeing

5.2.1. Diversity

Aedifica wants to support gender diversity among Belgian listed companies. Our special attention to diversity is reflected in the composition of our Board of Directors and Management Committee (as required by article 518bis of the Belgian Companies Code regarding gender diversity within the Board of Directors). The reader is referred to section 5 of the Corporate Governance Statement in the Annual Financial Report 2017/2018 for more information on Aedifica's diversity policy (p. 152 and following).



- Diversity
- Employee wellbeing at work
- Talent development



Gender diversity at Aedifica

Aedifica's staff comprises a diverse population from an age, geographical and gender perspective. The Aedifica team at headquarters, excluding ImmoBe and Schloss Bensberg Management GmbH, consists of 32.65 full-time equivalent positions (FTEs), or 33 individuals on 31 December 2018.

Board of Directors

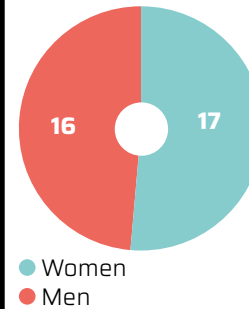


Management Committee

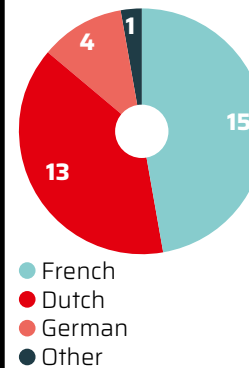


Employee diversity at Aedifica

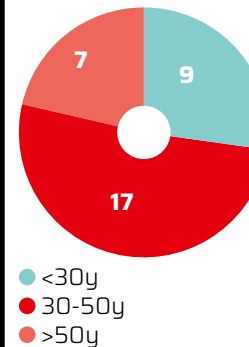
Gender of employees



Mother tongue of employees



Age diversity of employees



Our ambition

1. Maintain strong position in gender diversity among Belgian listed companies
2. Focus on employee wellbeing
3. Focus on delivering meaningful trainings to employees

5.2.2. Talent development

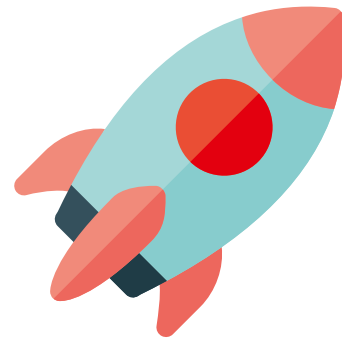
Aedifica aims to promote the personal development of its employees by offering a work environment that is motivating, comfortable, and adapted to their needs. We strive to identify and further reinforce the talents of our staff in favour of promoting diversity and equal opportunity in the workplace. Aedifica supports internal staff rotation, which can lead to improved skills and broader understanding of the inner workings of our company.

There are continuous feedback moments throughout the year as well as one formal performance review for each member of the team with his/her manager. The performance review process is monitored by the Management Committee.

We actively invest in our employees by offering training and development, with job specific trainings such as the postgraduate programmes in real estate and healthcare real estate at the KU Leuven. Other courses, such as Dutch and French language classes tailored to individual levels, are frequently organised.

Training hours

Continuous learning and development is core to Aedifica's culture. Our employees are our greatest assets. In 2018, Aedifica's employees received an average of 26 hours of training per person. The trainings mainly covered business related topics: finance, IT, languages, real estate and legal.

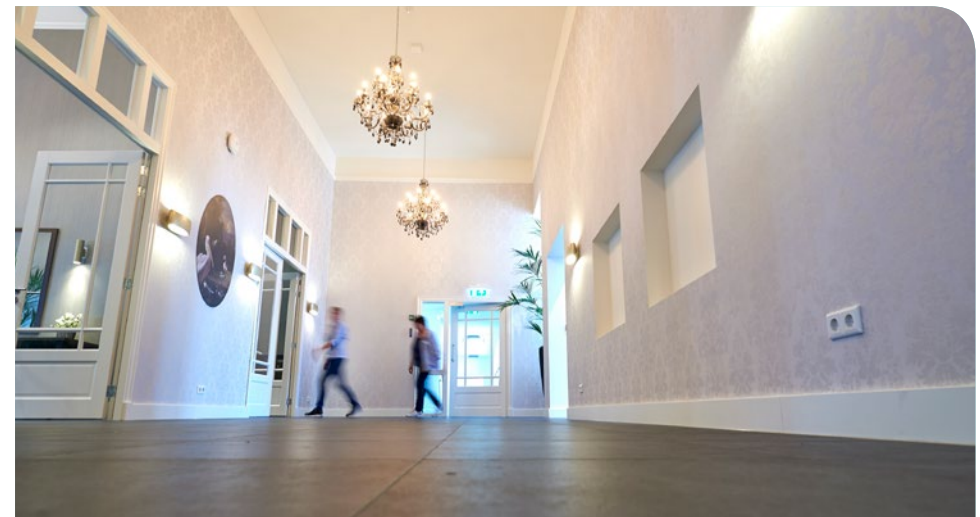


Average

26 hours

training per employee

Aedifica aims to promote the personal development of its employees by offering a work environment that is motivating, comfortable, and adapted to their needs.



5.2.3. Wellbeing

Our employees' wellbeing is profoundly incorporated in our organisation. Therefore, besides training to contribute to personal development, our headquarters have a "basecamp" with direct access to an outside terrace. Our "basecamp" is a corner to allow employees to meet with their co-workers in a relaxed space away from their desk. The place contains a pool table and eating facilities, surrounded by green elements and natural colours and materials. This is a great contributor to the workplace's morale and boosts our employees' capacity to take on their daily tasks with energy, enthusiasm and a pro-active approach.

In addition, we want to engage our staff in informal team events. Frequent training sessions are organised to participate in the Immorun, the annual sporting gathering of the real estate world: project developers, architects, entrepreneurs, universities and public authorities. Part of the profit is donated to underprivileged children to facilitate access to sports activities.

5.2.4. Remuneration

Our employees benefits package includes a group insurance (pension, death, disability) and a hospitalisation insurance (family members are covered as well). Besides lunch allowances and eco vouchers, they are also offered a discretionary variable incentive pay. Our employees are covered by the Collective Bargaining Agreement 90.

5.2.5. Occupational H&S management system, accidents, employee health

Overall, due to the nature of our employees' functions, accidents are limited to minor accidents happening whilst at work or during the commute to work. For our headquarters, we therefore only focus on first aid provision, and emergency drills. There were no fatalities or serious accidents.

In addition, special attention is given to mental wellbeing, stress at work and employee development, where a good sense of humour lies at the heart of team spirit and cohesion.

5.2.6. Tables on social indicators

Composition of the highest governance body (Gov-Board)

Gov-Board	2018
Board of Directors	Mr. Serge Wibaut ; Chairman - Independent Director Mr. Stefaan Gielens ; Managing Director – Chief Executive Officer Mr. Jean Franken ; Independent Director Mr. Eric Hohl ; Director Mrs. Katrien Kesteloot ; Independent Director Mrs. Elisabeth May-Roberti ; Independent Director Mr. Luc Plasman ; Independent Director Mrs. Adeline Simont ; Director Mrs. Marleen Willekens ; Independent Director
Management Committee	Mr. Stefaan Gielens ; Chief Executive Officer Mrs. Ingrid Daerden ; Chief Financial Officer Mrs. Laurence Gacoin ; Chief Operating Officer Mr. Charles-Antoine van Aelst ; Chief Investment Officer Mr. Sven Bogaerts ; Chief Mergers & Acquisitions Officer and Compliance Officer

📍 'BASECAMP' – AEDIFICA'S HEAD OFFICE



📍 AEDIFICA'S TEAM AT IMMORUN 2018



Special attention is given to mental wellbeing, stress at work and employee development.

Employee gender diversity (Diversity-Emp)

Diversity-Emp in 2018	Women		Men	
	(in headcount)	(in %)	(in headcount)	(in %)
Board of Directors	4	44 %	5	56 %
Management Committee	2	40 %	3	60 %
Employees	19	53 %	17	47 %

Gender pay ratio (Diversity-Pay)

Diversity-Pay	Aedifica functions in the framework of Joint Committee 200 (staff). The remuneration proposed by Aedifica remains positioned with reference to market remuneration for similar functions. No difference is made based on gender, religion, background. The 2017/2018 financial year remuneration includes a plan for non-recurring benefits linked to our company's profitability, as has been the case from 2008/2009 onwards. At the end of 2018, a salary benchmark and an audit on the salary package were initiated.
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Training and development (Emp-Training)

Diversity-Emp in 2018 (in %)	Women	Men	Total
Training hours	628	422	1,050

The average number of training hours per headcount is 26 hours.

Employee performance appraisals (Emp-Dev)

Emp-Dev	100 % of the total workforce receive performance and career development reviews (formalised once a year).
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Training and development (Emp-Training)

Emp-New Hires & Turnover in 2018	Number	Rate
New hires	13	36 %
Employee turnover	2	6 %

Employee health and safety (H&s-Emp)

H&S Emp	2018
Work-related accidents	1 work related accident
Lost day rate	0.8 %
Absentee rate	6.0 %

Asset health and safety

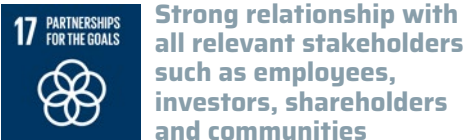
H&S-Asset (assessments)	Aedifica does not have any influence on the health & safety within the daily operations of our healthcare real estate portfolio. Reporting on such indicators is therefore not relevant.
H&S-Comp (compliance)	Aedifica does not have any influence on the health & safety within the daily operations of our healthcare real estate portfolio. Reporting on such indicators is therefore not relevant.

5.3. Community involvement

Social involvement is rooted in Aedifica's business model and activities.

Aedifica has used the services of TWI, a social enterprise that allows people who are at a distance from the labour market to be given every opportunity to use their qualities, commit themselves to their work and develop professionally.

The organisation supports us in the preparation, scanning and identification of documents in order to digitalise our files.



Every year we welcome interns to give them opportunities to gain valuable applied experience and make connections in the professional field. This way, they can integrate their knowledge learned in a classroom with the practical application and skills development in our company. Moreover, the Management Committee members often speak at seminars in Belgium and abroad.

Technology can support us in our ambition to contribute to the community. In dialogue with our operators, we will continue to explore the possibilities of technical innovations to support and increase the quality of life of the residents of our building portfolio.

Community engagement, impact assessments and development programmes (Comty-Eng)

Comty-Eng	Aedifica attempts to have a positive impact on local communities. The reader is referred to the narrative above for more details on community actions.
	The percentage of assets under operational control that have implemented local community engagement is listed below. Aedifica only reports on its own community engagement. Aedifica has no clear view and control on the community engagement organised by its operators.
Headquarters	100 %
Portfolio	-



Aedifica's ESG risk assessment

**“Aedifica strives to act
in a transparent and
ethical way towards all
of its stakeholders.”**

Ingrid Daerden, CFO

6.1. Environmental and social risk factors

In a market that is rapidly evolving with demographic trends that will challenge Aedifica's business model, identifying and managing the risks that our company is facing is crucial. The identified risks are interconnected with the SDGs, with environmental risks being linked to SDG 9 (Industry innovation and infrastructure) and 13 (Climate action), while social risks are linked to SDG 3 (Good health and wellbeing) and 4 (Talent development).



Risk management, incl. social and environmental risks

a. Environmental risks

Risk	Responsive action
Environmental risks linked to potential building acquisition	- Risk mitigation/elimination plans are put in place. - Analysis of soil quality of high-risk sites (e.g. sites hosting fuel tanks, printing industries, etc.).
Environmental risks related to poorly managed or maintained buildings by the operators e.g. leaking water tanks, leaking cooling infrastructure, short circuits, etc.	- Our company enters into triple net long lease contracts with care home operators. This implies that operators are responsible for the day-to-day management and maintenance of the buildings. - Because of our limited influence on the management and maintenance of our buildings, since 2017, we have been performing yearly condition checks on all our buildings to ensure the quality of our portfolio. These checks are based on the Dutch norm NEN 2767, which allows us to objectively and uniformly measure the physical and technical quality of all our buildings.
Non-compliance with the EU Directive 2018/844/EU coming into force in 2020	- Since 92 % of our buildings are less than 20 years old, this risk would potentially impact a limited portion of our portfolio. We make major efforts to optimise energy efficiency in our entire portfolio. - By appointing an energy coordinator for each new development, we are able to meet the high standards imposed by regulation. - Having energy efficient buildings will be a major asset to attract operators who will be able to minimise their energy costs.
Presence of asbestos in our portfolio	- Since less than 8 % of our buildings are over 20 years old, the risk of presence of asbestos in our portfolio is very remote. - For each new investment in a building in which asbestos might be present, a study is conducted to determine the likelihood of asbestos and to identify the related risk and required actions.

b. Social risks

Risk	Responsive action
Reputation risk due to the ill treatment of residents by our operators	High quality treatment and the comfort of the residents in our buildings is of utmost importance to us. All reports from the local healthcare agencies are followed-up thoroughly. In case of infractions, operators are reviewed and need to present a plan to avoid any violation in the future.
Employee retention on a corporate level	We constantly invest in a healthy and safe work environment to keep our employees motivated. Special attention is given to mental wellbeing, stress at work and employee development, where a good sense of humour lies at the heart of team spirit and cohesion.



For more information on risk factors, we refer to the **Annual Financial Report 2017/2018 (p. 2 and following)**.

EPRA content table



Aedifica voluntarily reports according to the European Public Real Estate Association (EPRA) Sustainability Best Practices Recommendations for Sustainability Reporting (sBPR guidelines) to allow for comparisons with other players in the real estate sector.

The table below provides an overview of the indicators reported on, and where in this report they can be found. Given the synergies with other reporting frameworks, notably with the Global Reporting Initiative (GRI) Standards, the respective GRI indicator linked to each EPRA indicator is featured in the right column. For an exhaustive list of GRI indicators, please see also the table in the next chapter.

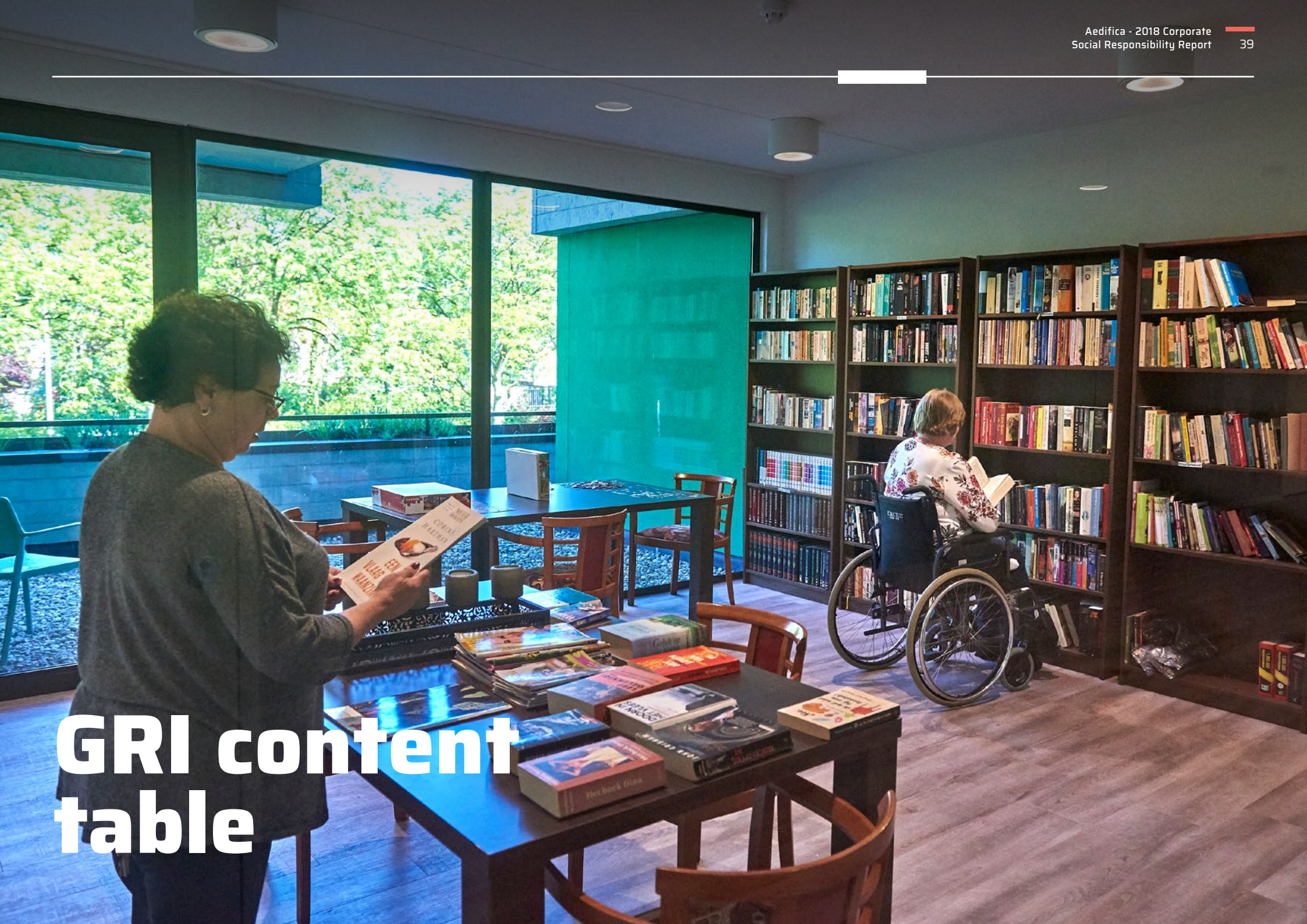
N.B. The table provides references to information as published in chapters of the Annual Financial Report 2017/2018 (AR), the Half Year Financial Report 2018/2019, the Corporate Governance Charter and this CSR Report 2018 (CSR).

Sustainability - environmental indicators		Chapter	GRI Indicator
Elec-Abs	Total electricity consumption	CSR ch.4.3.1 & 4.3.4	302-1
Elec-LfL	Like-for-like total electricity consumption	CSR ch.4.3.1 & 4.3.4	302-1
DH&C-Abs	Total district heating & cooling consumption	CSR ch.4.3.4	302-1
DH&C -LfL	Like-for-like total district heating & cooling consumption	CSR ch.4.3.4	302-1
Fuels-Abs	Total fuel consumption	CSR ch.4.3.1 & 4.3.4	302-1
Fuels-LfL	Like-for-like total fuel consumption	CSR ch.4.3.1 & 4.3.4	302-1
Energy-Int	Building energy intensity	CSR ch.4.3.4	302-3, CRE1
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	CSR ch.4.3.2 & 4.3.4	305-1
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	CSR ch.4.3.2 & 4.3.4	305-2
GHG-Dir-LfL	Like-for-like total direct greenhouse gas (GHG) emissions	CSR ch.4.3.2 & 4.3.4	305-1
GHG-Indir-LfL	Like-for-like total indirect greenhouse gas (GHG) emissions	CSR ch.4.3.2 & 4.3.4	305-2
GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	CSR ch.4.3.4	305-4, CRE3
Water-Abs	Total water consumption	CSR ch.4.3.3 & 4.3.4	303-1
Water-LfL	Like-for-like total water consumption	CSR ch.4.3.3 & 4.3.4	303-1
Water-Int	Building water intensity	CSR ch.4.3.4	CRE2
Waste-Abs	Total weight of waste by disposal route	CSR ch.4.3.4	306-2 Aedifica does not have access to portfolio data regarding waste. This is information that cannot be provided by our operators in the context of this report. We will report on headquarters' waste indicators as from the next reporting period.
Waste-LfL	Like-for-like total weight of waste by disposal route	CSR ch.4.3.4	306-2 Aedifica does not have access to portfolio data regarding waste. This is information that cannot be provided by our operators in the context of this report. We will report on headquarters' waste indicators as from the next reporting period.
Cert-Tot	Type and number of sustainably certified assets	CSR ch.4.3.4	CRE8



Sustainability – social indicators		Chapter	GRI Indicator
Diversity-Emp	Employee gender diversity	CSR ch.5.2.1 & 5.2.6	405-1
Diversity-Pay	Gender pay ratio	CSR ch.5.2.6	405-2
Emp-Training	Employee training and development	CSR ch.5.2.2 & 5.2.6	404-1
Emp-Dev	Employee performance analysis	CSR ch.5.2.2 & 5.2.6	404-3
Emp-Turnover	Employee turnover	CSR ch.5.2.6	401-1
Emp-New hires	Employee new hires	CSR ch.5.2.6	401-1
H&S-Emp	Employee health and safety	CSR ch.5.2.5 & 5.2.6	403-2, 403-9
H&S-Asset	Asset health and safety assessments	CSR ch.5.2.6	416-1
H&S-Comp	Asset health and safety compliance	CSR ch.5.2.6	416-2
Comty-Eng	Community engagement, impact assessments and development programmes	CSR ch.5.3	413-1
Gov-Board	Composition of the highest governance body	CSR ch.5.2.1 & 5.2.6 AR p.144 and following AR p.152 and following Overall information in the Corporate Governance Statement in AR p.139 and following Corporate Governance Charter ch.2.3 & 4.3	102-22
Gov-Selec	Process for nominating and selecting the highest governance body	CSR ch.5.1 AR p.148 and following AR p.154 Overall information in the Corporate Governance Statement in AR p.139 and following Corporate Governance Charter ch.2.3.7 & 4.3	102-24
Gov-Col	Process for managing conflicts of interest	CSR ch.5.1 AR p.153 and following Corporate Governance Charter ch.2.5.4. & 4.8	102-25

GRI content table

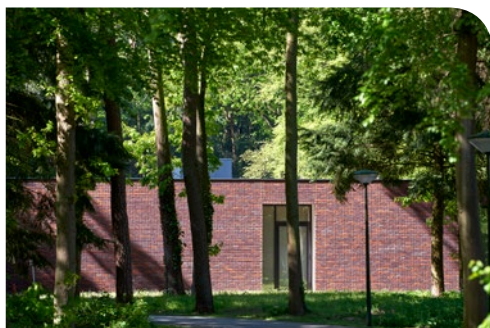


In order to enhance transparency and comparability, Aedifica voluntarily reports using the international GRI standards. For 2018, Aedifica has pursued the 'Core' reporting option.

The following table details per GRI indicator relevant to Aedifica, in what chapter the reader can find information regarding the indicator. In addition, to allow for better comparisons with other players in the real estate sector, Aedifica also links the reported GRI indicators to the EPRA Best Practices Recommendations for Sustainability Reporting. When such a link occurs, please see the last column with details regarding the respective EPRA indicator.

N.B. The table provides references to information as published in chapters of the Annual Financial Report 2017/2018 (AR), the Half Year Financial Report 2018/2019, the Corporate Governance Charter and this CSR Report 2018 (CSR).

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Universal standards

GRI 102: General disclosures		Chapter	Comment
1. ORGANISATIONAL PROFILE			
102-1	Name of the organisation		Aedifica
102-2	Activities, brands, products, and services	AR p.27 and following Half year 2018/2019 financial report p.4 and following	
102-3	Location of headquarters		Rue Belliard 40 (bte 11), B-1040 Bruxelles
102-4	Location of operations	CSR ch.1	Belgium, The Netherlands, Germany, the United Kingdom
102-5	Ownership and legal form		Public limited liability company Public regulated real estate company under Belgian law
102-6	Markets served	AR p.27 and following	
102-7	Scale of the organisation	CSR Annex 1	
102-8	Information on employees and other workers	CSR ch.5.2	
102-9	Supply chain	CSR ch.3.1.4	
102-10	Significant changes to the organisation and its supply chain	AR p.82 and following Half year 2018/2019 financial report p.4 and following	
102-11	Precautionary principle or approach	CSR ch.6.1	
102-12	External initiatives	CSR ch.3.1.5	
102-13	Membership of associations	CSR ch.3.1.5	
2. STRATEGY			
102-14	Statement from senior decision maker	CSR ch.2; AR p.14 and following	
102-15	Key impacts, risks, and opportunities	CSR ch.6.1	
3. ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behaviour	CSR ch.5.1 AR p.60	



GRI 102: General disclosures		Chapter	Comment
4. GOVERNANCE			
102-18	Governance structure	CSR ch.5.2.1 & 5.2.6 Corporate Governance Statement in AR p.139 and following Corporate Governance Charter	
102-21	Consulting stakeholders on economic, environmental, and social topics	CSR ch.3.1.2, 3.1.3 & 3.1.5	
102-22	Composition of the highest governance body and its committees	CSR ch.5.2.1 & 5.2.6 AR p.144 and following AR p.152 and following Corporate Governance Statement in AR p. 139 and following Corporate Governance Charter ch.2.3. & 4.3	EPRA: Gov-Board
102-24	Nominating and selecting the highest governance body	CSR ch.5.1 AR p.148 and following AR p.154 Corporate Governance Statement in AR p. 139 and following Corporate Governance Charter ch.2.3.7. & 4.3	EPRA: Gov-Selec
102-25	Conflicts of interest	CSR ch.5.1 AR p.153 and following Corporate Governance Charter ch.2.5.4. & 4.8	EPRA: Gov-Col
5. STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	CSR ch.3.1.5	
102-41	Collective bargaining agreements	CSR ch.5.2.4	
102-42	Identifying and selecting stakeholders	CSR ch.3.1.2 & 3.1.5	
102-43	Approach to stakeholder engagement	CSR ch.3.1.5	
102-44	Key topics and concerns raised	CSR ch 3.1.3	



GRI 102: General disclosures		Chapter	Comment
6. REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	CSR annex 1 AR p.53	
102-46	Defining report content and topic boundaries	CSR ch.3.1.2, 3.1.3 & annex 1	
102-47	List of material topics	CSR ch.3.1.2	
102-48	Restatements of information		N/A, This is the first CSR report published by Aedifica
102-49	Changes in reporting		N/A, This is the first CSR report published by Aedifica
102-50	Reporting period	CSR annex 1	
102-51	Date of most recent report		The most recent report with economic, environmental and social information is the 2018 CSR Report
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		info@aedifica.eu
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	CSR ch.7	
102-56	External assurance		The CSR report is not externally assured

Topic-specific standards



GRI 200: Economic performance

		Chapter	Comment
201-1	Direct economic value generated and distributed	AR p.12 and following Half year financial report p.1	

GRI 302: Energy

302-1	Energy consumption within the organisation	CSR ch.4.3.1 & 4.3.4	EPRA: Elec-Abs, Elec-LfL, DH&C-Abs, DH&C-LfL, Fuels-Abs, Fuels LfL In accordance with sector practices, energy consumption is expressed in kWh
302-2	Energy consumption outside of the organisation	CSR ch.4.3.1 & 4.3.4	In accordance with sector practices, energy consumption is expressed in kWh
302-3	Energy intensity	CSR ch.4.3.4	EPRA: Energy-Int In accordance with sector practices, energy consumption is expressed in kWh
302-4	Reduction of energy consumption	CSR ch.4.3.1 & 4.3.4	In accordance with sector practices, energy consumption is expressed in kWh
302-5	Reductions in energy requirements of products and services	CSR ch.4.3.1 & 4.3.4	In accordance with sector practices, energy consumption is expressed in kWh

GRI 303: Water and effluents

303-1	Water withdrawal by source	CSR ch.4.3.3 & 4.3.4	EPRA: Water-Abs, Water-LfL
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GRI 305: Emissions

305-1	Direct (Scope 1) GHG emissions	CSR ch.4.3.2 & 4.3.4	EPRA: GHG-Dir-Abs, GHG-Dir-LfL
305-2	Energy indirect (Scope 2) GHG emissions	CSR ch.4.3.2 & 4.3.4	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
305-4	GHG emissions intensity	CSR ch.4.3.4	
305-5	Reduction of GHG emissions	CSR ch.4.3.2 & 4.3.4	

GRI 306: Effluents and waste

306-2	Waste	CSR ch.4.3.4	EPRA: Waste-Abs, Waste-LfL
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GRI 307: Environmental compliance

307-1	Non-compliance with environmental laws and regulations		There were no cases of non-compliance
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GRI 401: Employment

401-1	New employee hires and employee turnover	CSR ch.5.2.6	EPRA: Emp-New hires, Emp-Turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	CSR ch.5.2.4	Not relevant

GRI 402: Labour management relations

402-1	Minimum notice periods regarding operational changes		Aedifica applies the Belgian legislation on legal notice periods
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GRI 403: Occupational health and safety

403-1	Occupational health and safety management system	CSR ch.5.2.5	
403-2	Hazard identification, risk assessment, and incident investigation	CSR ch.5.2.5 & 5.2.6	EPRA: H&S-Emp
403-9	Work-related injuries	CSR ch.5.2.5 & 5.2.6	EPRA: H&S-Emp

GRI 404: Training and education

404-1	Average hours of training per year per employee	CSR ch.5.2.2 & 5.2.6	EPRA: Emp-Training
404-2	Programmes for upgrading employee skills and transition assistance programmes	CSR ch.5.2.2	
404-3	Percentage of employees receiving regular performance and career development reviews	CSR ch.5.2.2 & 5.2.6	EPRA: Emp-Training

GRI 405: Diversity and equal opportunity

405-1	Diversity of governance bodies and employees	CSR ch.5.2.1 & 5.2.6 AR p.152 and following	EPRA: Diversity-Emp
405-2	Ratio of basic salary and remuneration of women to men	CSR ch.5.2.6	EPRA: Diversity-Pay

GRI 406: Non-discrimination

406-1	Incidents of discrimination and corrective actions taken	CSR ch.5.1	There were no cases of discrimination
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GRI 413: Local communities

413-1	Operations with local community engagement, impact assessments, and development programmes	CSR ch.5.3	EPRA: Comty-Eng
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GRI 419: Socioeconomic compliance

419-1	Non-compliance with laws and regulations in the social and economic area		There were no cases of non-compliance
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Sector-specific disclosures

CRE: Construction and real estate		Chapter	Comment
CRE1	Building energy intensity	CSR ch.4.3.4	EPRA: Energy-Int
CRE2	Building water intensity	CSR ch.4.3.4	EPRA: Water-Int
CRE3	Greenhouse gas emissions intensity from buildings	CSR ch.4.3.4	EPRA: GHG-Int
CRE8	Type and number of sustainability certification, rating and labeling schemes	CSR ch.4.3.4	EPRA: Cert-Tot

Annex I Reporting parameters

Aedifica's CSR report is based on the EPRA sBPR guidelines and is in accordance with the Global Reporting Initiative's (GRI) standard: Core level. Consideration has been given to the GRI's industry-specific supplement for the construction and real estate sector.

Organisational boundaries

Aedifica limits its CSR report to healthcare real estate properties owned by the Group in accordance with the principles of the Greenhouse Gas Protocol.

Within this scope, all owned properties are considered except for properties owned by our former entity Immo SA/NV, which includes only apartment buildings. This branch has been excluded from the group level consolidation since March 2019, thus these assets are not within the scope of our CSR report. The branch includes approximately 96,000 m² or 9% of the total surface area of approximately 1,014,000 m² of Aedifica's portfolio per 31 December 2018.

Hotels have also been excluded from the report scope. This segment includes approximately 35,000 m² or 3% of the total surface area of Aedifica's portfolio per 31 December 2018.

Corporate data covers our daily activities at our leased administrative headquarters in Brussels.

Coverage

The proportion of properties included in each EPRA indicator is mentioned. Aedifica's ambition is to equip 80% of its portfolio with EMS (Energy Management System). We strive to increase the coverage of our report every year.

Waste production data are not actively monitored by our portfolio operators. In the coming years we will increase awareness on this subject, and attempt to report on these data.

Human Resources (HR) data is reported for Aedifica's headquarters. The scope of HR data collection in terms of headcount, turnover and trainings is 100 % (excluding Immo staff).

Estimation of landlord-obtained utility consumption

Missing information was calculated by extrapolating monthly data. Degree days were taken into account in heating estimations (gas consumption).

Estimated data concern:

- Electricity consumption: Extrapolation of monthly data to obtain data of last quarter of 2018 for one asset.
- Gas consumption: Extrapolation of monthly data to obtain data for the fourth quarter of 2017 for two assets.
- Water consumption: Extrapolation of monthly data to obtain data for the fourth quarter of 2017 and 2018 for three assets.

Boundaries – Reporting on landlord and tenant consumption

All data on our portfolio's energy consumption were obtained via the operators' integrated energy management system or energy accounting system.

Normalisation

Intensity ratios were measured by using the buildings' total floor area as a denominator.

Direct and indirect carbon emissions

Measurement of the Group's CO₂ emissions was based on the guidelines of the Greenhouse Gas Protocol and DEFRA GHG Conversion factors for company reporting.

GHG emissions resulting from our portfolio were measured using the location-based method. The market-based method was used for the electricity consumption of our head offices.

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