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ANNUAL REPORT 2022

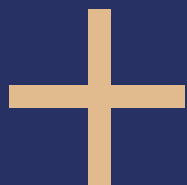


IMMOBEL

SINCE 1863

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IMMOBEL

at a glance

As experts in high-quality real estate projects in major European cities, we create attractive urban environments that meet clients' expectations and the needs of today and tomorrow. With more than 160 years of experience, we dare to claim that we have the agility to invest and the drive to improve living and working environments.

**Ambitious ESG policy
based on three pillars
on asset level:**



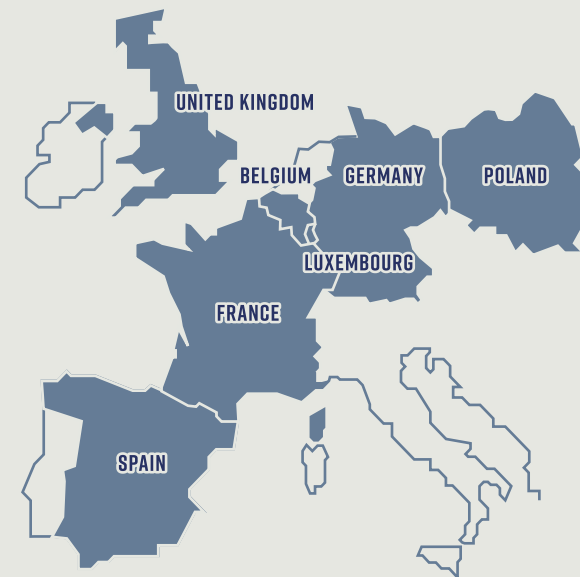
For our end-users



For the neighbourhoods



For the environment



EUR 450 MIO

market
capitalisation¹

63

projects under
development

1,500,000 M²

under
development

EUR 5.7 BIO

gross development
value²

71%

residential projects
in portfolio

> 200

devoted team
members in Europe

1. On 31 December 2022

2. Sales value or gross development value: total expected future turnover (Group share) of all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of closing).

MESSAGE FROM Marnix Galle

Executive chair

2022 was a challenging year marked by geopolitical and economic turmoil. The effects of the war in Ukraine, the lingering pressure on our supply chains, increased construction costs, inflation, and the long tail of the COVID-19 pandemic rippled across the globe. Rising interest rates impacted housing affordability and reduced liquidity in investment markets. Alongside these macroeconomic developments, structural megatrends like climate change, increased urbanisation, and an ageing population continue to shape our sector, forcing us to rethink how we build our homes, offices, and cities.

Optimising for growth and profitability

In the face of these challenges, ImmoBel shifted its focus from growth to operational excellence. By refocusing on its core strengths and tightly controlling costs, the company navigated the market and delivered solid financial results. By limiting exposure to small residential projects in France (which has led to an impairment loss on goodwill of EUR 43.8 million) as well as transferring its real estate investment management activity from London to Brussels. It also encompassed toning down its acquisition strategy during the second half of 2022, ImmoBel will reduce its yearly overhead costs by EUR 15 million as of 2024. Additionally, the company adjusted its acquisition strategy in the second half of 2022. ►





Commerce 46, Brussels

1. Net profit group share before impairment loss.
2. ROE (Return on Equity) refers to the net profit group share divided by the equity group share at the beginning of the year. Underlying ROE refers to the return on equity before impairment loss.
3. Earnings Before Interest, Depreciation and Amortization refers to the operating result (including share of result of associates and joint ventures, net of tax) before amortization, depreciation, and impairment of assets (as included in Administration Costs).
4. Gearing ratio is calculated by dividing net debt by the sum of net debt and equity group share with goodwill subtracted from equity group share.
5. Through the sale of 100% of the shares of Michael Ostlund Property S.A.



Granary Island, Gdansk

With these strategic measures, Immobel continues to demonstrate its commitment to prudent financial management and sustainable growth. We ended 2022 with an underlying net profit¹ of EUR 54.5 million and an underlying return on equity² at 9.5%. EBITDA³ reached EUR 68.6 million. Despite the challenging economic conditions, the company has maintained a strong liquidity position, with a cash position of EUR 276 million and a gearing ratio⁴ of only 53.0%. A gross dividend of EUR 3.05 per share will be proposed at the General Meeting on 20 April 2023.

Together with Immobel's healthy balance sheet this strategy enabled the company to weather current market conditions, providing a solid foundation for the future.

Navigating the markets with agility

Immobel's financial performance in 2022 was facilitated by the strengths of our sustainable and high-quality portfolio of transformative, large, mixed-use inner-city projects at prime locations and our solid 160+-year experience. Our portfolio sets us apart from our competitors. Our extensive expertise in real estate development allows us to navigate the market quickly and effectively while maintaining a competitive edge.

In Belgium, we closed the sale⁵ of the BREEAM Outstanding office building of circa 14,200 m² Commerce 46 – a Grade A core asset in the heart of Brussels' stable European Quarter. Commerce 46 and its host of green and high-tech building features exemplify Immobel's objective of creating high-quality, future-proof buildings in prime locations. In addition, Immobel and BESIX RED successfully ►

concluded the sale¹ of the Cours Saint-Michel site in Brussels at the end of last year. The property is strategically located and will allow the American Embassy in Belgium and American Mission to the European Union to consolidate their diplomatic representations in a safe, sustainable, and modern workplace.

In Poland, the company's operations were successful, with the Granary Island project being almost completely sold in 2022. The company's performance in Luxembourg was somewhat mixed, which can be attributed to the challenging market conditions. Next to the higher costs incurred related to the Eden tower project (Frankfurt), sales in Germany were impacted by tough market conditions.

France has also proven to be a challenging market in 2022. We therefore decided to refocus our efforts in this country towards the essence of our core expertise – transformative, large, mixed-use inner-city projects at prime locations. By focusing on these projects, we aim to limit our exposure to low-profit activities. This move will allow us to tap into the increased demand for commercial real estate in central Paris due to the area's structural concentration of businesses and high population density.

During the first half of 2022, Immobel conducted several and impactful new acquisitions, including the Héros project, the Proximus Towers², and the Commodore project. During the second half of 2022, Immobel toned down its acquisition strategy to align with the evolving macroeconomic environment. Immobel's total gross development value remained stable compared with 2021, at EUR 5.7 billion, as the sale of assets offset acquisitions. ►

1. Through the sale of 100% of the shares of CSM Properties SA/NV
2. In March 2022, Immobel (and a number of SPV's controlled by Immobel) and Proximus entered into binding agreements regarding the sale and redevelopment of the Proximus headquarters.



Immside, Paris



The Commodore, Brussels



Permitting activity – key projects moving forward

Although the company faced delays in obtaining permits for some of its residential projects, key projects are moving forward. Permits were obtained for new projects with a total Gross Development Value (GDV) of EUR 412 million last year. This is slightly lower than expected, mainly due to permitting delays. Successful real estate development requires the support and buy-in of a wide range of stakeholders, including residents, government officials, and community organisations. By engaging in open and transparent dialogue, we can build trust and mutual understanding, which in turn helps us navigate the permitting process more effectively. In addition, being transparent and open in our communication with stakeholders helps us to identify and address any concerns or issues they may have early on, which reduces the likelihood of delays or complications down the line.



Resilient business model

Despite the macroeconomic conditions, Immobel has maintained a strong position in the residential and office markets – uniquely positioning itself as a developer focused on large mixed-use projects that are engines for urban transformation.

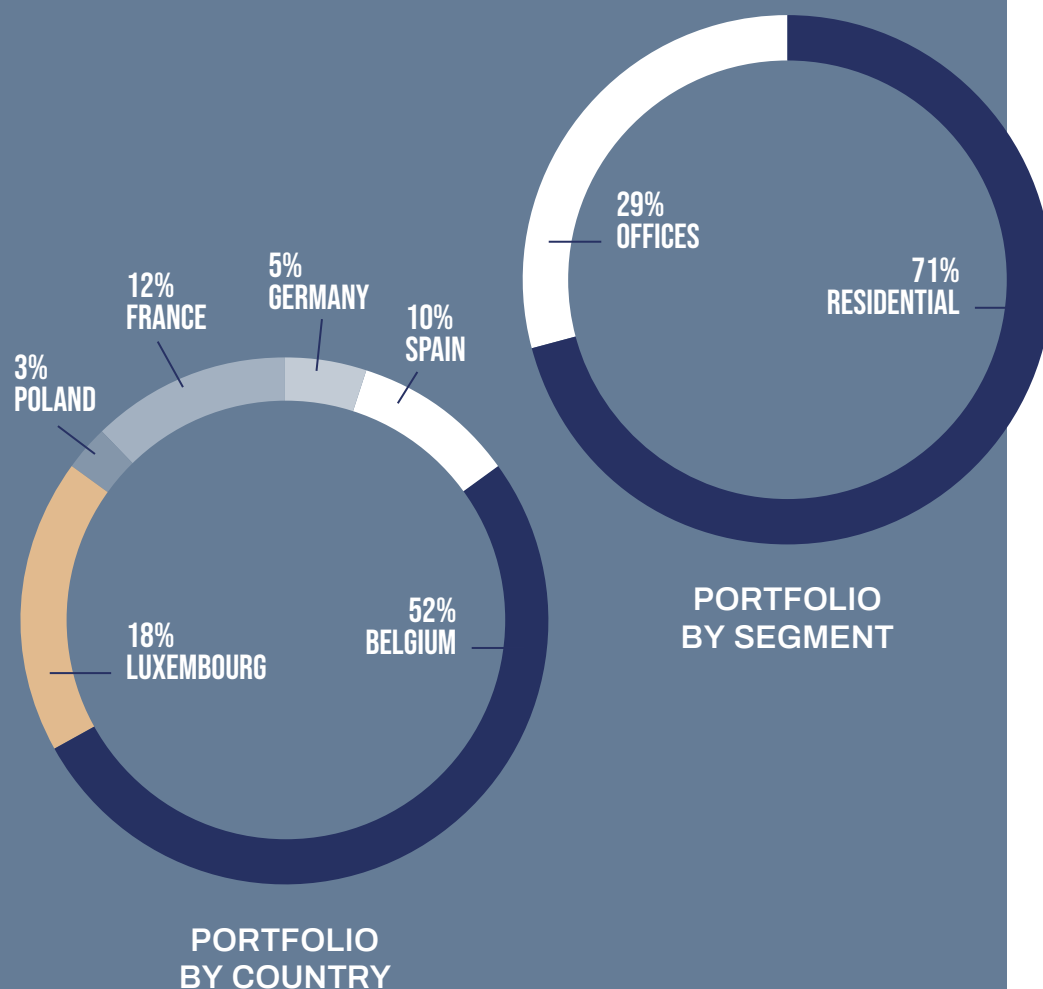
This is partly due to key business drivers that have allowed us to weather the current market conditions, in particular the structural shortage of housing supply in our main markets. Our projects are typically located in prime locations, which have provided some protection during a challenging market. Additionally, our focus on sustainable and energy-efficient projects strengthens Immobel's market positioning, as these elements are becoming increasingly essential. In the office market, we are seeing a continued increase in rent prices for sustainable and green top-quality office spaces in prime locations due to their limited supply. This trend is particularly relevant for Immobel as we focus on this market segment.

Embracing the ever-evolving future

Looking back at 2022, I am proud of our teams, their exceptional commitment, and what we've accomplished over the past year. The results outlined in this report reflect their unwavering dedication, perseverance, and resilience. Immobel's history of over 160 years is a testament to our adaptability and readiness to embrace the ever-evolving future. We are deeply grateful for the trust and loyalty of our shareholders, partners, and stakeholders.

I look forward to everything we will accomplish together in the year ahead. ■

KEY FIGURES 2022



Consolidated key figures

Key figures Immoel Group (EUR millions)

	2018	2019	2020	2021	2022
Net result, Group share	56.8	102.4	33.3	92.2	10.7
Equity, Group share	344.6	426.2	491.9	571.5	556.6
Market capitalization (including own shares)	503.9	663.8	681.8	728.8	449.9
Market capitalization (excluding own shares)	442.4	583.3	655.0	726.8	448.7

Figures per share (EUR) (excluding own shares)

	2018	2019	2020	2021	2022
Number of shares at year-end (thousand)	8,777	8,785	9,605	9,970	9,972
Net result, Group share	6.5	11.7	3.6	9.3	1.1
Value of equity	39.3	48.5	51.2	57.3	55.8
Gross ordinary dividend	2.42	2.66	2.77	3.05	3.05
Net ordinary dividend	1.69	1.86	1.90	2.14	2.14

Stock market ratios

	2018	2019	2020	2021	2022
Stock price on 31 December (EUR)	50.4	66.4	68.2	72.9	45.0
Maximum quotation (EUR)	57.0	69.0	81.8	78.0	79.2
Minimum quotation (EUR)	47.0	50.2	56.2	62.2	39.0
Stock price / book value	128.4%	136.9%	133.2%	127.2%	80.6%
Gross return for 1 year ¹	-4.8%	36.5%	6.7%	11.0%	-34.1%
Gross ordinary dividend / last stock price	4.8%	4.0%	4.1%	4.2%	6.8%
Net ordinary dividend / last stock price	3.4%	2.8%	2.8%	2.9%	4.7%

1. Gross return for 1 year: (last closing price + dividends paid during the year - first stock price for the period) / first stock price for the period.

Summary of the consolidated financial statements (eur millions)

Income statement

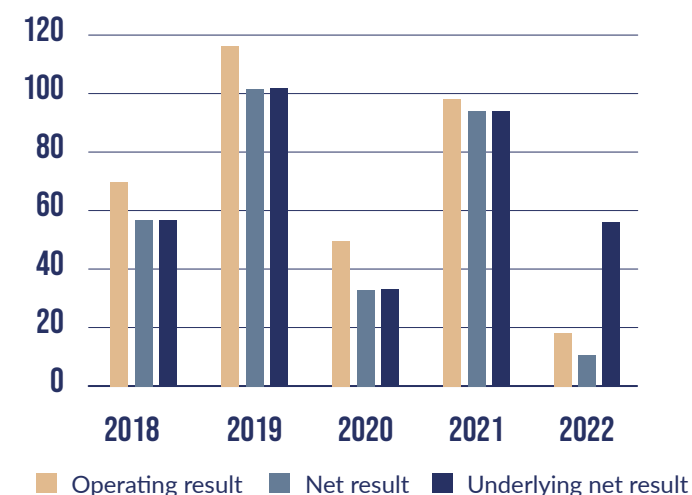
	2018	2019	2020	2021	2022
Operating income	326.1	419.5	375.4	392.8	243.9
Operating expenses	-261.0	-327.2	-333.5	-338.3	-293.6
Share in the results of associates	5.2	24.6	8.1	44.5	67.2
Operating result	70.3	117.0	50.0	99.0	17.5
Financial result	-4.8	-5.3	-7.3	-5.0	-4.4
Result before taxes	65.5	111.6	42.7	94.0	13.1
Income taxes	-8.6	-9.4	-8.7	-1.6	-2.8
Result for the year	56.9	102.2	34.0	92.4	10.3
Share of ImmoBel	56.8	102.4	33.3	92.2	10.7

Financial position

Assets	2018	2019	2020	2021	2022
Non-current assets	181.7	213.3	448.3	506.3	362.3
Intangible assets	0.4	0.5	0.6	0.2	1.4
Goodwill	0.0	43.8	43.8	43.8	0.0
Tangible assets	0.9	1.0	1.4	2.8	4.1
Right-of-use assets	0.0	6.4	4.4	3.8	9.9
Investment property	104.3	81.1	197.1	174.0	67.7
Financial assets	70.6	65.4	182.8	258.2	256.4
Other	5.4	15.0	18.2	23.5	22.8
Current assets	784.7	1,087.9	982.8	1,178.9	1,385.7
Inventories	511.8	694.6	683.1	698.6	985.7
Cash	170.9	156.1	148.1	273.4	275.9
Other	102.0	237.2	151.6	206.9	124.1
Total assets	966.4	1,301.2	1,431.1	1,685.2	1,748.0

Equity and liabilities	2018	2019	2020	2021	2022
Equity	344.7	428.2	494.5	582.9	573.1
Non-current liabilities	332.9	523.4	609.6	535.1	744.5
Financial debts	322.0	507.0	571.1	507.6	722.8
Other	10.8	16.4	38.5	27.5	21.7
Current liabilities	288.7	349.7	327.0	567.2	430.4
Financial debts	193.7	200.1	180.8	359.1	179.7
Other	95.0	149.6	146.2	208.1	250.7
Total Equity and liabilities	966.4	1,301.2	1,431.1	1,685.2	1,748.0

Operating result / Net result (EUR millions)



EUR 68.6 MIO
EBITDA

EUR 54.5 MIO
Underlying net result

EUR 10.7 MIO
Net result

EUR 573.1 MIO
Equity



HIGHLIGHTS 2022

Quarter 1

ACQUISITION IN LUXEMBOURG - Immobel and TotalEnergies announce the conclusion of an agreement concerning the acquisition by Immobel of two plots in Luxembourg

HÉROS - Immobel acquires a site in Uccle, Brussels to develop the residential project "Héros"

LEBEAU - Immobel submits building permit application for new Lebeau design in Brussels

REZ-DE-VILLE - Co-creation workshop on the pedestrian zone of the Place de Brouckère: Immobel is a partner of the City of Brussels in this 15-minute city project

LIEWEN - Immobel launches the marketing of Liewen, a new eco-friendly residential neighbourhood in Mamer, Luxembourg

COURS SAINT-MICHEL - U.S. Department of State expresses interest in Immobel and BESIX RED's Cours Saint-Michel, Brussels

INVESTMENT MANAGEMENT - Launch of Immobel Capital Partners under the leadership of Duncan Owen

WHITE ROSE PARK - Immobel Capital Partners acquires White Rose Park office campus in Leeds, UK as the first asset for its green office strategy

PROXIMUS TOWERS - Immobel and Proximus reach a binding agreement for the redevelopment of the Proximus headquarters in Brussels



Quarter 2

DIVIDEND INCREASE - Immobel increases its dividend by 10%, bringing the 2021 dividend to EUR 3.05 gross per share

ÎLOT SAINT-ROCH - First stone laid at Îlot Saint-Roch, a future sustainable district in the heart of Nivelles, Belgium

MULTI - The materials passport used for the first time in the Multi renovation project in Brussels

GREEN BONDS - Early closure of the EUR 125 million green bonds issue in Belgium

UKRAINE - Immobel joins the Ukraine donation movement



MOVE TO MULTI - Immobel relocates its headquarters at the Multi building

THE WOODS - Immobel sells¹ the Woods offices, a modern redevelopment located in Flemish Brabant, Belgium

IMMORUN LUXEMBOURG - 3rd edition of Immorun Luxembourg powered by Immobel

SLACHTHUIS - Bart De Wever, mayor of Antwerp, kicks-off the development of the Slachthuis neighbourhood

1. Through the sale of the shares of the companies owning and operating the property

Quarter 3

URBAN LAND INSTITUTE - Marnix Galle hands over his position as ULI Europe Chairman to Lars Huber

BROUCK'R - Immobel and BPI Real Estate redesign the Brouck'R project

THE COMMODORE - Acquisition by Immobel of the residential project The Commodore in Evere, Brussels

FORT D'AUBERVILLIERS - Immobel France starts construction of its two residential buildings in the Fort d'Aubervilliers mixed development zone

PROXIMUS TOWERS - Building permit request submitted by Immobel for the redevelopment of the Proximus Towers, Brussels

HALF-YEAR RESULTS - Immobel half-year result 2022 shows a resilient business model in challenging markets

IMMORUN BELGIUM - 13th edition of Immorun Belgium powered by Immobel



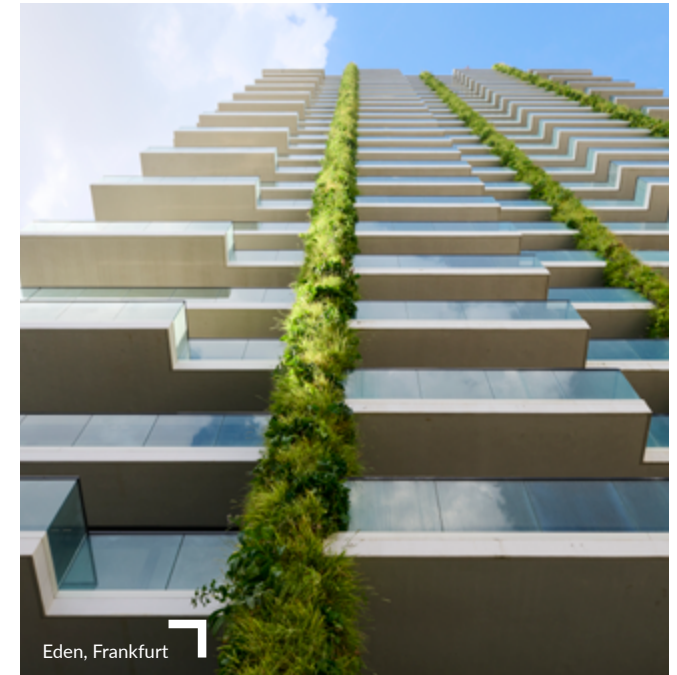
Commerce 46, Brussels



Immside, Paris



Fort d'Aubervilliers, Paris region



Quarter 4

BROUCK'R - Immobel and BPI Real Estate submit modified building permit request for the Brouck'R project, Brussels

IMMSIDE - Immobel France partners with Nestore, a pop-up store specialist, for the temporary occupation of its Immside project in Paris

FIABCI AWARD - Immobel receives a FIABCI Award for the Eden tower in Frankfurt

COMMERCE 46 - Immobel closes the sale of Commerce 46, a BREEAM Outstanding office building located at the heart of the European quarter in Brussels

COURS SAINT-MICHEL - Immobel and BESIX RED sell Cours Saint-Michel to the U.S. Department of State



WHO
we are

Our mission

As the world faces unprecedented challenges, we are driven to create urban spaces that are sustainable, diverse, and enjoyable for everyone.

Our mission is to transform cities and their neighbourhoods into future-proof urban environments that positively impact the lives of people, communities, and the planet. Each neighbourhood is unique and defined by its inhabitants, companies, local businesses, culture, heritage, and natural environment. That's why we work closely with all our stakeholders to create spaces that are in harmony with their surroundings and improve the social and environmental conditions of the cities we serve.

Our approach is grounded in a commitment to sustainability and the positive impact that our projects have on their surroundings. We take a comprehensive approach to our work. This includes consideration of the technical and economic factors required for our developments. We also take into account the history and identity of the neighbourhoods where our projects are located. We consider every aspect of our work, to create living, working, and recreational spaces that fulfil the needs of all.

As a family-owned company with over 160 years of experience, we are confident in our ability to create a better future for our cities and communities.

Our values

Trust

Trust is the cornerstone of our business and our company's story that started in 1863. Every day, we put our dedication and expertise to work for clients, investors, citizens and partners. Every day, we aim to be worthy of their trust.

Agility

We are used to working with many different stakeholders and improvising in ever-changing circumstances. Without ever compromising on quality or the key aspects of responsible development, we design real estate projects that meet the most exacting construction and urban renewal standards.

Passion

We love what we do! It is the driving force for our team of dedicated people, and it fuels our constant desire for improvement and our solutions-oriented approach. It also creates a lively work atmosphere where all colleagues can give their best and contribute real added value to our projects.

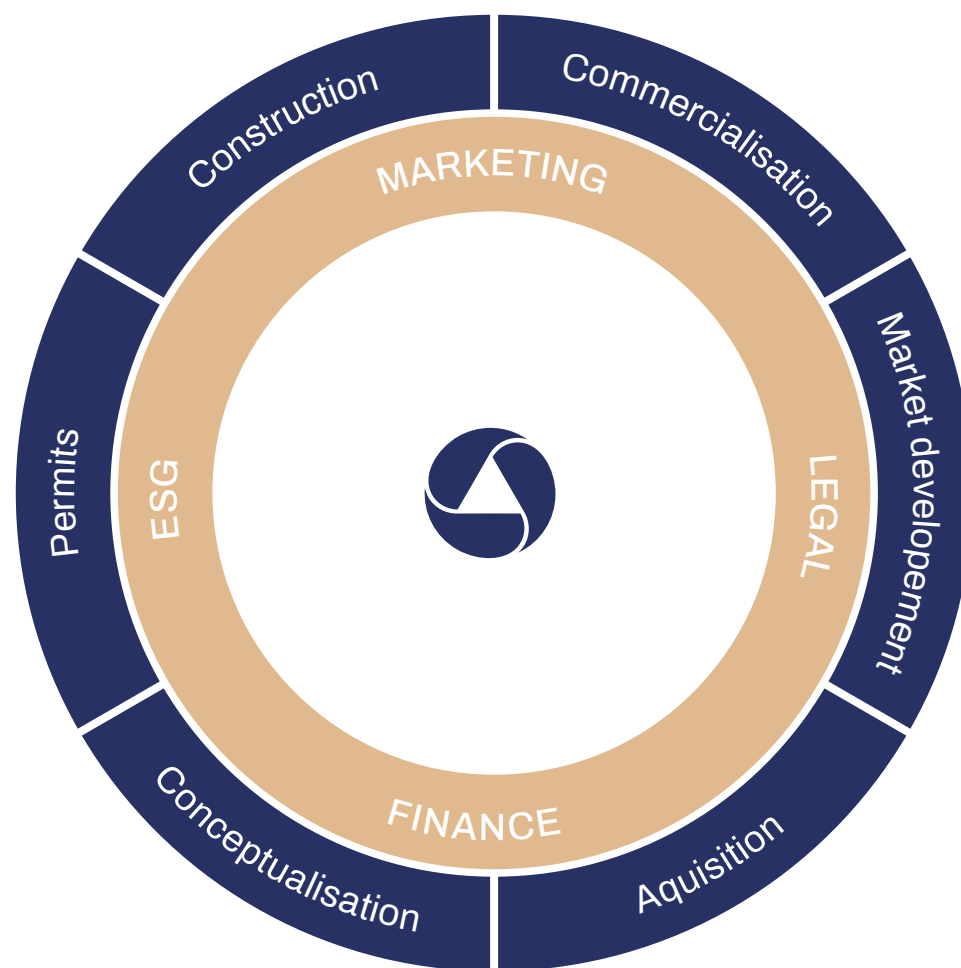
Our strategy

We want to shape the future of cities with our portfolio of sustainable, high-quality, and transformative mixed-use projects in prime European locations. We lead the way in urban transformation, providing innovative solutions for a better urban living and working experience.

Our commitment to sustainability and energy efficiency is at the heart of what sets us apart in an increasingly demanding market. Our focus on preserving and repositioning assets, combined with our expertise in development and investment management, offers real synergies for long-term growth and success. We are ahead of the curve in the office market, capitalising on the growing demand for sustainable and green top-quality office spaces.

With 160 years of experience, we are the trusted choice for those seeking a unique combination of prime locations, sustainability, and high-quality, transformative projects. Our ability to quickly and effectively navigate the market positions us with a competitive edge, making us the go-to choice for a better urban future.

A PURPOSE DRIVEN REAL ESTATE DEVELOPER AND INVESTMENT MANAGER



OUR AMBITIOUS ESG policy



For our end-users

Well-being

Sustainable mobility

Create healthy places



For the neighbourhoods

Social purpose

Residential diversity



For the environment

Embodied carbon

Operational carbon

Biodiversity

Environmental leadership

Lead by example



Towards collaborators

Diversity & Equality

Healthy Work
Environment



In the industry

Positive Leadership



For the community

Immobel Engagement Fund

Buildings are constructed to endure. We therefore design our buildings to be healthy living or working places that will last for many decades at least. This objective is thrown into sharper relief when we consider the current crises affecting the world: an ailing global economy, the fragility of energy security, the tense geopolitical climate, and the still ongoing COVID-19 pandemic. All of these show us what counts today and into the future: the ability of places to contribute to our quality of life, to reduce our environmental footprint, and to actively contribute to the vitality of the region.

These concerns are part of all of our projects and illustrate the desire of our teams to develop urban spaces that benefit individual users, communities, and the environment.

To rollout our sustainability engagements throughout the Group, we have identified seven of the most important UN Sustainable Development Goals that should guide our day-to-day development business. These are the goals that relate most closely to sustainable cities and communities, good health and well-being, as well as measures related to climate change.

In addition, at the level of the Group we are convinced that we can have a direct or indirect impact on several SDGs. In this respect we consider SDG 17 – Ecosystem, SDG 5 – Diversity and inclusion, SDG 3 – Healthy workplace, SDG 9 – Sustainability culture and leadership, and SDG 4 – Training / knowledge sharing as the main ones. ■





1. For our end-users

As a real estate developer and investor, we take our leading role and responsibility seriously to construct a healthy living, working and recreational environment for all end-users. Our projects are intended to produce high-quality areas in cities and communities that benefit everyone.

For this reason we take great care to minimise exposure to risk factors that impact people's health. We also include the many secondary factors which contribute to ensuring the well-being of urban populations: the proximity of essential services, accessibility to nature, the design of spaces, a sense of safety, and the opportunity to meet.

Well-being

To successfully complete our mission to create healthy spaces, we strive to ensure the excellence of building techniques and operations management.

In line with our enlarged focus on well-being, we pursue WELL certification for large urban develop-

ment projects. Across our entire portfolio, a health and well-being design checklist has been developed to assure health and well-being parameters are integrated in the design. In practice this means designing environmental qualities such as daylight, clean air, ventilation, careful sound design, biophilic design, vistas onto green surroundings, and integrated biodiversity into our living environments and working spaces. The end results include better conditions for our users' health and well-being, both mental and physical.

Sustainable mobility

A key factor when deciding where to develop our projects is the distance to public transport and between facilities. For this reason we focus on developing projects near central mobility hubs. We also want to promote access to nearby services that can be reached on foot or by bicycle. By emphasising sustainable mobility we aim to be a catalyst that promotes more sustainable lifestyles and the consequent improvement in quality of life. ■

CREATE
healthy places

2. For the neighbourhoods

We are also fully aware of our significant responsibility to participate in developing urban areas, which can often involve revitalising neighbourhoods. Such initiatives provide unique opportunities to create environments that have long-term impacts on the lives of their users. We therefore design our developments in close collaboration with many stakeholder groups impacted in a neighbourhood. This means taking full account of the needs for services and facilities expressed by our interlocutors.

Furthermore, we are actively involved in several non-profit organisations, whose goal is to rethink neighbourhoods via a public-private-associative dialogue. This demonstrates our commitment to overall well-being and our role as a regional expert.

Social purpose

It is vital that our developments provide opportunities to diversify the local economic fabric by providing answers to the needs for services expressed by the resident community. We are convinced that the wealth of neighbourhoods is proportional to the diverse activities that take place in them. This is a factor for social co-

hesion because it enables the resident population to meet their needs locally and it draws in other users. Diversity also enables the development of a range of local activities by reducing dependency on external economic flows.

We want our projects to reflect this goal for diversity via the planning of common exterior and interior spaces and by the integration of public amenities. We are convinced that the economic and social value of a real estate asset grows when it is used intensively by a diverse set of users.

To meet this goal, we systematically analyse public and community needs. We also make full use of prototyping or transitional urban planning experiences such as temporary occupations to test the relevance of new services before integrating them in a final project.

Basing ourselves on the axiom that "a diverse neighbourhood is the foundation for a healthy neighbourhood" we strengthen dialogue with the players concerned at every level: from the territorial authorities to residents, from retailers to major companies.

We try to include our stakeholders as much as possible in our projects right from the outset. The resulting feedback is then fed into our planning activity and adds value to each project.

Residential diversity

Immobel wants to contribute to an increase in social diversity in its residential offer. We will actively lead the discussion at sector level and look for tools and solutions with the authorities and the associative sector to increase diversity in housing developments in the cities in which we are active. Immobel commits to increase the supply of social / intermediate / student / inter-generational and other housing typologies based on local needs. We will work with housing associations and governments to help increase the supply of homes that are genuinely affordable to buy or rent. This will help to tackle the inequalities experienced by certain groups affected by the shortage of affordable homes. ■

3. For the environment

The real estate sector accounts for about 40% of energy consumption and 36% of European CO₂ emissions. In the light of this highly significant impact on the environment, the sector is at the heart of national and European strategies to adapt to and mitigate climate change, via quick, binding standards changes as demonstrated by the work underway to adopt the European green taxonomy.

We work to anticipate regulatory changes that will have a profound impact on the way in which we design, build and manage real estate assets. To do this we use a variety of tools to measure, reduce, offset and include these actions in a comprehensive strategy.

Embodied carbon

Immobel applies an acquisition policy based on “recycling” or “repurposing” built-up areas or transforming existing assets in the city. This refers to a strong preference for renovation of existing buildings instead of demolition (combined with a circular approach to minimise the embodied carbon) in urban environments. It’s a way of avoiding using new materials and energy that conventionally goes into demolishing and rebuilding.

Immobel systematically uses Life Cycle Assessments (LCA) studies for new developments.

An important parameter that is obtained via the LCA study are the embodied carbon emissions. These are the GHG emissions and removals associated with materials and construction processes throughout the whole life cycle of an asset.

We have been using tools and studying avant-garde initiatives for several years now to ensure the environmental performance of our assets, starting with certification practices (BREEAM, High Environmental Quality Certification (HQE), DGNB, or equivalent) which are consistently implemented in our projects. Our projects strive to obtain several certifications, as well as a series of labels, including BREEAM, WELL, BiodiverCity.

To ensure the consistency of our in-house initiatives; disseminate them throughout our developments; and equip the company with a broader strategic direction, we have defined a path to carbon neutrality, based on a renovation strategy, an embodied carbon reduction programme, and eventually an offset programme through local initiatives regarding reforestation and regenerative agriculture.

Renovation will become more and more important in the future. This is because demolishing a building generates a huge carbon footprint that is very difficult to offset later, even by putting very energy-efficient new housing on the market. For this reason, Immobel changed its acquisition strategy more than a year ago. We no longer buy buildings that have to be demolished and rebuilt, but buildings that can be renovated. ►



Operational carbon

A fossil-free energy solution is the obligatory standard for all new permits introduced. In the design phase, particular attention is paid to the replacement of fossil fuels by alternatives such as geothermal energy, heat pumps, and solar panels, and the optimisation of techniques to minimise energy consumption during the operational phase. Immobel will have integrated all taxonomy requirements in all its projects by 2025.

Several of our developments are already designed today to become CO₂-neutral by eliminating all operational

carbon and striving to become energy-neutral by producing locally at least as much energy as the development consumes.

Biodiversity

Our activity has an impact on biodiversity. The preservation of living things is integrated in our activities via the location choices for our projects and the inclusion of green spaces favourable to flora and fauna. We work with landscapers and ecologists on a regular basis to get a precise understanding of the state of biodiversity on our sites and to put in place instruments suited to its preservation. We disseminate in-house initiatives which combine respect for living beings with the

maintenance of our green spaces.

Immobel favours the establishment of the most favourable spaces for biodiversity. We aim to achieve a “Net Gain” in biodiversity for each development.

To measure the improvement, Immobel uses a recognised Biodiversity Net Gain calculator. This tool allows for the biodiversity value of a site to be measured based on the type of habitat present and its relative condition.

Designs can then be drawn up which target an improvement in biodiversity following development. ■

O'Sea, Ostend





1. Towards collaborators

Learning and development: “Immobel academy” initiative

Investing in continuous training and development of our teams helps not only them, but also Immobel as a whole. By providing our teams with learning and development activities, we enable the company to achieve its business targets, and the people to constantly grow professionally and to prepare for the future.

Training and personal development has a strategic role in the company. We believe that learning and development contributes to attracting new talents as well as retaining existing talents.

Through the “Immobel Academy” we want to offer an attractive and qualitative offer of trainings and learning experiences, accessible for all teams to be able to further grow in the current role or to evolve in a potential career path.

Well-being

In 2022, an engagement survey was launched at Immobel headquarters. It focused on well-being and life at work and provided us with very useful insights. Some other actions that we implement to improve health and well-being at work include the provision of healthy food in cafeterias and vending machines, and sports and team-building events.

Diversity

Immobel aims to stimulate diversity at all levels in its overall HR policy as well as in the composition of its Boards. Immobel's diversity and equality initiatives must promote equal treatment on issues concerning conditions of employment, work conditions, and development in the work. The ambition is the pursuit of diversity and equality initiatives as an integral part of operations. Immobel seeks to be a working environment that enables everyone to unleash their full potential and at the same time be treated fairly, equally and respectfully. ■

LEAD
by example

2. In the industry

Non-financial reporting has drastically improved over the past years. With the implementation of the new EU directives linked to non-financial reporting (CSRD), the scope of companies required to report on ESG aspects will be increased.

As a first step in this journey, Immobel has performed a readiness assessment against the CSRD requirements. This involved identifying the gaps between the current state of play at Immobel and what is mandated by the proposed CSRD legislation. Moreover, a realistic high-level roadmap with actions and initiatives based upon the readiness assessment has been created.

ESG reporting has become an increasingly important part of our business. Immobel is aligning its KPIs with the ESRS (European Sustainability Reporting Standards) which will be the norm to be respected within the CSRD.

We also demonstrate leadership in the sector by supporting and playing an active role in sector-wide initiatives such as the Urban Land Institute. The aim of this initiative is to drive the sector to move beyond individual actions and collaborate to create change within the industry by providing knowledge, tools and education.

3. For the community

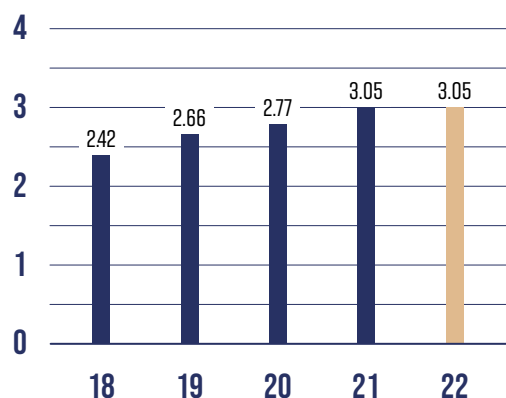
Immobel wants to demonstrate a societal engagement and a positive impact towards the community. In this perspective, the Immobel Engagement Fund is active for several years as the charity pillar of Immobel. A Board composed of internal and external members selects on a regular basis initiatives in the fields of social inclusion, arts, health and inclusive city development that can be supported by Immobel. The Immobel Engagement Fund accounts for up to 1% of our net income each year. ■



SHAREHOLDER information

Dividend

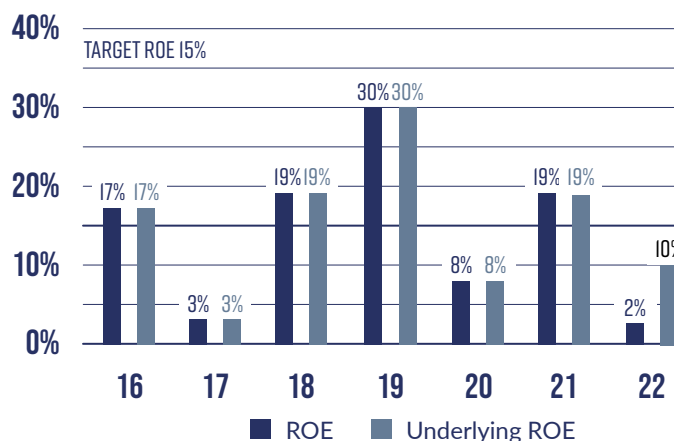
Dividend evolution over the past 5 years (EUR per share)



A gross dividend of EUR 3.05 per share will be proposed at the General Meeting on 20 April 2023.

Return on equity

ROE evolution over the past 7 years



15.0%
average underlying ROE
over the past 7 years

Share price evolution

Share price evolution over the past 6 years (EUR per share)



EUR 3.05
gross dividend
proposal for 2022

EUR 45.00
share price on
31/12/2022



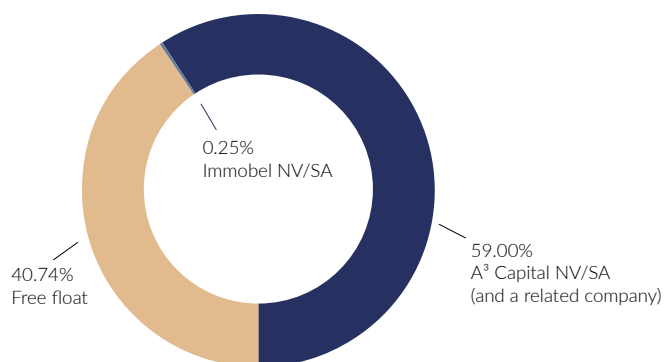
Financial Calendar

Publication of 2022 annual accounts	9 March 2023
Annual General Meeting 2023	20 April 2023
Publication of 2023 half-year results	14 September 2023

Shareholding structure as at 31 December 2022

In accordance with article 29 of the Law of 2 May 2007 on the disclosure of stakes held in issuers whose shares are admitted to trading on a regulated market, Immobel has been informed by the following shareholders that they hold the shares mentioned below:

Shareholders	Number of shares	% of total shares
A³ Capital NV/SA (and a related company), having its registered seat at 1020 Brussels, avenue des Trembles 2	5,898,644	59.00%
Immobel NV/SA having its registered seat at 1000 Brussels, Boulevard Anspach 1	25,434	0.25%
Free float	4,073,278	40.74%
Total of known shareholders	9,997,356	





2022

Activity Report

We are delighted to introduce our 2022 Activity Report, in which you can discover brief summaries of our many and varied activities in the countries where we have a

presence. In addition, we provide more details of three key projects: Proximus Towers in Brussels, Immotion in Paris, and Liewen in Luxembourg. Although very different

in scope and implementation, they each clearly display our commitment to develop high-end, sustainable and energy-efficient residential and office spaces in prime locations.



IMMOBEL Belgium

Despite difficult market conditions, 2022 was a highly successful year for ImmoBel in Belgium.

The office market in Belgium recorded an all-time-high investment activity of EUR 6.5 billion. The offer of well-located new ESG-compliant office buildings continues to be very constrained. The Brussels office market, our main office market, with a strong government-linked tenant market (EU, local governments, embassies etc.) again proved its robustness in this challenging environment.

In the residential market, prices have increased due to building costs being affected by inflation. This, combined with the increased interest rates leading to higher financing costs, slowed down the pace of sales. In this market, certainly in the bigger cities where we are active, the main drivers are private investors.

As a real estate developer, we experience first-hand that the permitting process can be a significant challenge in our line of work. Each year, the regulatory environment becomes increasingly complex and more difficult to navigate. The average permitting time ranges from three years in Wallonia to four in Flanders and five in Brussels. Despite these challenges, we have been able to successfully move ►

Overall, at Immobel Belgium we exceeded our goals for 2022, despite the permitting challenges.



ADEL YAHIA

Senior Managing Director
Immobel Belgium and Luxembourg

forward with key projects thanks to our commitment to open and transparent communication with our key stakeholders.

In the first quarter of 2022, Immobel and Aréa Real Estate signed an off-market agreement regarding the acquisition of the Héros project, a prime residential location in Uccle, Brussels, where Immobel will develop 29 high-end apartments. Permits have been obtained for this site.

We submitted a building permit to revitalise the Lebeau project in the Brussels Sablon district. The new project design takes into account comments from the district regarding renovation, heritage consultation, building density and sustainability.

Of great significance was when Immobel and Proximus reached a binding agreement regarding the redevelopment of the Proximus headquarters in Brussels. The overall aim is to create a sustainable and inspiring digital campus that fosters connection, collaboration, and innovation. At the same time, ►

Projects overview

Name	Surface (m²)	Location	Use	Building period	Immobel share
Slachthuis	240,000	Antwerp	Residential	Q2 2022 - 2030+	30%
Proximus	118,000	Brussels	Mixed	Offices: Q3 2024 - Q1 2026 Residential: Q3 2024 - Q1 2027	100%
Universalis Park 3	58,000	Brussels	Mixed	Q4 2025 - 2030+	50%
Oxy	71,000	Brussels	Mixed	Q1 2023 - Q3 2025	50%
Key West	61,000	Brussels	Mixed	Q2 2023 - Q2 2029	50%
Panorama	60,000	Brussels	Mixed	Q3 2020 - Q2 2027	40%
Ciney	47,000	Ciney	Residential	Q4 2023 - 2030+	100%
Multi	46,000	Brussels	Offices	Q1 2019 - Q1 2022	50%
Theodore	45,000	Brussels	Mixed	Q1 2022 - Q3 2024	50%
Brouck'R	37,000	Brussels	Mixed	Q2 2024 - Q3 2026	50%
Lebeau	36,000	Brussels	Mixed	Q4 2024 - Q4 2026	100%
Îlot Saint-Roch	32,000	Nivelles	Residential	Q1 2022 - Q2 2026	100%
Eghezée	30,000	Eghezée	Residential	Q1 2024 - Q3 2029	100%
T-Park	29,000	Tielt	Residential	Q4 2022 - Q1 2028	100%
Oostakker	27,000	Oostakker	Residential	Q2 2023 - Q2 2027	50%
Isala	34,000	Brussels	Offices	Q3 2023 - Q3 2025	70%
O'Sea (phase 3)	24,000	Ostend	Residential	Q4 2022 - Q1 2025	100%
Lalys	31,000	Astene	Residential	Q3 2020 - Q3 2025	100%
Cala	20,000	Liège	Offices	Q3 2018 - Q4 2020	30%
Plateau d'Erpent	19,000	Erpent	Residential	Q2 2018 - Q4 2022	50%
Domaine du Fort	13,000	Barchon	Residential	Q3 2020 - Q4 2025	100%
The Muse	9,000	Brussels	Offices	Q3 2023 - Q2 2025	30%
Les Cinq Sapins	9,000	Wavre	Residential	Q1 2019 - Q1 2024	100%
The Commodore	12,000	Brussels	Residential	Q3 2023 - Q2 2025	100%
Héros	4,000	Brussels	Residential	Q4 2022 - Q4 2024	100%

Commerce 46, Brussels



718,900 M²
Belgian portfolio

9,084
residential units¹

200,400 M²
offices

325 HA
landbanking

the project will substantially contribute to the revitalisation of the Brussels North area. Over the summer we submitted the building permit to transform the Proximus Towers office building into a liveable, future-oriented and inclusive place.

In the summer months Immobel completed the sale of the Woods offices, a modern redevelopment located in Hoeilaart, Flemish Brabant. Nestling entirely within the Sonian Forest, The Woods offers a multifunctional work-café, shared leisure spaces, stylish work areas, shared meeting rooms, with a wide range of restaurants and facilities in the neighbourhood.

In Antwerp, Mayor Bart De Wever kicked off the development of the Slachthuis neighbourhood. A former slaughterhouse will be transformed into a sustainable, high-tech campus for AP University of Applied Sciences and Arts. The new campus is the first of many projects that will turn the entire area into a bustling, green neighbourhood in the coming years.

We completed the acquisition of the Commodore project in Evere, Brussels. The 11,000 m² project, with final permit, consists of the redevelopment of a former office site into 115 quality apartments surrounded by green. Neighbourhood information and co-creation played a significant role in the redesigned Brouck'R project for which Immobel and BPI Real Estate submitted a modified building permit request.

In November, we concluded the sale of Commerce 46 – a BREEAM Outstanding office building of around 14,200 m². This Grade A core asset is located in the heart of Brussels' stable European Quarter. Commerce 46 and its host of green and high-tech building features exemplify Immobel's objective of creating high-quality, future-proof buildings in prime locations. ►

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects

Towards the end of the year Immobel, together with BESIX RED, successfully concluded the sale of the Cours Saint-Michel site to the United States Department of State. The property, located in Etterbeek, Brussels, is strategically situated and will allow the American Embassy in Belgium and American Mission to the European Union to consolidate their diplomatic representations in a safe, sustainable, and modern workplace.

Also in 2022 we held a co-creation workshop on the pedestrian zone of the Place de Brouckère: Immobel is a partner of the City of Brussels in this 15-minute city project. Two further milestones were the laying of the first stone at Îlot Saint-Roch, a future sustainable district in the heart of

Nivelles, and the first use of the materials passport in the Multi, a major renovation project in Brussels.

Turning to Immobel Home, the continuing impact of COVID-19 encouraging many employees in Belgium to work from home for two to three days a week helped drive our sales activities of homes located 40 to 50 kilometres away from larger cities. Immobel Home sold 105 residential units in development, and 29 plots of land free of construction. Five residential projects are currently being marketed: Lalys (Deinze), 5 Sapins (Wavre), Erpent (Namur), T-Park (Tielt) and Domaine du Fort (Blegny-Trembleur). In addition, marketing of 202 units in Tielt started successfully at the end of the year.

Significant permitting work was carried out by Immobel Home in 2022, with permits declared complete in Ciney, Chaumont-Gistoux, Cointe, Wezembeek, Tielt, Astene and Waterloo. In total, 560 residential units were submitted as subdivision permits. In addition, 40,000 m² were submitted in permits for SME zones or business parks.

Overall, at Immobel Belgium we exceeded our goals for 2022, despite the permitting challenges which will negatively impact our activities for the coming 24 months. Thanks to our strong foundations we can look forward to 2023 with considerable optimism. ■



PROXIMUS TOWERS

Office block to become a livable,
future-oriented and inclusive place



In the North Station District of Brussels, the monofunctional Proximus Towers are to be transformed into a multifunctional project. In this dynamic building, people will live, work, study, relax, shop and play sports. The plans are part of the new vision of the Brussels Region to transform the district into an accessible, safe, and connecting neighbourhood for all its residents and users.

Functionally, the current 100% office-oriented towers will be transformed into a mixed-use project of offices (50%), residential units (36%), retail (4%) and amenities (10%) - totalling $\pm 119,000 \text{ m}^2$. It will offer a wide range of amenities, such as sports facilities, communal spaces, a large semi-public courtyard, and new green spaces. Close engagement with the neighbourhood has been a priority from the outset.

The new design of the Proximus Towers will incorporate 300 residential units (one to three bedrooms) and 93 high-quality student rooms with communal kitchens and living rooms. The current bridge between the two towers will be transformed into "The Connector", which will house a restaurant that will be open to residents and users of the building as well as the general public. Food service and retail establishments will also be added to the ground floor. The end result will be a location that is not just open during office hours but a vibrant destination that is alive 24/7.

A major goal of this redevelopment is to reconnect the site with city life and the neighbourhood. The current barrier between the public space and the building will be removed by changing both the structure and function of the towers. The base of the towers will be moved back to create more than $2,250 \text{ m}^2$ of additional green space for the neighbourhood. Here, a central meeting point will be established, with benches and terraces. ►





The redevelopment of the towers is an excellent example of sustainable urban development. At least 75% of the existing structure will be retained. This will reduce both the need for new materials and the carbon footprint of the project. Existing materials will be reused or recycled on site or in other Immobel projects as much as possible.



THOMAS JORIS

Developer, Immobel Belgium

The project will be carbon neutral in operation. Geothermal energy will be used for heating and cooling, and the building will be rated as a Nearly Zero-Energy Building (NZEB) in accordance with the Energy Performance of Buildings Directive.

One of the ways that Immobel is taking a leading role in the environmental transition is to be mindful of the use of water. Proximus Towers is an excellent example. A basin of approximately 2,200 m³ will allow for the recovery and re-use of rainwater.

Furthermore, the project has been designed with the encouragement of biodiversity in mind. Practical measures include the creation of green roofs and an easily accessible 5,000 m² garden on the fifth floor. In total, 10,000 m² of green space will be created throughout the project. Every single one of the plants in these areas will be irrigated only by rainwater, thanks to an innovative rainwater recovery system.

The building permit request was submitted in July 2022 and an environmental impact study is currently taking place. Construction is expected to start in 2024 with delivery of the first office buildings anticipated for 2026. Proximus Towers is set to achieve the highest scores in terms of certification: BREEAM Outstanding, WELL Platinum, and DGNB Platinum. ■



IMMOBEL

France



France Tertiary

In face of the challenging year 2022 marked by geopolitical and economic turmoil, we decided to concentrate on preserving and improving the value of our portfolio, by obtaining planning permission for several projects in Paris, negotiating the main construction contracts, and rethinking certain assets to achieve even higher levels of environmental certification, among others.

As such, all the tools that were deemed instrumental to the commercial success of our main projects were put in place in 2022, enabling us to launch an intense rental and sales campaign in 2023. Our respect for heritage and our commitment to sustainability played a key role.

In Q3, construction started on the Immside mixed-use development project. Presales of the residential units began in September, followed by the offices in December. Temporary occupancy was also arranged for units under development. Thanks to our partner Nestor, a pop-up specialist, local businesses were able to move into the Immside building from the outset.

We decided to rename the Tati site La Passerelle Néo Barbès. The appeal of this iconic site was clearly reflected in the high attendance figures of the many events that our partner Forest & Maison Château Rouge organised. The design of La Passerelle Néo Barbès, which preserves the existing buildings as much as possible in addition to respecting the building's unique style, the district's human, social and cultural needs.

We also launched two key initiatives in 2022:

"A durable impact, starting right now"

By facilitating temporary occupancy at all our ongoing projects, we can generate a positive impact here and now, paving the way for a powerful dialogue between the project and the neighbourhood where it is located. "These actions take very little time to implement, but have long-lasting effects," said Paul-Michel Roy, Managing Director Immo France Tertiary.

"Mixed as Value"

Immside and La Passerelle Néo Barbès provide a response to the strong trend for investing in sustainable, mixed urban premises. By sharing space, services, or functions in our buildings, users contribute to generating sustainable value.

France Residential

In Q1, construction began on the Fort'Izy and Fort'Immo projects in Aubervilliers, and as well as Horizon Nature in Montévrain. We completed the Villa du Petit Bois in Eau-bonne, Hélios in Drancy, Esprit Verde in Bessancourt, Les Terrasses de l'Orge in Épinay-sur-Orge, and Villa Colomba in Charenton-Le-Pont.

In Q2, we began work on the Bucolia project in Bussy-Saint-Georges. The town, which is just 30 km from Paris, is synonymous with an authentic, laidback way of life, in addition to offering essential daily services. Set in the heart of a 7,000 m² green area near the golf course, the Bucolia project consists of 88 apartments, 6 luxury villas, and 8 houses.

"In 2022, we have secured our positions and we are confident in 2023."



Paul-Michel Roy

Managing Director
Immo France Tertiary

We also completed L'Aquila in La Garenne-Colombes, applied for building permission for Vaujours, and launched the marketing of Les Dryades in Avon. In May, Immo France was awarded the contract to build the AFORP - Pôle Formation UIMM Île-de-France site in Issy-les-Moulineaux. Here we will develop a 4,350 m² residential project, to a design by Christophe Cheney from Atelier 2A. The project's 60 apartments are arranged around the heart of a green building block, for which we will offer tailor-made and original services as well as personalised support for interior fittings.

Later last year, work started on Essen'Ciel in Othis, in addition to completing the second phase of Esprit Verde in Bessancourt and applying for a building permit for Issy-Les-Moulineaux.

Given the current challenging economic context, the company has decided to shift its focus from the development of small residential projects in the suburban areas of Paris to the development of mixed-use projects in the centre of Paris. ■

Projects overview

Name	Surface (m ²)	Location	Use	Building period	Immobel share
55 Avenue de Colmar	26,800	Rueil-Malmaison	Mixed	na	100%
FORT'IZY (Fort d'Aubervilliers)	18,300	Aubervilliers	Residential	Q4 2021 - Q1 2025	50%
17-27 rue Chateaubriand	14,100	Savigny Sur Orge	Residential	Q1 2022 - Q3 2024	100%
1 Rue de Cergy	9,600	Osny	Residential	Q3 2022 - Q3 2024	60%
Immotion	9,200	Paris	Offices	Q3 2025 - Q2 2027	100%
FORT'IMMO (Fort d'Aubervilliers)	8,500	Aubervilliers	Residential	Q4 2021 - Q1 2024	50%
Tati Barbès	8,000	Paris	Mixed	Q2 2023 - Q2 2025	100%
Bucolia	7,300	Bussy saint georges	Residential	Q1 2022 - Q2 2024	100%
Esprit verde	6,900	Bessancourt	Residential	Q1 2020 - Q4 2022	100%
Ch des Poutils - Route D'Orléans	7,000	Montlhery 2	Residential	Q2 2023 - Q2 2025	20%
L'aquila	5,900	La Garenne Colombes	Residential	Q3 2019 - Q3 2022	100%
Immside	5,000	Paris	Offices	Q3 2022 - Q2 2024	100%
Helios	4,900	Drancy 2	Residential	Q1 2019 - Q1 2022	100%
Horizon nature	4,800	Montévrain	Residential	Q4 2021 - Q4 2023	100%
29 bis avenue du Général De Gaulle	4,800	Avon	Residential	Q3 2022 - Q4 2024	100%
Essen'ciel	4,400	Othis	Residential	Q3 2022 - Q1 2024	100%
Buttes-Chaumont	5,400	Paris	Mixed	Q4 2023 - Q4 2025	100%
Les terrasses de l'orge	3,800	Epinay sur orge	Residential	Q2 2020 - Q2 2022	100%
Villa Colomba	3,300	Charenton le pont	Residential	Q1 2018 - Q1 2022	51%
277 rue Saint Honoré	3,000	Paris	Mixed	na	10%
32 rue Saint Léger	3,000	Saint germain en laye	Residential	Q1 2021 - Q1 2023	100%
Villa du Petit Bois	2,700	Eaubonne	Residential	Q3 2020 - Q1 2022	100%
Nanterre	4,200	Nanterre	Residential	Q1 2024 - Q1 2026	100%
Issy-les-Moulineaux	4,300	Issy les moulineaux	Residential	Q1 2025 - Q1 2027	100%
Neuilly Plaisance	3,400	Neuilly Plaisance	Residential	Q2 2024 - Q2 2026	100%

152,500 M²
French portfolio

535
residential units¹

51,000 M²
offices

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects

IMMOTION

An office building to see and be seen



The Immotion project in Montrouge, Paris, creates a new, future-proof sustainable office building with the latest standards of comfort and performance. Its highly flexible nature allows for complete customisation for its future users.

The Immotion project is located in the south of Paris. When completed it will proudly stand 38 metres above the Boulevard Périphérique near the Porte d'Orléans, giving great views over the city as well as being a highly visible landmark building. Its elegant silhouette, designed by Arte Charpentier, will undoubtedly make it a real urban totem.

Biodiversity is given a strong focus thanks to 850 m² of green areas on the ground floor and the rooftop Mediterranean garden.



MARION VALLET

Developer, Immoel France

Its strategic location close to key highways and public transport stations (metro, tram and RER) makes it is easily accessible and therefore interesting both for investors and office tenants.

Immotion is an office-only building, providing 9,200 m² of prime office space on ten levels. In addition, four basement levels can be used for various purposes, such as a fitness centre or meeting rooms, according to the wishes of the occupants.

One of the characteristics of the project is that services such as restaurants, business centres and social areas are located on the upper levels rather than on the lower levels as in traditional buildings. More people will enjoy the beautiful views over Paris and it frees up the ground floor for multi-purpose spaces that can be set up à la carte as auditorium space or for other events.

Finally, two beautifully laid out gardens are part of the Immotion project. The 350 m² rooftop Mediterranean garden gives breathtaking 360-degree views over the whole of Paris. The ground floor garden extends over 500 m² and includes three terraced areas.

“In terms of environmental labels, we are aiming for BREEAM certification, Wired score, and HQE label,” says Marion Vallet, Development Manager. “Biodiversity is given a strong focus thanks to 850 m² of green areas on the ground floor and the rooftop Mediterranean garden.

Energy for heating and cooling the building will be provided by reversible heat pumps, while photovoltaic panels will be added where appropriate.” ■





IMMOBEL Luxembourg

Thanks to its solid foundation, ImmoBel Luxembourg is well positioned to succeed in the challenging economic climate in which property financing rates have more than doubled since the beginning of the year. This caused a noticeable slowdown in preliminary sales of projects in

the second half of the year, and numerous rejections of loans for retail clients by banks conducting more stringent risk analyses. At the same time, construction costs have significantly increased, which has reduced projected margins on most of our projects. While residential real

estate is still attracting potential homeowners and investors, the current economic environment has fostered unfavourable market conditions, resulting in a wait-and-see period. ►

In such a challenging environment, our 2022 projects were relatively mildly impacted by the market downturn. The construction contracts of our projects Nova and Livingstone had been concluded before 2021 and both projects were nearly sold out (Nova 100%, Livingstone ca. 95%). Most of our other projects are under development and design/permitting processes are going ahead.

During 2022, agreements were reached for the acquisition of two plots in the capital belonging to TotalEnergies on the Route d'Esch, and for 8,400 m² in the sought-after Belair district (the Arquebusiers project). Another highlight was the commercial launch of the new Liewen residential district, which is built around a century-old tree and designed with sustainability in mind. 27 apartments and houses (48% of phase 1) have already been sold.

Agreement was finalised for development of the Polvermillen project on the banks of the Alzette. Designed using a sustainable approach, the project will revitalise a former industrial site. Marketing of both Livingstone and Nova has been finalised in readiness for delivery in Spring 2023. Preparatory work for the terracing at Canal 44 has been completed. Canal 44 and its landscaped garden offer exceptional green spaces in the heart of the city for the benefit of residents and the improvement of city biodiversity.

The Rue de Hollerich project near to Luxembourg City railway station has received a green light from city authorities for a PAP². The permit application for River Place has been re-submitted with optimised construction and the integration of new energy regulations. ■

Projects overview

Name	Surface (m ²)	Location	Use	Building period	Immobel share
Polvermillen	27,000	Luxembourg	Residential	Q4 2022 - Q2 2026	100%
Kiem	32,000	Luxembourg	Mixed	Q2 2024 - Q1 2027	70%
Schoettermarial	22,000	Luxembourg	Residential	Q1 2027 - Q2 2029	50%
Liewen	14,000	Mamer	Residential	Q4 2022 - Q4 2024	100%
Total (Gasperich)	13,000	Luxembourg	Residential	Q3 2020 - Q2 2023	33%
Livingstone - Lot1	13,000	Luxembourg	Mixed	Q3 2024 - Q3 2027	100%
Cat Club (Rue de Hollerich)	12,000	Luxembourg	Mixed	Q1 2025 - Q2 2027	100%
Godbrange	11,000	Godbrange	Residential	Q4 2023 - Q4 2025	100%
Arquebusier	8,000	Luxembourg	Residential	Q4 2024 - Q4 2026	100%
River Place	8,000	Luxembourg	Residential	Q2 2021 - Q1 2025	100%
Canal 44	6,000	Esch-sur-Alzette	Residential	Q3 2027 - Q1 2029	100%
Thomas	6,000	Strassen	Offices	Q1 2021 - Q2 2023	100%

Our 2022 projects were relatively mildly impacted by the market downturn.



MURIEL SAM

Managing Director
Immobel Luxembourg

163,800 M²
Luxembourg portfolio

1,500
residential units¹

31,000 M²
offices

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects

2. Plan d'aménagement particulier

LIEWEN

Where nature and neighbours
co-exist in harmony





On the outskirts of Luxembourg City, in the bustling town of Mamer, Liewen is a uniquely sustainable and eco-friendly development of 43 apartments and 36 family houses. It will bring people of all ages together, in the midst of a green, mature landscape where priority is given to nurturing nature and creating community.

On this 3-hectare site, of which nearly half is private or public green space, 79 new high-quality homes are being constructed to meet every housing need. The 43 apartments, from one to three bedrooms, will be divided over four compact residential buildings, with all the ground floor units having their own private gardens. The 36 family houses (up to four bedrooms) will also benefit from spacious private gardens.

As a symbol of the eco-friendliness of the site, at its heart is a willow tree that is over 100 years old. Under the cooling shade of its branches a children's playground brings fun and breathes life to the site. A second communal area is a meeting place that encourages community. Its benches are invitations to stop, sit down and chat with neighbours. This square can host a food truck or ice cream parlour and can be transformed for neighbourhood festivals. The two common squares are linked by a pedestrian walkway.

The century-old tree is not the only tree on the site. Young saplings and new hedges will create greenery throughout the area. A plant screen will overlook the retention basins. Children in particular may be interested to look for inhabitants of bird nest-boxes and insect hotels placed strategically around the site.

Liewen puts people and nature front and centre to ensure the perfect work-life balance. ►





Liewen offers the ability to escape from everyday life and reconnect with others, yourself or nature, without having to miss the amenities of urban life.



**AURÉLIE
FRÉDUREAU**

Head of Development
Immobel Luxembourg

Auréli Frédureau, Head of Development at Immobel Luxembourg, who is heading up this project, says: “Liewen offers the ability to escape from everyday life and reconnect with others, yourself or nature, without having to miss the amenities of urban life.”

Liewen is one of the first fossil-fuel-free developments in Luxembourg. You won't find a single gas pipe or gas boiler anywhere. Instead, 100% of the site's heating and electricity requirements will be provided by heat pumps and photovoltaic panel. For the apartments these are grouped per block, while each house will have its own heat pump and photovoltaic panels. Such a 100% fossil-fuel-free site will surely be copied in the years to come.

In terms of exterior materials, the façades alternate between sustainable brick, glass and sand-coloured anodised aluminium. “These top-quality materials were the natural choice. They perfectly embody the spirit of the place and help to integrate the buildings harmoniously with the natural elements,” adds Gérard Schroeder, Partner at A2RC Architects. Construction work begins early 2023 and will be completed in early 2025. Marketing began in 2022, and 50% of the units have already been purchased.

A short walk from the centre of Mamer, Liewen is also within easy reach of the centre of Luxembourg via a 20-minute car journey, a 30-minute bus trip, or a pleasant 10 km bicycle ride. In short, Liewen is ideal for homeworkers seeking a peaceful environment, or city workers looking for a short commute. ■



IMMOBEL

Germany - Poland - Spain

Germany

2022 was a turning point for the German real estate market, due to the turnaround in interest rates, the decrease in investment volumes, and upward pressure on yields. Investment volume was EUR 62.9 billion in 2022: about EUR 50.6 billion for commercial properties and about EUR 12.3 billion for residential properties. This was 44% below the 2021 figure.

Immobel received the Bronze Award in the “Residential” category of the 2022 FIABCI Prix d'Excellence Germany for the iconic Eden building developed in Frankfurt by Immobel Luxembourg; one of the tallest green residential towers in Europe. The project – which is 71% sold and realised – has recorded significantly higher construction costs than expected, leading to a negative impact on the net profit.

We continued to screen the market and analyse potential developments. Optimisation of the development of the Gutenbergstraße project in Berlin continued, with preparation and application for the building permit, and the development of a sustainable ESG concept for the project.

The unpredictable macroeconomic influences have forced us to revise our 2023 targets downwards. ■

Projects overview

Name	Surface (m²)	Location	Use	Building period	Immobel share
Eden	20,000	Frankfurt	Residential	Q3 2019 - Q2 2023	90%
Gutenbergstraße	25,000	Berlin	Mixed	Q4 2023 - Q4 2025	100%

43,000 M²
German portfolio

397
residential units¹

8,300 M²
offices



Gutenbergstraße, Berlin

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects

Poland

Immobel currently has two ongoing projects in Poland. We are developing the Central Point office project in the city centre of Warsaw. It is ideally located at the intersection of the city's two metro lines. Currently more than 80% of the building is leased and we expect the building to be fully let in 2023 as discussions with potential tenants are ongoing.

We are also building the Granary Island mixed-use development in the centre of Gdansk. It comprises two phases. The first phase has been completed and won the MIPIM Award for "Best Urban Project" in 2020. The second phase is following up on this success; more than 95% of the residential

units are already sold, a full two years before construction ends. The retail spaces have also been sold, and for the hotel a long-term lease contract was signed with a renowned hotel brand.

In the office market, we notice that lease indexation and shortage of grade A office space is adding upwards pressure on prime rents. The disruptive effect on the investment market caused by the war in Ukraine is decreasing but high inflation and subsequent increasing cost of finance are the main drivers for less movement on the Polish investment market. ■



Projects overview

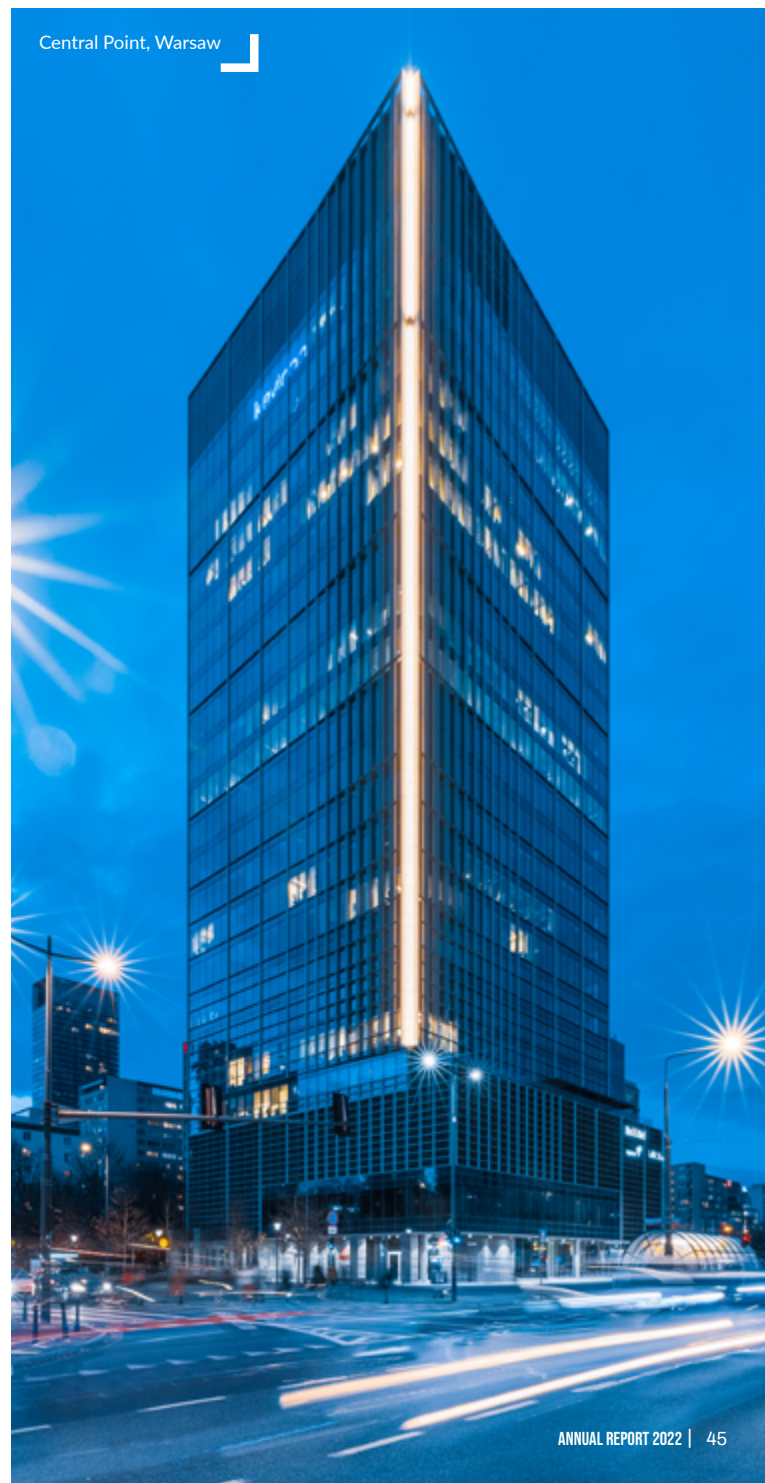
Name	Surface (m²)	Location	Use	Building period	Immobel share
Granary Island	76,000	Gdansk	Mixed	Phase 1: Q1 2017 - Q4 2019 Phase 2: Q4 2020 - Q2 2024	90%
Central Point	19,300	Warsaw	Offices	Q2 2018 - Q4 2021	50%

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects

706
residential units¹

9,650 M²
offices

78,000 M²
Polish portfolio



Spain

In general, the real estate market in Spain was extremely active in 2022. The Marbella area in particular enjoyed record sales, especially the luxury segment where there was great demand from international buyers. Marbella has positioned itself as a top destination for many Europeans who wish to own a second or retirement residence.

Immobel Spain set up its office in Marbella and has put together a great team of professionals to work on the Four Seasons Marbella Resort, a prestigious project with a five-star hotel and private residences, condominiums and villas. The project is facing the permitting delays that are common in Spain these days, but we have made significant progress on design and planning activities. ■



25,500 M²
Spanish portfolio

206
residential units¹

Projects overview

Name	Surface (m ²)	Location	Use	Building period	Immobel share
Four Seasons Marbella Resort	76,600	Marbella	Residential & leisure	Q1 2025 - Q2 2029	50%

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects



INVESTMENT management



Investment management is core to Immobel's strategy. Our activities in this area encompass the Immobel Belux Office Development Fund. It has an equity of close to 100 MEUR which is almost fully invested. Key assets are The Muse and Isala in Brussels – for both we expect to obtain permits in 2023 – and Scorpio in Luxembourg, which is rented until 2025 when re-development will start.

Furthermore, in Paris we have partnered with renowned institutional investors Goldman Sachs Asset Management and Pictet Alternative Advisors for the development of two high-value assets in prime locations, Saint-Honoré and Richelieu. As part of its investment strategy Immobel also acquired an office park in Leeds, UK.

In early 2022 Immobel initiated the launch of an investment management platform in London. However, given the challenge in the current economic context, we decided to close this dedicated platform in London (Immobel Capital Partners) and pursue this activity from Brussels. ■





MARKET analysis



Belgium

I. Office market in Belgium

A. Demand

Total office take-up for Belgium was 559,000 m² in 2022, showing a decrease from 2021's 789,000 m². Take-up in Brussels recorded 296,000 m², which is a decrease of roughly 40% compared to the year before. The activity of the last two years averages out to the longer, 10-year trend, as the Brussels market balances the pandemic and interest rate shocks. In Brussels, 68% of take-up volume was accounted for by the private sector, the largest chunk being small (<2,000 m²) deals. Carrefour secured the largest private-sector deal of the year, signing for 7,405 m² in the Corporate Village, while the Bogaert School moved into Airport Garden for 6,125 m² - both in Brussels Periphery Airport. In the regional markets, demand was similar to last year driven by corporates. Smaller corporates (<2,000 m²) on the other hand were more active, which differs from the year before.

The regional office market has shown consistency in take-up in recent years, recording 263,000 m² of letting and sales activity in 2022. After a strong take-up year for the Walloon markets in 2020, the Flemish markets rebounded in 2021. This trend has continued throughout 2022 with Flemish markets representing around 39% of total office take-up in Belgium. The strongest take-up activity was recorded in Antwerp, Ghent, Mechelen, Kortrijk and Hasselt. Walloon markets were quieter at 42,000 m² of take-up. Antwerp recorded the highest regional take-up of 96,600 m² followed by Ghent at 47,800 m².

B. Vacancy

The vacancy rate for the Brussels market in 2022 is 7.4% at the end of Q4, which is a decrease from last year's 8.1%. Vacant space is equivalent to just under 1 million m², largely in older stock. Grade A office space continues to be in short supply given strong occupier

demands for new qualitative offices. Overall, vacancy is tight in the CBD at just 4.3%. Moving outwards, vacancy is 10.6% in the Decentralised markets and just under 17% in the Brussels periphery.

In the regional markets, there is a persistent lack of quality available space in cities such as Namur and even Antwerp despite the higher vacancy in obsolescent stock for the latter.

C. Development

Brussels office development completions totalled 190,000 m² in 2022. As of the end of 2022, the identified Brussels office pipeline for a 2023 completion is estimated at 210,000 m², of which 116,000 m² (56%) is still available. The largest projects anticipated for a 2023 completion are found in the South (such as Royale Belge Offices) and Periphery Airport (such as The Wings). The majority of ongoing projects in the Leopold district are smaller in size, under 10,000 m².

Development in major regional markets was limited in 2022 and remains limited in the very short-term. Major plans are in place for longer-term city revitalization efforts in some Walloon markets - such as Charleroi and Liège - with one goal being to refresh or add new office stock.

D. Rent

Due to the imbalance between supply and demand at the top of the market, prime rent increased in the Leopold district to 330 €/m²/yr, which sets the new prime level for the wider ►

Brussels market. Prime rents remained stable at an estimated 280 €/m²/yr in the North district and 275 €/m²/yr in the City Centre market. New developments led to prime rent increases in the Decentralised markets of Brussels to an estimated 195 €/m²/yr.

Antwerp experienced prime rental growth late in 2022 to an estimated 185 €/m²/yr, while Ghent remained 170 €/m²/yr for the year. Large Walloon markets see prime rents comparable to these levels, while Charleroi is estimated to be somewhat lower at around 150 €/m²/yr.

E. Investment

Commercial real estate in Belgium achieved record investment volumes in 2022 of €8.56 billion. This surpassed the former record in 2020 by €2.6 billion. Such investment is reflective of the attractive fundamentals Belgium has to offer. Brussels offices made up 55% of the total volume, or €4.65 billion. A series of big-ticket deals pushed the market to new heights. The most significant deal in 2022 was the Brookfield Asset Management acquisition of BE REIT Befimmo, though single-asset Brussels office deals closed for notable volumes as well, such as the sale of North Galaxy to KB Securities and Egmont I&II to UBP.

Changes to financing and hedging costs from rising interest rates along with an uncertain economic outlook led to an increase in real estate yields in 2022. Prime office yield for standard leases is now estimated at 4.15% following competitive bidding on prime assets in the CBD. Prime investment yield for long-term secured offices is estimated at 3.8%.

Key stats: 7.4% Brussels vacancy; 330 eur/m²/yr prime rent; 4.15% prime yield for standard leases

sources : CBRE

II. Residential market in belgium

A. Population

Belgium counts a population of 11.584 million as of January 1, 2022. This is a 0.54% increase over the previous year and follows a trend of steadily increasing population averaging 0.50% annually over the last decade. Brussels Region has been the fastest growing of the three Belgian Regions, averaging 0.74% growth annually versus 0.55% in Flanders and 0.33% in Wallonia over the last decade. With a population of 1.22 million as of January 1, 2022, the nation's capital has a well-supported residential market.

Belgium counts 5.068 million private households, as of January 1, 2022. The number of private households has been growing at about 0.68% annually, or 32,145 households, over the last decade. That yields an average household size of roughly 2.3 people per household. This has been declining over time as the number of single households grows. Single households now make up 35.7% of total private households, up from 34% since 2012. In 2022, the Federal Planning Bureau forecasts a 2.6% increase in the general population by 2030.

B. Housing stock

Belgium counts 5.680 million residences as of January 1, 2022. In the last year, the number of residences increased by around 53,000 units. This is a smaller number of completions compared to the previous years. Overall, residential development has been on a positive long-term trend. Brussels Region and Flanders saw the highest increase in development activity, and new development is dominated by apartments. This can often be at the expense of traditional houses, as available space becomes scarce, particularly in urban settings. In Brussels, there were 6,772 new apartments completed through 2021, though net new housing increased by 4,973 residences.

C. Real estate prices

The Belgian median price for a house in closed or semi-detached buildings was €260,000 (second-hand and excluding costs) as of Q3 2022. Free-standing houses traded for a median price of €365,000. The Walloon Region recorded the lowest prices with a median price of €180,000 for houses in semi-detached or closed buildings, and €295,000 for free-standing ►

houses. This is followed by the Flemish Region. Houses in closed or semi-detached buildings traded at a median price of €295,000 and houses in detached buildings for €400,000. The Brussels-Capital Region is the most expensive region for all types of housing. Houses in closed or semi-detached buildings traded for a median price of €499,000 whereas the median price for detached houses was €1,075,000. Transaction prices in the Brussels Region have steadily increased. From 2010 to Q3 2022, median apartment transaction prices have increased by 50%. Demographic changes, a steadily growing economy and low interest rates have helped support prices over this time.

The median transaction price for apartments increased from €219,000 at the end 2021 to €235,000 in the third quarter of 2022. For 2022, Brussels capital Region was the most expensive with median prices over €260,000. Median prices for the Flemish and Walloon Region were €240,000 and €175,000 respectively. In Flanders, median transaction prices in Antwerp were €230,000, while Ghent apartment prices were more expensive at around €275,000. In Wallonia over the same period, median apartment prices were around €149,000 in Liège and €173,500 in Namur.

Rents have also experienced a general positive trend in Belgium over the long-term but at a slower pace than prices, resulting in yield compression, 2022 notwithstanding. The diversity in housing has also been growing from service flats to co-living to student housing, filling niche markets. According to the 2022 CBRE Belgium Residential Tenant Survey, the average residential rental price paid in Belgium was 680 €/month plus 87 €/month in charges. Single-family houses commanded a premium at 774 €/month, while studios were the least expensive at 523 €/month. Apartments averaged 678 €/month. Considering the typical reported size of 94 m², apartment rent of 7.2 €/ m²/month is rather moderate. Brussels Region claimed the highest apartment rents, averaging 828 €/month compared to second place Ghent at 743 €/month. Namur and Antwerp were similar to one another, reporting 650 €/month and 635 €/month, respectively.

New builds

New residential development is ongoing, with apartments built to a high standard and an overall more compact footprint compared with older units. Exit prices for typical new apartments in Brussels range from 2,550 €/m² in the western side of the region to 6,000 €/m² in the city centre and Louise corridor, with luxury projects even higher. In Antwerp, average market exit values are 4,250 €/m² and in Ghent they are higher at 4,500 €/m². Walloon markets are more affordable on average, ranging from 2,200 €/m² in Mons to 2,900 €/m² in Wavre.

III. Landbanking

Housing stock

The Belgian housing stock divided by region is 58% in Flanders, 31% in Wallonia, and 11% in Brussels, as of January 1, 2022. The proportion of apartments relative to regional housing stock is 28% in Flanders, 17% in Wallonia, and 58% in Brussels. The higher density and land scarcity of Brussels lends itself to apartment living. The proportion of apartments in the total Belgian housing stock has increased from 19% in 2001 to 28% in 2022 (January 1), to some extent at the expense of attached homes.

Building permits

The number of permits issued for new residential units in the first 10 months of 2022 decreased by 9.4% to 44,152 units compared to the same period in 2021. The decrease in the Flemish Region amounted to 7.6% (34,572 permits). In the Walloon Region, the number of permits issued for new residential units was 15.3% lower (9,049 permits), and the Brussels-Capital Region registered a decrease of 15.1% (528).

Land values

Few vacant, buildable plots remain in Brussels. As a result, developments typically involve the conversion of existing buildings to an alternative use such as residential. The last decade has seen a trend of conversion of older, obsolescent offices and buildings to alternative, mostly residential uses. Sales and sale prices of properties with permits is on the rise. Incidences for land remained steady at an estimated 2,600 €/m² for the best locations in central markets. For other submarkets, such as decentralised areas, this is closer to 1,000 €/m². ■

Key stats: 1.22 million people in Brussels, 2.3 people per household in Belgium; €235,000 median apartment transaction price in Belgium in Q3 2022

sources: FOD Economie, IBSA, CBRE, Federal Planning Bureau, Statbel

France

I. Office market in France

A. Demand

The Parisian office market is one of the most vibrant in Europe. Counting 60.1 million m² at the end of 2022, the stock expanded by 404,516 m² over the year, or 0.68%.

Demand for office space in the form of take-up in the Paris region reached 2.1 million m² in 2022, which was an increase of over 10% compared to 2021. The fourth quarter of 2022 was the most dynamic, with 602,000 m² of space secured. 2022 was marked by transactions concentrated in the most established business districts. Not all districts in the Greater Paris Region office market performed equally well. On the one hand, take-up exceeded long-term trends in Paris and La Défense. On the other hand, areas such as the Western Crescent and the Inner and Outer Rims recorded below average take-up in 2022. Strong take-up in highly visible and well-connected business districts can be explained both by some companies' desire to relocate to more central locations and by the dynamism of certain fast-growing business sectors.

The market demand was diverse in 2022, with take-up over different size intervals and geographical sectors, with strong activity in Paris Centre Ouest and La Défense. Take-up of large transactions (>5,000 m²) increased by 10% year-over-year, to 708,000 m². The take-up for small and medium transactions (<5,000 m²) was similar to the previous year.

While Paris remains the favoured destination, regional markets offer substantial space too. The markets of Lyon, Lille, Toulouse, Marseille, and Bordeaux count a combined 22.2 million m², with Lyon being the largest regional office market at 6.87 million m². Regional markets rebounded strongly in 2021, after experiencing a significant drop in office demand in 2020,

and this trend continued through 2022. From 947,000 m² in 2021, regional take-up for offices increased again in 2022 to 1,085,000 m² (+14%).

B. Vacancy

Vacant office space in the Greater Paris Region increased in Q4 2022 to 4.3 million m². The average vacancy rate in the Greater Paris Region was 7.2% in the fourth quarter. This is an increase of 0.42% compared to Q4 of 2021 when there was only around 4 million m² of vacancy out of a total office stock of around 60 million m².

The vacancy rate evolution of regional markets in Q4 2022 has contrasted with the one in the Greater Paris Region, with Lyon vacancies down to 4.53% of total stock, which is a decrease by 0.39% year over year. Other markets saw a similar modest decrease, such as Marseille (down by 0.5% to 4.21% vacancy year-over-year) and Lille (down by 0.28% to 5.68% vacancy year-over-year). The decrease in the Bordeaux region was more substantial, with a decrease of 1.53% vacancy to 3.39% year-over-year.

C. Rent

The short supply on the top of the market in Paris put upward pressure on rents last year, seeing Prime rent rise from €930 to €1,000 m²/year. Average rents also rose, recording €509 m²/year in the Greater Paris Region and increasing by €32 m²/year compared to Q4 2021. Rental values for second-hand space also experienced upward pressure in this market. In the suburbs, the trends are more nuanced. ►

The average prime rent in La Défense and the Western Crescent was 536 €/m² (excluding VAT) in 2022. La Défense was slightly down by 3%, whereas the Western Crescent was up by 5%, arriving at the same level. While prime supply is often under pressure in the most attractive office submarkets, this is less the case in most other markets, where supply is greater and increasing, resulting in a stabilisation or even a decline in rents.

Some regional markets saw prime rents for office space remain stable or increase slightly. Lyon prime office space recorded prime rents of €340/m²/year, Marseille of €320/m²/year and Lille of €250/m²/year in Q4. Prime office rent increased in other markets such as Toulouse and Bordeaux, to €240/m²/year (+12% year-over-year) and €230/m²/year (+7% year-over-year), respectively.

D. Development

Yearly office development in the Greater Paris Region has fluctuated over the years. 2022 saw 794,000 m² of office development, which was a drop of around 350,000 m² compared to an exceptional 2021. Last year thus marked a reversion to the 5-year average of around 800,000 m² of annual office development for this market.

E. Investment

For France, total office investment volume in 2022 amounted to €14 billion. This is a drop of nearly 15% compared to 2021 (€16.3 billion) and even close to 50% less than the 2019 figure (€27 billion). 2019 was an exceptional year for this asset class in France, where the average investment volume for offices range somewhere around €20 billion.

Two sectors that showed better than average investment volumes over the last two years are the industrial & logistics and residential markets. Investor demand for industrial & logistics has been fuelled by the strong growth in e-commerce and occupiers optimising their supply chains. 2021 and 2022 were both record years for this asset class in France, with both years around €6.5 billion of investment transactions.

Investment volumes in the residential sector for 2022 are estimated around the 2021 record of €7.3 billion. Managed student and senior residences and co-living are driving investment volumes higher. Due to the development of teleworking, and even a dual residence approach, medium-sized towns close to large cities grew in investor interest the past years.

As a result of rising interest rates, prime office investment yields are estimated at 3.4% in the Paris CBD and the Paris Centre West as of Q4 2022, up from 2.6% a year earlier. Prime yields for offices in the regional markets are estimated closer to 4.5%, though Lyon and Lille are more sharply priced at an estimated 3.9% and 4.15%, respectively. ►

Paris Key stats: 60.1 million m² office stock in the Paris Region; 2.1 million m² take-up in the Paris Region; 7.2% vacancy rate

Regions Key stats: 22.2 million m² office stock in regional markets; 1.1 million m² take-up in regional markets

sources : CBRE

II. Residential market in France

A. Population

On 1 January 2023, France counted a population of 68 million inhabitants. This represents an increase of 0.3% from the previous year and a moderation of the pace of growth that averaged 0.38% annually over the last decade.

B. Supply

On 1 January 2022, the French housing stock counted 37.6 million housing units. In mainland France, 82% of housing units were main residences and 55% were individual housing units. Construction activity in 2022 was similar to the previous year. From December 2021 to November 2022, 492,000 housing units were authorised, and construction began on 370,000 housing units (over 12 months).

C. Prices

In Q3 2022, the house prices of metropolitan France rose 1.5% compared to the previous quarter (provisional seasonally adjusted results). Quarter-over-quarter, the price increase slowed for new dwellings (+1.9% after +3.2% in Q2); they grew for second-hand dwellings at a pace close to that of the previous quarter (+1.4% after +1.3% in Q2).

Year-over-year, house price growth decelerated slightly (+6.4% after +6.7% the year before). Prices of second-hand dwellings (+6.4%) grew at about the same rate as those of new dwellings (+6.5%).

D. Transactions

In the third quarter of 2022, the annual volume of transactions increased again: in September, the number of transactions carried out over the last twelve months is estimated at 1,133,000. The annual volume of transactions decreased slightly compared to last year but is still historically high.

E. Rents

Average residential rental growth lagged the rate of inflation through Q3 2022, increasing 1.0% year-over-year. Discrepancies between Paris and regional locations persist. According to INSEE, average rent in Paris for a 3-room apartment (excluding charges) was €26.6/m²/month; in Lyon, it is €12.9/m²/month in Lyon and €12.3/m²/month in Marseille. The Rent Reference Index (IRL) rose 3.5% in Q4 2022, the maximum allowable change.

F. Investment

Residential investment yields rose from changes in the macro environment in 2022. The prime residential yield for traditional assets in Paris was estimated at 2.8% in December 2022. Yields in regional locations followed a similar trend, rising to 3.50% in major regional cities such as Lyon. ■

Key stats: +6.4% residential price increase in France Q3 y-o-y; Average rent in Paris is €26.6/m² per month;

sources: CBRE, Eurostat, INSEE, BTS LC, SDES

Luxembourg

I. Office market in Luxembourg

A. Luxembourg City

Luxembourg City experienced a moderation of take-up volume in 2022 to 124,603 m², though the number of deals was in line with recent years. Major central districts (CBD, Kirchberg, Station) are facing vacancies of 2% or less, which limits potential occupier movements. Take-up, then, is more reliant on pre-letting of new projects. The majority of projects in central Luxembourg were delivered fully let in 2022, with relatively few projects offering available space upon completion.

The biggest deal of the year was the PwC pre-letting in Cloche d'Or. The Luxembourg State (pre-) let three buildings, two of which were in Kirchberg and one in Station. Companies from the services, legal and banking, finance and insurance sectors were also active.

Market dynamics led to an increase in prime rent in the CBD of 2 €/m²/month (+3.9%) to 54 €/m²/month.

B. Periphery

Activity in the periphery (outside of Luxembourg City) held up better than Luxembourg City in terms of year-over-year take-up, recorded at 82,088 m². The number of deals in the periphery even increased compared to the last several years to 122. Sizeable deals were recorded, including 18 for more than 1,000 m² of space. The Luxembourg State was responsible for three of these transactions for a total of 13,879 m². Other top deals were spread over diverse occupier sectors including IT; banking, finance and insurance, services and industrials.

Vacancy is generally higher in the peripheral markets, allowing for a greater possibility of occupier movements. Project Urbaterre was completed in Leudelange with available space, contributing to an increase in vacancy. Despite that, the continuation of quality projects and general market stability has seen upward pressure for prime rents in some markets

C. Take-up

Take-up decreased year-over-year in 2022 to 206,692 m². This is a decline of approximately 44% over an active 2021, though is just 19% lower than the ten-year average. The number of recorded transactions was in line with the ten-year average; thus, the average deal size was lower than usual. Just one deal of more than 10,000 m² was noted in the market in 2022 – the PwC pre-letting in Cloche d'Or. Other top deals include the Luxembourg State taking Edison 2 in Strassen, Ultimate in Station and LSC Engineering Groupe taking Albert Simon 4 in Contern.

The European institutions were quiet in 2022, recording no notable deals after securing large volumes the year before. Sectors that outperformed their ten-year average include the Luxembourg State, services, law, IT, and real estate. The banking, finance and insurance (BFI) sector recorded modest take-up volumes of 48,986 m².

D. Vacancy

Approximately 182,600 m² of office space was considered vacant in Q4 2022 out of a total stock of 4.705 million m², putting the vacancy rate at a low 3.9% at the end of the year. City districts remain tight: vacancy is at or less than 2% in the CBD, Kirchberg and the Station districts. Outside of Luxembourg, Bertrange, Capellen-Mamer, and Howald all noted decreases in vacancy from the previous year. Strassen and Leudelange saw increased vacancy year-over-year, the latter from development completions with available space. ►

E. Development

Completions declined to 152,700 m², though the number of completions was greater than the year before. Of this amount, 49,750 m² was available at the time of completion. Office projects were overall moderate in size, with just two 20,000 m² or larger. These were the Post renovation in Station and Urbaterre in Leudelange. Elsewhere, P+R Serra Steinmetzdemeyer in Kirchberg and the Intesa Sanpaolo HQ in Cloche d'Or were also completed.

F. Rent

The letting market and supply and demand dynamics are such that rental values are well-supported. Given the current market environment, prime rents in Luxembourg increased to 54 €/ m²/month in the CBD (excluding VAT) through the year. Prime rents in several other major markets such as Cloche d'Or at 37 €/ m²/mo (excl VAT), Airport at 30 €/ m²/mo (excl VAT) and Strassen at 30 €/ m²/mo (excl VAT) also experienced growth.

G. Investment

Commercial real estate investment in Luxembourg totalled €1.0 billion in 2022, which was a decline of 36% compared to the previous year. Offices accounted for €626 million of this amount. The mid-cap segment (€20 to €100 million) saw the largest decline which weighed on total volumes. Just 10% of invested capital originated within Luxembourg, with Belgian investors the source of almost one-third of total investment this year. Four deals closed for more than €100 million. The largest deal was the acquisition of Befimmo's assets (via the purchase of the BE-REIT) by Canadian firm Brookfield.

Investors were active in diverse markets in 2022 from the CBD to peripheral locations. Kirchberg was the target of €230 million, excluding Befimmo's assets. Cloche d'Or saw €175 million of invested capital, while Esch-Belval recorded €168 million of investment.

Yields were under upward pressure for much of 2022, largely from rising interest rates. Prime investment yield is estimated at 4.0% at the end of 2022, up some 70bps from cyclical lows.

Key stats: 3.9% vacancy in Q4 2022; 54 €/m²/mo prime rent; 4.0% prime investment yield

sources: CBRE

II. Residential market in Luxembourg

A. Population

As of January 1, 2022, the population of Luxembourg counted 645,397. Growth moderated against its ten-year average but still recorded 1.65% year-over-year. The foreign population is 47.1% of the Luxembourg population and fell slightly year-over-year, following the trend from its 2018 high.

B. Market overview

The Luxembourg residential market continued to see increasing prices despite the changes to the macro environment. Still, with the latest available data through Q3 2022, a slowdown in the rate of appreciation is noted. Overall, the second-hand market has been more resilient to changing conditions through this period.

Average apartment prices in Q3 2022 were €695,385, which is a 5.1% increase from 2021. In relative terms this is 8,933 €/ m². Growth has been led by existing apartment sales (+6.6% YTD Q3 2022) over new construction (+5.5% YTD Q3 2022). The number of transactions moderated in Q3 2022, particularly in the new construction market.

C. Luxembourg City

Luxembourg City grew 3.2% to a population of 128,494 as of January 1, 2022. Strong population growth is typically supportive of residential values. Average transaction prices for existing apartments were 10,352 €/ m² as of Q3 2022, up approximately 4.4% (440 €/ m²) from the year before. The highest tier of apartments can be over 14,000 €/ m². New build apartments average 12,643 €/ m², with the highest tier achieving 17,000 €/ m².

D. Regions

As the city becomes expensive and crowded, people are increasingly looking towards decentralised and peripheral areas for more accommodating values. Luxury developments are underway for those still wanting comfort, though prices of 5,500 to 8,500 €/ m² are still commonplace. New projects can commercialise for prices more than 8,000 €/ m². ►

E. Leasing

New lease regulations have been debated in parliament for several years with no final result. The goal of such legislation is to strengthen tenants' rights, particularly for the lower- and middle- income earners who are most financially burdened by the high residential costs.

Rental evolution is mixed but generally up. For the year leading to Q2 2022, the average asked rent in Luxembourg was 1,479 €/month, or 32.27 €/ m²/month. This was a decrease from 2021 on a nominal basis, but an increase on a relative basis. Leudelange recorded the highest relative asking rents at 43.35 €/ m²/month, followed by Mondercange (38.12 €/ m²/month) and Luxembourg City (36.80 €/ m²/month).

F. New builds

Recent new build apartment transaction prices in Luxembourg average €776,722 or 9,473 €/ m² for Q3 2022, following a longer-term positive trend. At 5.5% YTD growth, this is a slowdown from two years of double-digit annual price growth and closer to the ten-year average. These prices are on average about 15% higher than second-hand apartment sale prices, indicating that the price gap is narrowing over the longer-term.

New build apartment sales moderated through Q3 2022, based on quarterly data. Sales of 236 new apartments in Q3 2022 is the lowest since Q1 2015. That said, the final quarter of the year usually sees the highest sales numbers of the year.

Luxembourg City recorded the highest average sale price of new apartments at 14,157 €/ m² (Q4 2021 – Q3 2022). The upper range of sale prices was more than 17,500 €/ m². After Luxembourg City, Bertrange and Walferdange recorded the next highest prices at 13,473 €/ m² and 12,222 €/ m², respectively.

Issued residential building permits in the first nine months of the year declined by 27% to 3,309. A slowdown in the issuance of multi-unit residential developments was the main culprit. Luxembourg City experienced the steepest decline (-52.3%), while the Cantons of the East (Echternach, Grevenmacher et Remich) were just below the permit issuances from the first nine months of the year before (-9.8%). ■

Key stats: €695,385 average apartment price in Q3 2022; 5.1% YTD growth in average apartment sale prices; 36.8€/m²/month asking rent in Luxembourg City in Q2 2022

sources: Statec, Observatoire de l'Habitat

+ ESG REPORT



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T-Park, Tielt

I. SUSTAINABILITY

Roadmap

A. Sustainability timeline

Year by year, an environmental and social focus becomes more integral to the way we do business. The climate emergency is high on everyone's agenda; we face a cost of living crisis; and COVID-19 continues to exert its impact throughout our communities. Immobel and the construction sector as a whole can make a significant contribution to reduce carbon emissions and ensure the sustainable use of materials, while giving the protection of biological diversity our full attention. In 2022 we focused on developing tools and roadmaps for reducing embodied carbon within our developments and designing processes for retrofitting existing buildings to be carbon neutral. We also examined our company's carbon footprint to create a pathway toward net zero that is both aspirational and attainable. Also in 2022 we launched the first pilot projects which will guide us in delivering Biodiversity Net Gain in all our future developments. These elements are integrated in the net zero and positive

biodiversity plan which is described in this document.

The global pandemic challenged us to place even greater focus on human health and well-being in our buildings, while we are also aware of our responsibilities to integrate our buildings into local communities and public spaces.

This holistic approach towards sustainability is delivered on a daily basis by a passionate team guided by Immobel's ESG principles and a supporting governing structure. In this ESG report, the different engagements within the ESG framework "healthy places" are explained, illustrated with project examples, progress reports and initiatives taken. This strategic framework is helping us sharpen our focus on areas that are key to our company and stakeholders, and to deepen our commitment to making positive changes through our business. ►

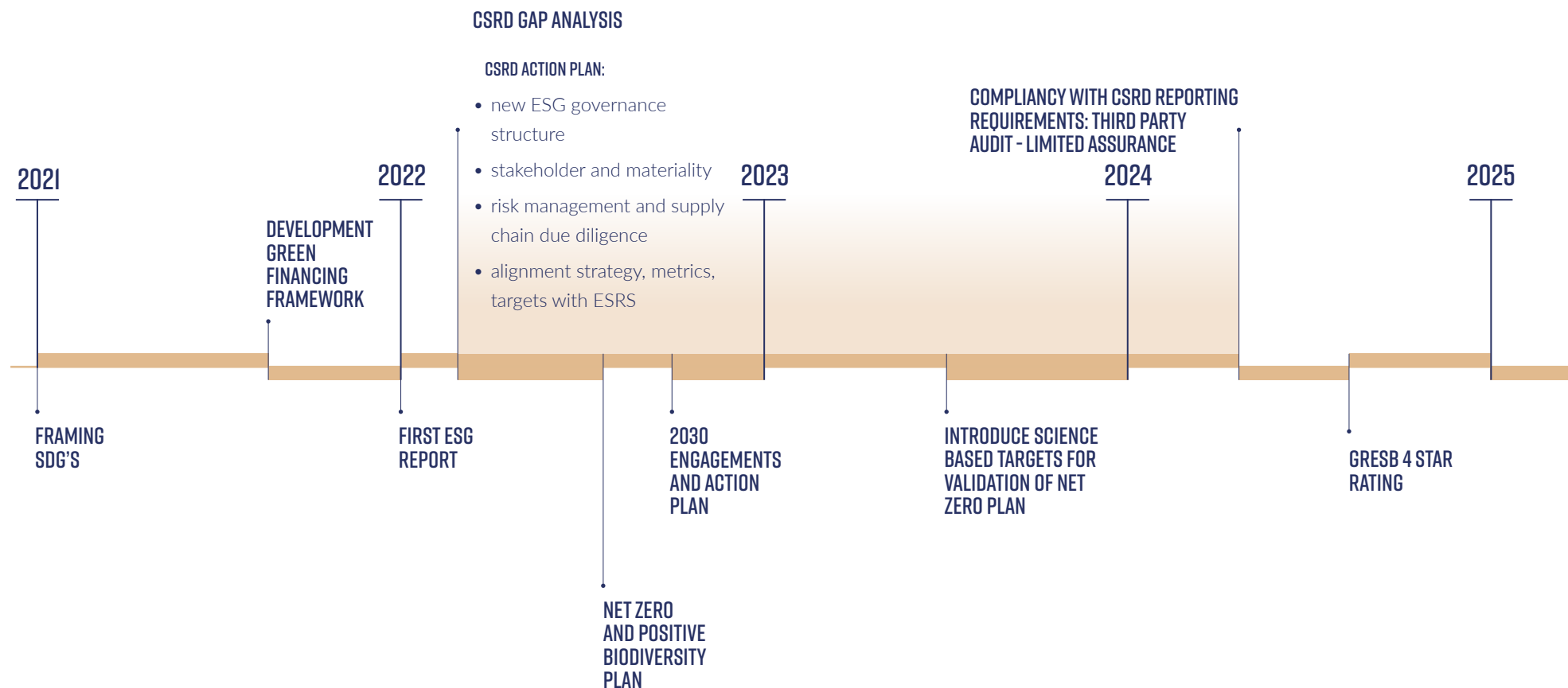


In 2022 Immobel performed a full gap-analysis in regard to compliance to the upcoming Corporate Sustainability Reporting Directive (CSRD) legislation. An action plan and working groups have been launched to enable us to become fully compliant by 2024, one year ahead of the deadline.

In addition, in the coming years we will demonstrate both our environmental and social leadership roles by achieving recognised international validations. In 2023, Immobel will start the validation process of its climate targets by the Science Based Targets initiative (SBTi) while evolving to a top ranking in theGRESB benchmark, an international

benchmark that measures and evaluates the sustainability initiatives of property companies and property funds.

This ESG report needs to be read as the natural extension of the Annual Report, as Immobel's vision on ESG is an integral part of its strategy. ■



B. Key achievements 2022

Sustainable developments (some highlights)

- Immobel submitted the building permit to transform the Proximus Towers office building (Brussels) into a livable, future-oriented, and inclusive mixed development (WELL Platinum, BREEAM Outstanding, DGNB Platinum, BiodiverCity).
- Immobel moved its headquarters to the Multi building (delivery in 2022), a fully renovated, BREEAM certified, circular building (89% of re-used materials), as well as the first CO₂-neutral (in use) office building in Brussels. Multi is the first renovation project in Belgium to receive a digital passport for materials in Madaster.
- Immobel France started construction of its two residential buildings in the Fort d'Aubervilliers (Paris) mixed eco-district (label Biosourcé niveau 2, label NH HABITAT HQE niveau Excellent, RT 2012 -10%)
- Launch of the construction phase of our mixed-use project Immside in Paris (BREEAM Excellent, BBCA (low carbon building label): performance level, HQE Excellent, Wired-score Silver (digital), OSMOZ Lever 1)
- Obtention of the first building permit for the project La Passerelle Néo Barbès in Paris (BREEAM and HQE Excellent)
- Start of preliminary works of Liewen (Luxembourg): new residential area built around a century-old tree and designed with an eco-responsible approach.

Net zero and positive biodiversity

- Immobel finalised its net zero and positive biodiversity strategy: all developments systematically use a standardised approach regarding Lifecycle Analysis, energy performance, circularity and positive biodiversity. All new permits are designed with fossil-free energy solutions. The climate targets will be validated in 2023 by the Science Based Targets and further aligned with the European Sustainability Reporting Standards (ESRS).

For the community

- In terms of social engagement, the devastating consequences of the war in Ukraine led Immobel to join the global donation movement. Immobel has identified the King Baudouin Foundation as a trusted partner to coordinate the allocation fund to support Ukraine through four channels.
- Our collaborators have made generous donations in favour of the Arc-en-Ciel and Les Samaritains Shoe-Box operations.

Positive leadership at sector level

- Immobel played an active role in "C Change", a ULI-led programme to mobilise the European real estate industry to decarbonise. The C Change Summit in 2022 was an important milestone and a call for collaboration.
- Immobel Capital Partners became a member of Real Estate Balance, which works to improve diversity and inclusion in the real estate industry.

Green financing

- Green bond: On 15 June 2022 Immobel announced the launch of a public offer in Belgium of 4-year green notes to both retail and qualified investors. The Immobel Green Financing Framework guarantees the selection of eligible, sustainable developments.

Market recognition

- Immobel France received the innovation awards (Silver in Ile-de-France and Gold at the national level) from the Fédération des Promoteurs Immobiliers for "Les Dryades" in Avon.
- Immobel France was chosen in November as the winner of the competition for the rehabilitation of the "Résidence Maurice Ravel", which will accommodate young workers and students.
- Immobel was awarded the Bronze Award in the "Residential" category by the jury for the 2022 FIABCI Prix d'Excellence Germany for its residential tower Eden in Frankfurt. The jury recognised the innovative nature of the green façade as well as the technical challenge.
- The renovation of the emblematic Centre Monnaie into a mixed project has been recognised by the "Renolab" certificate of the Brussels Region for its holistic sustainable and circular ambitions (BREEAM Outstanding and WELL Platinum). ■

II. ESG FOUNDATION

The foundation of our ESG strategy is based on 2 axes: alignment with the UN SDG's and the exercise to define which sustainability topics are important for Immobel.

A. Integration of the UN SDGs in our strategy

We have integrated the United Nations Sustainable Development Goals in our ESG strategy. As a major property developer, Immobel works in the general interest of cities and communities to support them in their ecological and societal transitions (**SDG 11 - Sustainable cities and communities**).

Our design will incorporate the growing importance of **health and well-being parameters (SDG 3 - Good health and well-being)**. Users now seek more qualitative living and working spaces, in which they can live and work comfortably and in good health. The way we design buildings, spaces and the surrounding neighbourhoods should encourage and support a sustainable lifestyle in its true sense.

Immobel wants to take up a leading role in the environmental transition. We will reduce our ecological footprint through mindful **water and energy consumption, and by reducing CO₂** (**SDG 13 - Climate action, SDG 7 - Energy, SDG 12 - Resources, and SDG 6 - Water**).

However, the solutions to respond to climate change are not limited to “grey” technologies such as renewable energies or material use. Even if we totally convert to renewable energy today, we will still need help from nature. We cannot address **biodiversity loss (SDG 15)** without tackling climate change, but it is equally impossible to tackle climate change without addressing biodiversity loss. Protecting and restoring ecosystems can help us reduce the extent of climate change and cope with its impact.

The continued increase of the built-up area and urbanisation are encouraging new ways of thinking about biodiversity. Ecosystems and biodiversity within cities are important, sometimes unique, and are to be protected and further

expanded. Immobel wants to implement biodiversity strategies in its developments as a key element to protect and restore biodiversity, using it as a driving force during the whole lifecycle of a building or a development.

We consider these UN SDGs as the ones on which we can have a direct impact with our projects. In addition, at the level of the group we are convinced that we can have a direct or indirect impact on several SDGs. In this respect we consider **SDG 17 - Ecosystem, SDG 5 - Diversity and inclusion, SDG 3 - Healthy workplace, SDG 9 - Sustainability culture and leadership, and SDG 4 - Training / knowledge sharing** as the main ones. ■



B. Materiality matrix

To develop and improve the sustainability initiatives of the operation, Immobel continually and systematically surveys and analyses both positive and negative impacts of the operations on its business environment from the perspective of the economy, the environment, society and human

rights. The input we routinely receive from our stakeholders through various situations and channels is one of the elements that facilitates our analysis of material sustainability issues. These issues are dealt with on a routine basis, for example at Board meetings, Executive Management mee-

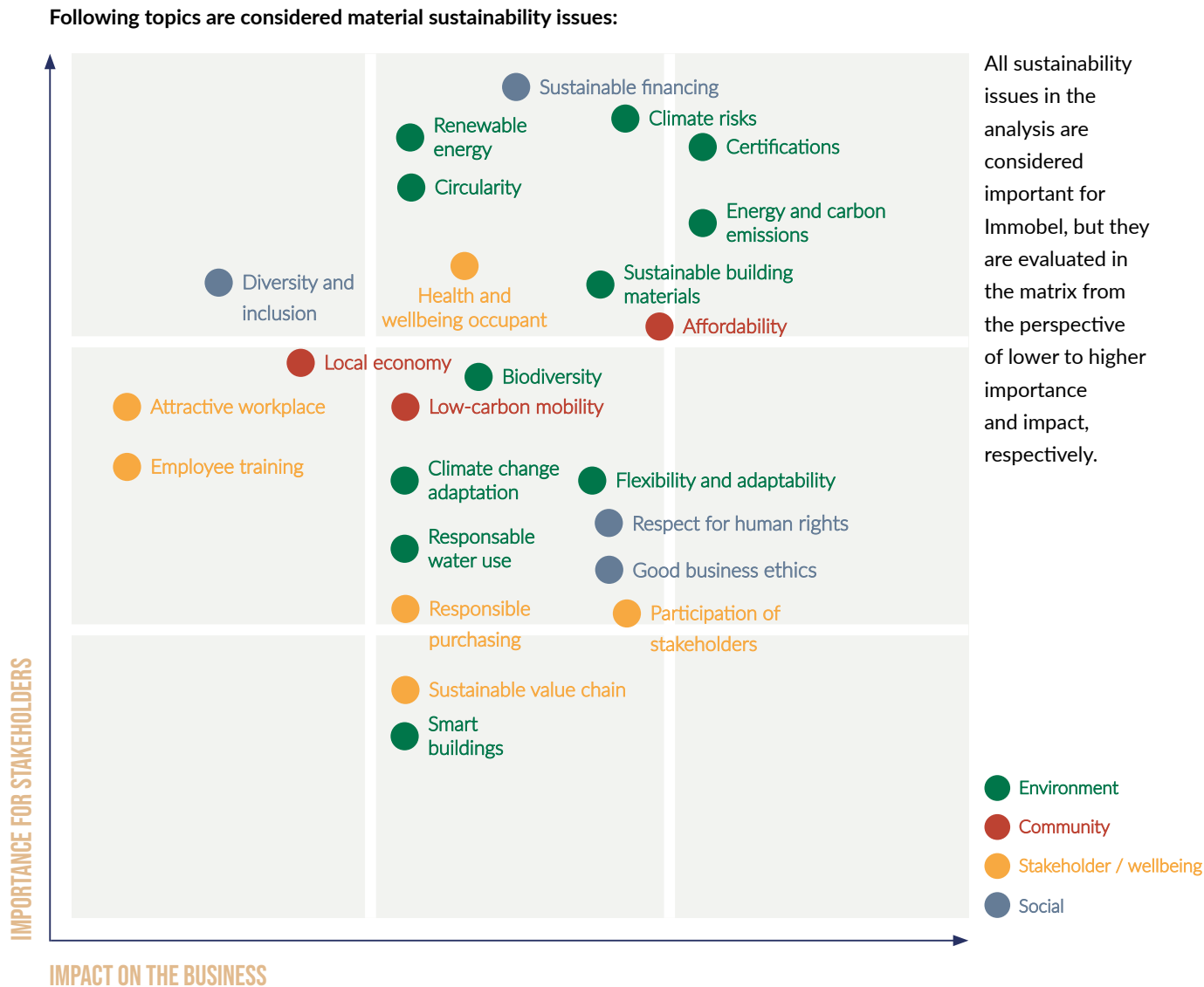
tings, and meetings with shareholders, and in a daily two-way communication with customers, employees, partners, suppliers and various societal stakeholders. The following topics are considered material sustainability issues: ►

Focus area	Sustainability issue
Wellbeing	Health and well-being of occupants
Neighbourhood	Promote low-carbon mobility
Neighbourhood	Support local communities/economy
Neighbourhood	Affordability
Environment	Protecting, restoring and enhancing biodiversity and ecosystem services
Environment	Increase circularity
Environment	Renewable energy
Environment	Responsible water use across construction and building operations
Environment	Climate change adaptation and resilience
Environment	Technology and smart buildings
Environment	Energy and carbon emissions
Environment	Sustainable and circular building materials
Environment	Certification and labeling of buildings
Environment	Flexibility and adaptability of buildings
Environment	Climate risks
Stakeholder engagement	Employee training and engagement
Stakeholder engagement	Attractive workplace
Stakeholder engagement	Responsible purchasing
Stakeholder engagement	Ensure sustainable supply chains
Stakeholder engagement	Participation of stakeholders
Social / community responsibility	Good business ethics and anti-corruption
Social / community responsibility	Diversity and equal opportunity
Social / community responsibility	Sustainable financing
Social / community responsibility	Respect for human rights

Based on continual dialogues with various stakeholders, Im-mobel reviews its sustainability issues and their priority in a materiality analysis. Additional input for the materiality analysis is obtained from comprehensive business intelligence and from discussions with in-house and external experts.

The impact – positive or negative – that various sustainability issues have on the business environment is reflected on the x-axis of the materiality matrix. The y-axis represents the importance of the topic to internal and external stakeholders.

In 2023, Im-mobel will perform an extensive consultation round amongst stakeholders to determine which of the issues are deemed to have become more or less important. Im-mobel will consult a diverse panel of external and internal stakeholders to allow the company to gather various interesting points of view regarding its priorities through interviews, workshops and an online survey. ■



III. ESG STRATEGY

“Creating Healthy Places” provides us with a fundamental analysis framework for our activities. The strategy is divided into two layers, what we do at the level of our assets and what we do at group level. On each level, our actions are grouped in different pillars: what we do for the end-user,

for the local neighbourhoods in which we are active, for the environment on asset level, and how we see collaborators and partners’ engagement, leadership and community engagement at group level.

Targets have been defined based on various pilot projects that we ran at our current projects in order to have a base-line for target setting combined with an extensive analysis of trends and discussions with various stakeholders. ►

Create healthy places



For our end-users

Well-being

Sustainable mobility



For the neighbourhoods

Social purpose

Residential diversity



For the environment

Embodied carbon

Operational carbon

Biodiversity

Environmental leadership

Lead by example



Towards collaborators

Diversity & Equality

Healthy Work
Environment



In the industry

Positive Leadership



For the community

Immobel Engagement Fund

In the coming year, we will continue to roll out the ESG program based on the strategy that we developed over the last twelve months. This will include creating capacity to deliver on these targets; and publishing an internal framework to guide our work.

The purpose of our ESG program is to ensure that Immoebel delivers a positive impact in everything that it does.

We know we cannot do this on our own; we need the help of all our partners. We will therefore build up capacity through internal training for staff and our supply chain, as well as through thought leadership events on key challenges facing the real estate sector, such as the circular economy and biodiversity.

The implementation will be supported by means of ambitious internal standards and guidelines for community engagement, design briefs, construction operations, delivered through a consistent, measurable approach.

Our ESG strategy needs to be able to evolve and grow in response to changes in our understanding of the impact of the built environment. To build on our tradition of thought leadership, we will set up forward-looking working groups focused on carbon, biodiversity, the circular economy, health and well-being, and energy. ■



CREATE HEALTHY PLACES

For Our End-Users

- Wellbeing
- Sustainable mobility

	Current Target	2025	2030
Investing in the health & well-being of the end-users	Based on the WELL certification, develop an internal health and wellbeing checklist to be applied on all projects	WELL Platinum certification for all office development permits	WELL Platinum certification for all delivered office developments
Simulate sustainable mobility	Distance to public transportation stops under 750 m or 5' walk for all new acquisitions	Sustainable mobility as a requisite for all new development permits: <ul style="list-style-type: none"> • Electrical charging stations - 100% pre-equipped¹ • Bicycle parkings and facilities in all developments • Where relevant, other additional ecomobility solutions (car-free districts, mutualised parking solutions, bicycle repair services etc.) 	

1 - pre-equipped implies the presence of cabling facilities - target depends on local legislation - applicable to all developments: office and residential

For Our End-Users 1. Well-being

Importance of the topic

Feeling good at home and in our work environment is an essential prerogative. In fact, on average we spend 80% of our time in closed places; 67% of that in our home. It is in this context that health and well-being are essential criteria in the design of our programs.

The COVID crisis showed us how much we need social interactions and require new types of spaces to allow these interactions. A more intensive use of buildings is one way of responding to the challenges of urbanisation and preservation of the environment.

With office constructions, the certification of the development under "WELL" is always targeted. WELL is a certification system that is built on promoting health and wellness among the people who are in the building. The system is based on research, and by working with this system we can achieve healthy work places that help our tenants perform and be at their best. By certifying properties under WELL, Immobel also makes a tangible contribution to achieving the UN Sustainable Development Goals, including No. 3: Good health and well-being.

For residential developments where WELL certification is not specifically applicable, we still apply a health and well-being checklist covering the following parameters:

- **AIR QUALITY:** Bringing fresh air inside, delivering good indoor air quality through ventilation, and avoiding materials and chemicals that create harmful or toxic emissions.

- **LIGHT:** Incorporating natural light and views to ensure building users' comfort and enjoyment of their surroundings, and reducing lighting energy needs in the process.
- **INDOOR CLIMATE:** Ensuring people are comfortable in their everyday environments, creating the right indoor temperature through passive design or building management and monitoring systems.
- **SOUND QUALITY:** Acoustics and proper sound insulation play important roles in helping concentration, recuperation, and peaceful enjoyment of a building.
- **CONNECTING TO NATURE:** The COVID-19 pandemic has revealed the significance of green urban spaces to human health.
- **OUTDOOR AREAS:** Availability of terraces and balconies, creation of shared outdoor spaces such as roof terraces or gardens accessible to all residents.
- **COMMON AREAS FOR HYBRID USE:** integrate spaces open for different users and usages (intensity of use, hybrid spaces, mutualised spaces)
- **MOBILITY:** Our buildings should inspire people to make the healthiest choice when they move around. To accomplish this, designers and architects focus on designing buildings, stairs, corridors, urban spaces and infrastructure in an inviting and innovative way. Parking places for bikes are provided.
- **NUTRITION AND HEALTH:** Wherever possible, small-scale food production is integrated in our projects, serving both as a resource and a social hub. ■

- **Wellbeing**
- Sustainable mobility

- **Wellbeing**
- Sustainable mobility

Targets

The main target is to achieve WELL certification for our office portfolio. The WELL label promotes the design and operation of environmentally responsible buildings and the comfort and well-being of users. In our businesses, we create solutions for the well-being of occupants.

This focus on user-related aspects is also translated in the services and the flexibility of the spaces we develop: spaces that allow shared uses through the pooling of sites and services. Examples include outdoor neighbourhood spaces, fitness centres, laundry rooms, DIY workshops, and shared terraces.

Finally, our focus on the well-being of our users is demonstrated by a dedicated residential Customer Guidance team that offers personalised support and long-term advice. ■



- **Wellbeing**
- Sustainable mobility

Focus on key project

Multi, Brussels

Office development oriented to the health of the users

Located in the historic heart of Brussels, the Multi project gives a second life to this H-shaped tower on its three-story base built in the 1960s. The building offers a panoramic view of the city in a revitalised urban environment. The 19-storey building with its surface area of 46,000 m² features maximum flexibility for different workspaces.

The project has been conceived with the objective to offer high standards in terms of health and wellbeing for the office occupants.

- **VISUAL COMFORT:** Important penetration of daylight due to glazing at full height. As the glazing has an excellent solar factor (g) of 21%, external blinds are not required to ensure occupant comfort. However, an MDF panel is provided on the ceiling around the perimeter of the building to provide support for a possible internal shading system.
- **ACOUSTIC QUALITY:** Optimised acoustic comfort due to sound-absorbing materials and performant insulation between spaces //Between floors: 50dBA // Between partitions on the same floor, soundproofing based on 3 categories, depending on the function.
- **AIR QUALITY:** Double filtering system: nearly hospital standards (10% more than most of other buildings)
- **TERRACE FOR RELAXATION OF TENANTS:** Occupants can enjoy a suspended garden on the third floor.



- **SUPPORT FOR ALTERNATIVE TRANSPORT** by providing **bicycle parking spots and showers** inside the building
- **SHARED SPACES** and services like reception area, café, shops and outside meeting area are available in the building
- **ACCESS TO PUBLIC TRANSPORT** nearby the building ■

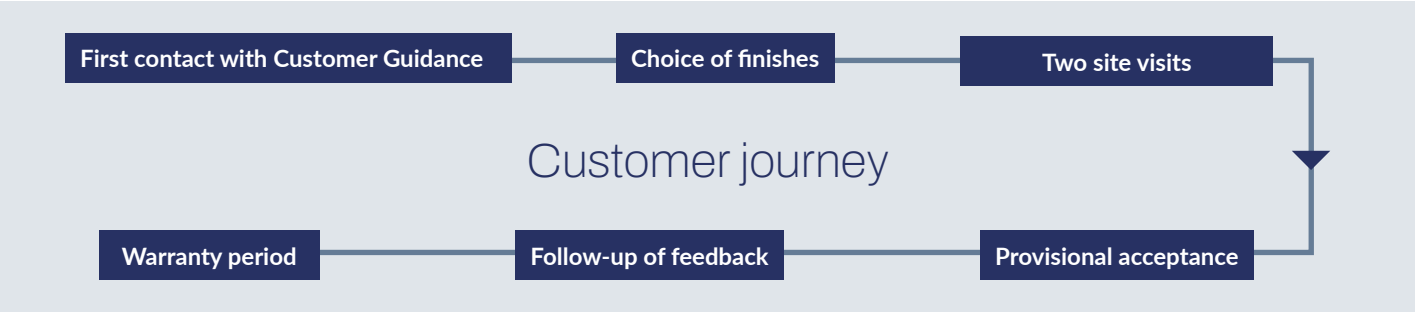
Reporting

In order to maintain a high level of quality of service and product, Immoel systematically conducts a series of surveys both internally within the teams as well as amongst clients with regards to their satisfaction. The team surveys measure process efficiency, workload, metrics, objectives, skills and other parameters. The findings are translated into internal improvement programs, led by the Group Continual Service Improvement Manager.

With regards to our customers, the entire customer guidance journey has been analysed and important milestones mapped, starting from the first contact of a customer with their Customer Guidance team. A sample of customers is constantly being

More than
170,000 M²
of office projects are in the process of obtaining a WELL certificate.

interviewed to measure the level of satisfaction on each need and to capture qualitative information. Examples of KPIs that are monitored as translated into action plan contain:



Type	KPI
Client Satisfaction	% of delighted customers
	Avg customer satisfaction
Service (SLA's – Service Level Agreement)	Avg response time
	% replies within SLA
Delivery	Avg # remarks at provisional acceptance
	% general contractor closing documents regarding remarks
	Avg lead time quotation (for finishing)

Baseline reporting is available in Q1 2023 and will be used to measure our progress.

- Wellbeing
- Sustainable mobility

For Our End-Users **2. Sustainable mobility**

Importance of the topic

Transport, and cars in particular, represent a significant part of the carbon footprint. To limit its impact, Immobel strives to locate its buildings near public transport networks and to develop innovative sustainable mobility solutions. In case no public transport should be available, Immobel will influence authorities to create an additional public transport hub.

After the COVID crisis, the status of the bicycle has changed; it has become a credible solution for getting around town. Today, more than 65% of the inhabitants of large cities are in favour of reducing the importance and status of the car in cities. Our developments contribute to our goal to reinvent mobility to reduce our dependency on the car and to provide services that contribute to a lower environmental footprint for users. The Group is therefore working on optimising proximity to public transport, availability of electric charging stations, partnerships specifically adapted to each site, etc.



Targets

Immobel is developing projects to reduce the use of the need for carbon-intensive mobility

1. Ensure that Immobel sites are accessible by public transport and bicycle: the choice of land is the first lever for action. The Group's development strategy leads it to select sites that are well connected to public transport networks
2. Encourage the use of electric vehicles (100% of parking spaces parking spaces pre-equipped for charging stations)
3. Ensure safe and pleasant bicycle parking and pedestrian routes
4. If relevant, other ecomobility solutions such as car-free districts, mutualised parking solutions or bicycle repair services will be integrated in our developments

For our development projects in a peri-urban environment we use the framework "sustainable districts" (local variants exist in Flanders, Wallonia, Luxemburg and France) as a framework for acquisitions, stating:

- that the site should be located less than 1,500 metres from a railway station;
- that the site should be located less than 750 metres from public transport. ■

- Wellbeing
- Sustainable mobility

Key projects

La Passerelle Néo Barbès, Paris

Zero car parkings

Located in the Northern half of Paris, *La Passerelle* aims to refurbish the well-known Tati former store of Barbès. Benefiting from a metro station at its doorstep, and at a walking distance from 2 international train stations, the project is aligned with the current policy of Paris in terms of mobility and does not include any car parking lot. In order to meet both concerns of soft mobility in one hand, and active ground floor spaces on the other hand, two bicycle parking spaces – one for the residential part and another for the office part - are provided and located in the basement. Each space includes a repair station, and lockers, equipped with charging points, to store cycling helmets, security jackets and batteries. The office bike parking spot comes with a cloakroom, with shower and toilet.

This zero car parking approach is also applied within our other developments in Ile-de-France.



La Passerelle Néo Barbès, Paris



Oxy, Brussels

Multi, Oxy and Brouck'R

Stimulating soft mobility

The **Multi** project is located in the historic heart of Brussels. The building offers a panoramic view of the city in a revitalised urban environment. The 19-storey building with its surface area of 46,000 m² features maximum flexibility for different workspaces. The project presents office spaces but also retail surfaces.

The project is located in the pedestrian zone around the Place de Brouckère and the Stock Exchange, and has a metro station at its doorstep. With 230 bicycle parking spots on ground level, Multi becomes extremely well accessible for soft-mobility. For those who do use cars, electric car recharging points are provided.

The **Oxy** project consists of the major renovation of an office building and seeks to reconcile a building dating from the early 1970s with the expectations of today's city, while at the same time being part of an approach that is based on the principles ►

- Wellbeing
- **Sustainable mobility**

of the circular economy as well as improving the building's energy performance and its relationship with the hyper-urban environment.

The building is located in a particularly well-served area by public transport, with a metro station in its basement. A large bicycle parking for 715 bicycles has been integrated in the basement. The bicycle parking for the residential units are separated and are designed to hold 174 bikes, i.e. 1 bike per room. There are also 18 spaces for cargo bikes.

The **Brouck'R** redevelopment entails the transformation of the former Allianz offices which overlook the Place de Brouckère in the city centre of Brussels. The sustainable mixed use Brouck'R project meets the present demand for high-quality living and working environments in the city. The project is located in the popular, vibrant and car-free city centre of Brussels. This makes easy accessibility and soft mobility an essential aspect of the project. In that context, the project provides no fewer than 550 bicycle parking spaces (including 52 for cargo bikes). ■



Brouck'R, Brussels

CREATE HEALTHY PLACES

For the neighbourhoods

- Social purpose
- Residential diversity

	Current Target	2025	2030
Social purpose for the local stakeholders	100% of available empty buildings integrate a temporary occupation	At least one of the following social purposes is defined for each development: <ul style="list-style-type: none"> • local economy: integrate local enterprises, associations in programming¹ • public interest: integrate functions with public interest² • employment: integrate people in professional insertion trajectories in construction works 	
Increase the residential diversity	Setting up a dialogue with multiple stakeholders in order to create a wider level-playing field to enhance affordable housing	<ul style="list-style-type: none"> • Increase social diversity in residential offer both with regards to affordable housing and residential offer for specific groups (senior, students,...) 	Overachieve norms imposed by authority with regards to affordable housing

¹ entrepreneurs, local shops, social economy actors, local start-ups, short lines

² F.e. activate space onsite for use by the local community

For the neighbourhoods **1. Social purpose**

Importance of the topic

Our business is about more than great buildings. It is crucial for us to understand the most important issues and opportunities in the communities around each of our sites and focus our efforts collaboratively to make the biggest impact at each place.

Immobel is convinced that the proximity of services and activities, and the mix of uses, bring a better quality of life to city dwellers. Functional diversity can have concrete effects on the dynamism of a sector and the way in which citizens appropriate the space available. It encourages local consumption, active travel, and various facilities that promote the establishment of neighbourhood life. This proximity enables people-centric cities that help residents develop their identity.

The COVID crisis made it possible to highlight the problem of total dependence on an international scale – and it is the local economy that has been able to react the fastest. Indeed, the resurgence of the local community is an interesting dynamic that questions our model both of production and consumption.

We will focus on developing mixed projects with a programming that takes into account the requirements of the neighbourhood and that stimulates local development. Activities on the ground floor should contribute to the proximity of local services and shops or show inclusivity towards the surrounding communities. The accessibility of buildings and the integration of public equipment is the best way to integrate buildings into cities. This means that our developments offer shared services such as a restaurant, a fitness centre or a terrace that are available to everyone. ►

- **Social purpose**
- Residential diversity

 The Muse, Brussels



- **Social purpose**
- Residential diversity

At the same time, we are a significant creator of jobs across real estate construction and we have an important role in helping create a fairer, more inclusive economy. One that helps tackle the social inequalities specific to our local areas, and addresses the current and future skills we need. Our social approach therefore aims to empower people facing barriers with the skills and opportunities to enter the world of work.

Targets

By means of neighbourhood analysis and co-creation tables, Immobel wants to understand the local needs of the community. Immobel wishes to contribute to the development of the local economy through its projects (1) by integrating local businesses into the program (entrepreneurs, local shops, players in the social and solidarity economy, local start-ups and by privileging short supply chains (2) by integrating public functions; and (3) employment by integrating people who are in the process of professional integration in construction.

For empty buildings that are waiting for a permit, a temporary occupation program is set up (when technically feasible). We privilege transitional town planning in such a way that the temporary project contributes to the configuration of the site's permanent future. Transitional urban planning relies on the ability to promote urban projects with positive social and environmental benefits for the neighbourhood. ■

Temporary occupation at Lebeau in
collaboration with 'Plant en Houtgoed'



Focus on key projects

La Passerelle Néo Barbès, Paris

Development that demonstrates a high engagement towards the local economy: 800m² tiers-lieu culturel

As Paris is the so-called '15-minute city' – aiming to offer Parisians all essential stores and facilities within a 15-minute reach – the architects analysed the commercial offering already present in the neighbourhood and proposed various sizes of retail premises. This enables a range of different retail activities from a bakery, florist or green grocery to bigger furniture or fashion stores. The corner building, with its iconic haussmannian façade, will house a cultural space on the ground floor and the underground floors.



- Social purpose
- Residential diversity



Proximus Towers, Brussels

Development that demonstrates an engagement towards the neighbourhood: 11,462 m² of amenities

11,462M²
amenities

We see young people as the red line for the implementation of public facilities. Brussels is a young city; the average age is below that of the other regions of Belgium. This is certainly the case in the North District: young people form an important part of the social fabric, and form a highly diverse group.

With the implementation of the public facilities we want to create a place where young people can be inspired for the future; where entrepreneurial skills can be learned; where digital talent is developed; where children can be inspired; where young people are guided to the labor market; where through education social cohesion between young people can be strengthened; and where young companies can come into contact with an ecosystem of entrepreneurs and academic actors etc. ►

- **Social purpose**
- Residential diversity

Brouck'R, Brussels

A local neighbourhood space to serve residents

The set of addresses along the Rue de Laeken and around the square are aimed at the local inhabitants of the district. They should promote local know-how and create connection between Anspach and Sainte-Catherine by breaking down the barrier represented by Rue de Laeken. The programming will pay attention to the surrounding context (construction sites, renovation of the Grand Hospice site, arrival of new residents, etc.) and must address the reduction of traffic on Rue de Laeken.

The occupation of the sites will go through an accessible program to allow solidarity and innovative activities to revitalise the area and address as much as possible the needs of the neighbourhood.

Key West, Brussels

Encourage the mix of functions by promoting better integration of a variety of craft activities in the urban environment.

The Key West project is located in the Brussels West district next to the Canal. It is part of a reconversion of a former industrial zone. The area has been defined as a residential area while maintaining the industrial character. In this context, Immobel and its partner BPI have integrated 2,800 m² of "craft" type activities.

Building B has a particularly wide plinth that accommodates productive activities (requiring a large floor area) and houses an urban farm on its roof. ■



Brouck'R, Brussels



Key West, Brussels

Report

100% of our vacant projects are in pre-configuration or temporary occupation.

Buttes-Chaumont - France

For our Buttes-Chaumont project, located in the 19th arrondissement of Paris, we once again called on the expertise and network of Agence Forest for the temporary occupation of the 5,000 m² building. The building houses various cultural activities - costume workshops and film sets for audiovisual companies - allowing these actors to rent affordable premises in Paris that are adapted to their activity, which mainly consists of short-term projects on limited budgets.

La Passerelle Néo Barbès - France

In the 18th arrondissement, as part of the project to transform the Tati Barbès shop, we are making this place full of history accessible by entrusting the building to Forest, a player in temporary and transitory occupation, free of charge. In coordination with Maison Château Rouge and the association Les Oiseaux Migrateurs, they are developing diversified, free and constantly renewed projects and activities on the three levels of the building. Exhibitions, workshops, conferences and debates... bring together a variety of audiences in an intercultural atmosphere and bring out ideas, talents, and develop inspiration.

Immside - France

For our project, Immside, located in the 4th arrondissement of Paris, we are providing our partner Nestore with the shop on rue Saint-Antoine. Nestore, a network of pop-up stores, supports brands on the move and players in the social and solidarity economy. These committed companies and associations thus have

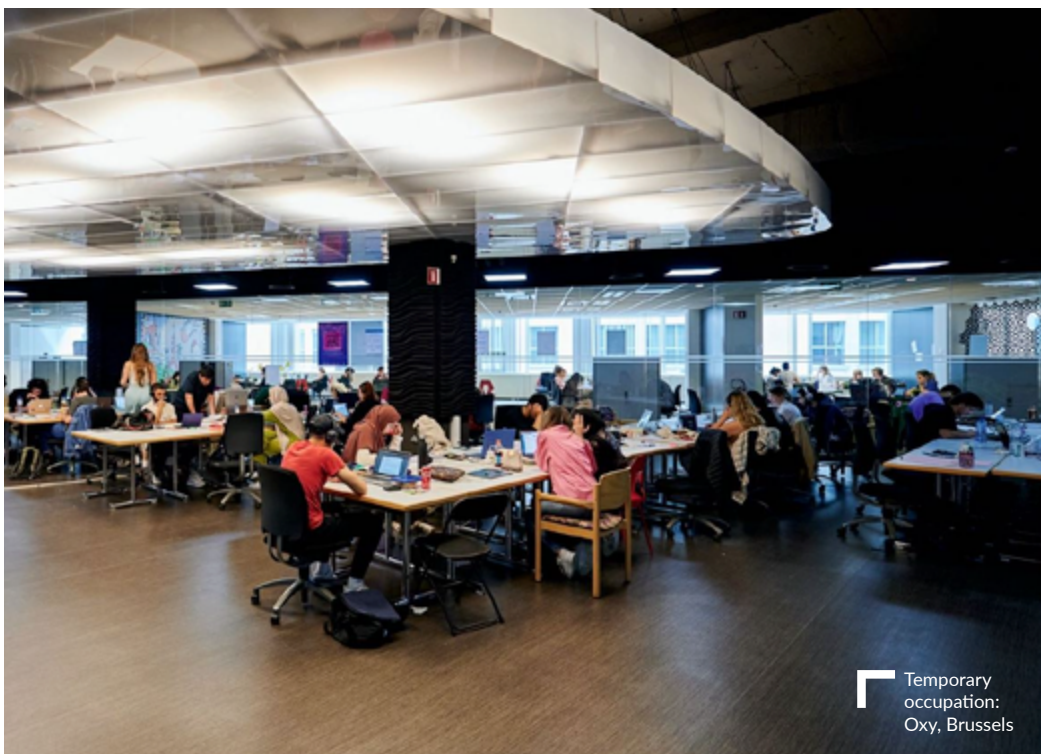


the opportunity to set up shop for several weeks on this historic street in the Marais and to make themselves known, to talk about their project and their commitments or to give visibility to their causes. ►

Temporary occupation:
La Passerelle Néo Barbès, Paris

- Social purpose
- Residential diversity

- **Social purpose**
- Residential diversity



Temporary
occupation:
Oxy, Brussels

Temporary
occupation:
Key West, Brussels



Lebeau - Belgium

The different ground floors of the project have been made available to promote and highlight artists and entrepreneurs sharing their sustainability values: an active player in the re-use of materials and circularity, a centre around biodiversity, an inclusive cultural centre, a showroom for students etc.

Oxy - Belgium

The Oxy building in the heart of Brussels opened its doors to students during the exam period. The main aim of Student Hub De Post-La Poste was to provide a quality space where students could prepare their lessons, complete tasks or study for their exams in peace and quiet. In total, Brik offered up to 150 seats to students for 16 weeks.

Key West - Belgium

The warehouse of the Key West project was made available for training sessions of Médecin sans Frontières. During the summer, the hangar was accessible free of charge to the inhabitants and associations of the neighbourhood for a series of sports activities.

Issy-les-Moulineaux - France

Our project in Issy-les-Moulineaux is home to an apprentice training centre that prepares students to enter the workforce, particularly in electro-mechanics. ■

For the neighbourhoods **1. Residential diversity**

Importance of the topic

The COVID pandemic has shown the impact that the built environment can have on diversity and inclusion, and the role that developers and planning professionals can play in promoting and sustaining diversity and inclusion in communities.

Historically, the provision of social and intermediate housing in most countries has been the responsibility of the public sector or non-profit bodies such as housing associations or both.

The public sector plays a key role in enforcing the delivery of social and intermediate housing by providing the long-term vision with clear alignment in policies at the national, regional, and local government levels.



In many cities, given budget constraints and political leadership which discouraged local authority homebuilding, there has been an increasing trend towards the public sector working with other housing providers both profit and non-profit organisations to deliver these homes. An increasing number of public-sector bodies have recognised the opportunities from working in partnership as a route to deliver more social or intermediate homes.

Immobel wants to contribute to an increase in social diversity in its residential offer. We will actively lead the discussion at sector level and look for tools and solutions with the authorities and the sector's associations to increase the diversity of housing developments in the cities in which we are active.

Targets

Immobel is committed to increase the supply of social, intermediate, student, intergenerational and other housing typologies based on local needs. Immobel will work with housing associations and governments to help increase the supply of homes that are genuinely affordable to buy or rent. This will help to tackle the inequalities experienced by certain groups affected by the shortage of affordable homes.

Immobel is extending the public-private partnerships provided by stakeholders such as the SLRB in Brussels and will look into a better application of the planning permission charges as a proactive tool for the construction of conventional housing. ■

- Social purpose
- **Residential diversity**

- Social purpose
- **Residential diversity**

Focus on key projects

Universalis Park, Brussels

A mix of functions

The Universalis Park project provides for the development of two projects on the “Campus de la Plaine” site. The first project (Universalis Park 2), is divided into four lots and offers the following functions:

Lot A: Social housing

Lot B:

- Residence service
- Rest and care home
- Student studio

Lot C: Conventional housing

Lot D: Student rooms

The site will therefore offer more than five different functions with a social and generational mix within four buildings. At the same time, public spaces (square, playground, greenery) have also been created on this site which formerly housed a disused university building, now demolished.

Lot A includes 32 social housing units. This project was proposed to the SLRB as part of its “turnkey” offering for a block sale. The permits are now all issued. **Lot B**, which itself hosts three separate establishments within the same building, includes a rest and care home (63 beds), 64 service flats whose occupants will benefit from certain shared services, and 61 student studios. These are larger studios for foreign students who have no other place to go at the weekend, or for doctoral students. **Lot C** provides 120 conventional apartments with a mixed program ranging from studios to 3 bedrooms. **Lot D** provides 314 student rooms as well



as a concierge service and a complete programme of amenities for students: Recreation room, game rooms, study rooms, communal kitchens.

The program for the second (Universalis Park 3) project is currently being drawn up. It will provide conventional and student accommodation as well as a public park of more than 2 ha on the site. Public equipment will also be provided.

Slachthuis, Antwerp

Inter-generational living

Within our residential range we are always looking for the integration of different housing typologies in our projects.

Our next building of development at the Slachthuis-site in Antwerp is an example of the creation of an intergenerational project in which four housing typologies are integrated: maisonnettes/duplex (15%), compact apartments (46%), modest housing units (29%) ►

- Social purpose
- Residential diversity



and social housing (10%) with an average at project level of 68 m² net floor space. Compactness is one of the starting points for all housing typologies. We achieve this by pushing the boundaries for the best designable surfaces and dimensions of the living spaces and by integrating flexible use. The relationships between the spaces and the outdoor space, as well as the sun-through concept, are of great importance here.

In this way we realise an inter-generational housing project with a diverse program aimed at residents from different age categories and family compositions: from smaller entities for entry-level residents to facilitate young people's access, to housing for

singles and family homes. The project provides a large collective courtyard garden and communal areas such as washing areas, workshop, communal bicycle shed, covered entrances and foot-bridges that provide space and opportunities for social contact between residents. These shared spaces are an extension and maximisation of the living space, and are provided together with the use of collective energy systems (freeing up space in the home itself).

The housing units for social housing are fully designed according to the guidelines of the social housing company and thus conform to contemporary social housing. ■

Housing typologies Slachthuis (total 240,000 m²)

		Rooftop villas (maisonnettes)	Compact apartments	Modest housing units	Social housing
Percent	100%	15%	46%	29%	10%

- Social purpose
- **Residential diversity**

Report

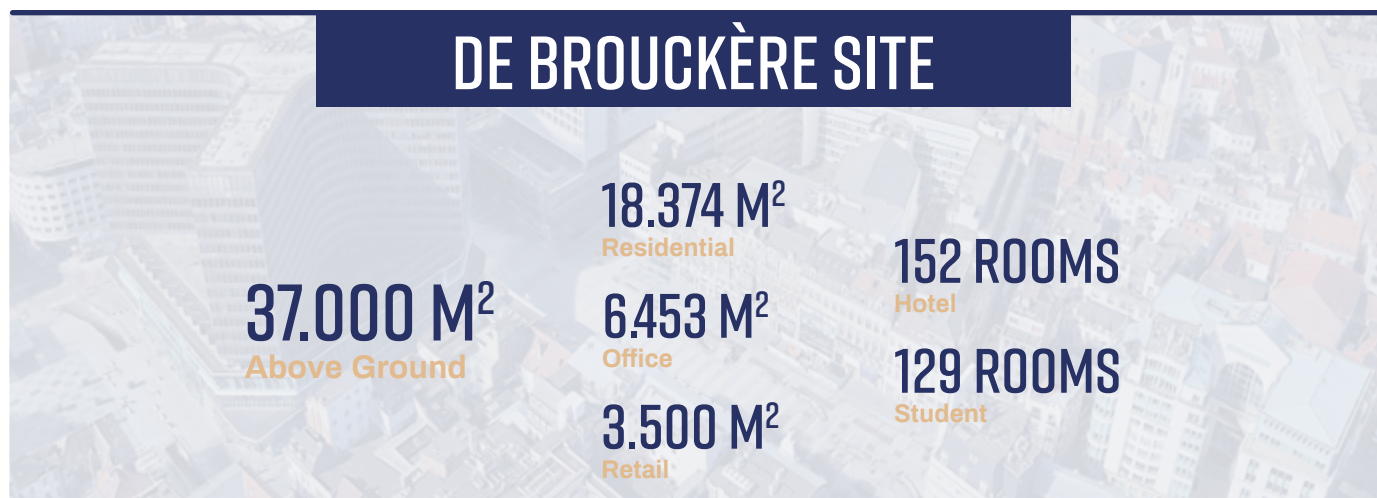
Affordable housing created/integrated

Currently 7% of the entire residential portfolio in permit or development stage in 2022 is composed of either social or intermediate housing typologies with specific access for people with lower incomes.

This represents a total of > **90.000 m²** of affordable housing in the different countries we are active in.

Immobel also focuses on housing for specific groups such as senior citizens or young people:

- Our recent redevelopment of the Proximus office towers (Brussels) includes the creation of 42,156 m² of residential units including 300 apartments and 93 student rooms.
- The redevelopment of the **de Brouckère site** in the heart of Brussels also includes 129 student rooms.
- The residential projects M1 and Riverplace in Luxembourg comprise 2,639 m² and 3,735 m² of co-living apartments respectively.
- In the residential area that Immobel envisages in Chaumont-Gistoux (Belgium), we provide space for 4 Tiny houses on a dedicated land of 1.897m²
- Our residential project “5 Sapins” in Wavre provides 2 “kangaroo homes”, representing 642 m²



CREATE HEALTHY PLACES For the environment

- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

	Current Target	2025	2030
Reduce embodied carbon	<p>Embodied carbon¹:</p> <ul style="list-style-type: none"> • New built max of 1000kg CO₂/m² • Renovation projects: <ul style="list-style-type: none"> – Target of 500kg CO₂/m² – Cap at 750 CO₂/m² depending on scope 	<ul style="list-style-type: none"> • CO₂ documentation² in place for each new permit • Circularity, each renovation project: <ul style="list-style-type: none"> – Has a material passport – Has an inventory for re-use as a basis to maximise re-use and upcycling of materials (on or off site) 	<ul style="list-style-type: none"> • Embodied carbon¹ : <ul style="list-style-type: none"> – New built max of 650kg CO₂/m² – Reduction plan for renovations³ based on continuous data measurements • Circularity - each development has defined its tailor-made objective regarding incoming re-used, recycled and bio-sourced materials
Operational carbon neutrality	<ul style="list-style-type: none"> • Reduce energy demand • All new building permits are fossil-free 	<ul style="list-style-type: none"> • Primary Energy Demand and EPC for new developments are fully aligned with EU taxonomy requirements • Promote zero operational carbon by: <ul style="list-style-type: none"> – Maximising the electricity production onsite – Encourage tenants to purchase green leases 	<ul style="list-style-type: none"> • All delivered projects are fossil-free
Protection & restoration of biodiversity	<ul style="list-style-type: none"> • Launch of a pilot project to obtain the BiodiverCity® Label 	<ul style="list-style-type: none"> • Reach a Biodiversity net gain (BNG) of minimum 10% for all new permits and an average Group target of 25% BNG 	<p>Implementation of annual offset of exceeded embodied emissions (with local partners active in regenerative agriculture, reforestation, ...)</p>

¹ average maximum at Group level

² by means of systematic use of LCA studies – Life Cycle Analysis

³ Since possible gains are mostly in the substructure and superstructure material choice

CREATE HEALTHY PLACES For the environment

Demonstrate Environmental Leadership

- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

Current Target

- Environmental impact as a criterium for all investment decisions:
 - Strong preference for **renovations** and brown-field¹ redevelopments
 - Integrate **climate-resilience** and **climate risk assessments**
 - Guarantee **environmental sustainability** via compliance with taxonomy criteria
- All office developments in design phase target one of the following certificates:
 - BREEAM minimum Excellent
 - HQE minimum Excellent or
 - DGNB Platinum certificate.
- Green Financing Framework in place

2025

- Certification of the Group's climate strategy by the **Science Based Targets** Initiative (scope 1, 2 and 3)
- Reduce the environmental impact of the team/company operations (scope 1 and 2)
- Taxonomy reporting available at Group level
- All office developments in design phase target **BREEAM outstanding** or an equivalent certificate

2030

- 100% of delivered projects are taxonomy-aligned

¹ brownfield redevelopments: land that has previously already been developed

For the environment **1. Embodied Carbon**

Importance of the topic

The built environment is a critical sector to tackle if we are to reach the climate mitigation targets set out in the Paris Agreement, as it represents close to 40% of global energy-related carbon emissions.

As a major developer, our biggest environmental impacts are associated with energy use and GHG emissions during construction works, in the building materials we use, and the lifetime energy consumption of a building once it is operational.

Therefore, the sector needs better ways to develop, build and operate buildings, focussing on both operational and embodied CO₂.

New regulations have pushed the industry to near net-zero operating emissions for new buildings, as property owners optimise the energy efficiency of their portfolios to entice tenants willing to pay a premium. However, there is also a strong focus on the embodied carbon of building materials and raw materials.

This means piloting projects that push the possibilities of carbon-neutral, resource-efficient buildings so as to bring more value to investors and communities. It means collaborating with industry partners to meet local and global

climate goals by creating roadmaps for retrofitting the buildings of today for the people of tomorrow.

Urban reconversion projects such as Isala and Oxy in Brussels, KIEM in Luxembourg (wood-steel construction principle) or La Passerelle Néo Barbès and Immside in Paris aim for the lowest possible embodied CO₂ emissions and a fossil-free energy concept as part of a holistic sustainability approach recognised by international labels such as BREEAM, HQE and WELL.

Embodied carbon: targets and reporting

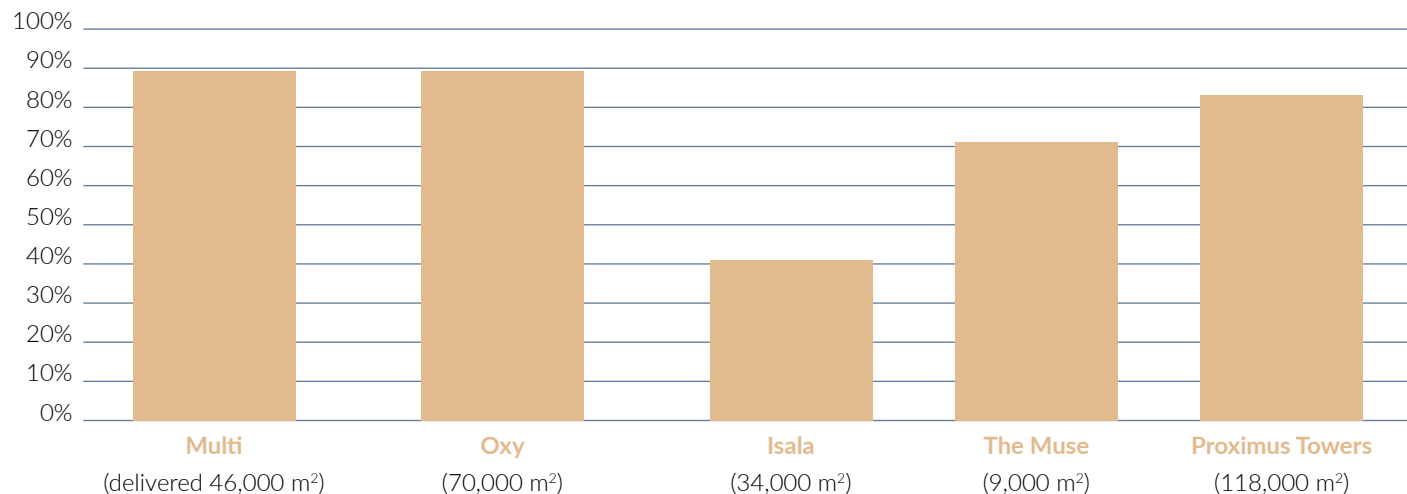
Immobel applies an acquisition policy based on “recycling” or “repurposing” built-up areas or transforming existing assets in the city. This refers to a strong preference for renovation of existing buildings instead of demolition (combined with a circular approach to minimise the embodied carbon) in urban environments. It’s a way of avoiding the use of new materials and energy that conventionally goes into demolishing and rebuilding.

In renovation projects, we strive to preserve as much as possible of the original building. Below the % of preservation (expressed in weight compared to the total weight of the building) is given for our largest renovation projects. ►

- **Embodied Carbon**
- Operational Carbon
- Biodiversity
- Environmental leadership

- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

% preservation (expressed in weight)



Whereas we obtain in general scores above 70% preservation (with exceptional scores of 89% for the Multi and Oxy renovation) of the existing structure on most developments, the Isala renovation project (41% preservation) is an exception since we have decided to remove the interior part of the plot in order to create a full soil interior garden to increase both the biodiversity and the wellbeing for the users.

The exact weight calculations are ongoing for renovation projects Lebeau in Belgium, Immside and La Passerelle Néo Barbès in Paris, but they will all obtain a score around 70% maintain of the existing structure.

Measure and reduce embodied carbon through systematic use of LCAs as a design tool

To improve the way we build, Immobel uses **Life Cycle Assessments (LCA)** as a methodology from the very early design stages on. This may seem obvious, but the industry has not yet adopted this approach as a standard and it is clear that working with common standards is a necessity. While LCA studies will push the industry to calculate emissions, these calculations should not be limited to documenting a building's carbon footprint. LCA has the potential to become a progressive design tool that helps our teams improve energy efficiency or point the way towards alternative choices for steel, cement and other high carbon materials. ►

An important parameter that is obtained via the LCA study are the embodied carbon emissions. These are the GHG emissions and removals associated with materials and construction processes throughout the whole life cycle of an asset (Modules A1-A5, B1-B5, C1-C4). In 2022, we began exploring options for creating an embodied carbon database to measure and manage embodied carbon across Immoel projects. We also began requesting third-party verified Environmental Product Declarations (EPDs) from select manufacturers and suppliers to understand the carbon footprint of new developments across their entire life cycle.

Through the systematic use of LCA studies as an active design tool, we have set the following ongoing targets:

- New build: maximum of 1000 kg CO₂/m²
- Renovation projects: target of 500 kg CO₂/m² with a cap at 750 kg CO₂/m² depending on the scope of renovation works.

By 2030, the embodied carbon for new builds should be reduced to 650 kg CO₂/m². These figures are applicable to delivered projects which means that the targets will be applied in the design process of the coming years.

Improvement of embodied carbon with renovation projects is more difficult as most potential gains are in the substructure and superstructure material choice. Reduction targets will be defined with future data measurements. ►

- **Embodied Carbon**
- Operational Carbon
- Biodiversity
- Environmental leadership



Embodied Carbon Targets Immobel

A1-C4 Embodied Carbon ⁽¹⁾

New Build

Within New Builds, we will strive to improve our Embodied Carbon through the choice of building materials, reusing of materials and recycling of materials

Renovation

Improvement of Embodied Carbon with renovation is more difficult as most possible gains are in the substructure and superstructure material choice. Reduction targets will be defined with future data measurement.

2023 ⁽²⁾	1,000 kgCO ₂ eq /m ²	500 - 750 kgCO ₂ eq /m ²	Target of 500 kgCO ₂ eq / m ² with a cap at 750 kgCO ₂ eq / m ² depending on the scope of renovation works
2025 ⁽²⁾	800 kgCO ₂ eq /m ²	TBC kgCO ₂ eq /m ²	Currently no data available in the market regarding possible reductions.
2030 ⁽²⁾	650 kgCO ₂ eq /m ²	TBCkgCO ₂ eq /m ²	Improvement plan will be based on continuous data measurement.

1 Excluding operational Carbon (B6 and B7)

2 Target dates refer to the anticipated completion date of the building

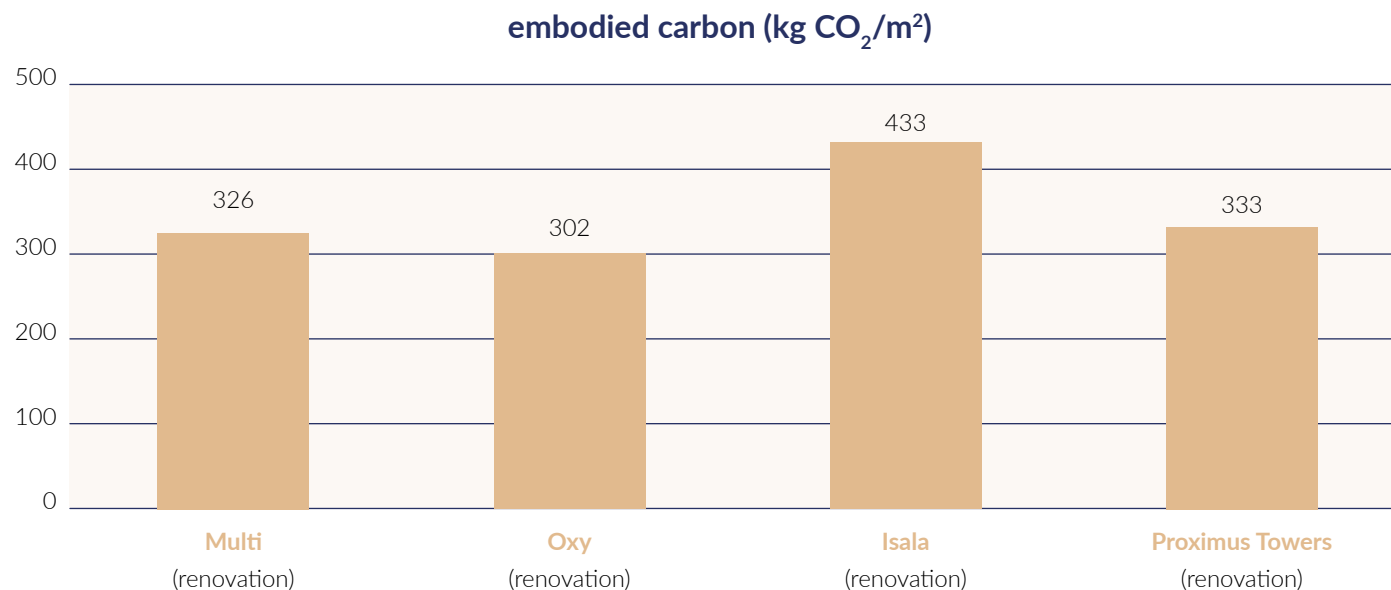
Immobel has observed that no global standard is available – which makes comparison difficult. Embodied carbon analyses in the context of a BREEAM certification do not cover the entire carbon scope since technical installations are not being taken into account. To counter this and to avoid greenwashing by considering a partial scope of emissions, we have defined a holistic framework to which all Immobel developments should be aligned when performing an LCA study (database, scope of materials, material families, use of EPDs etc.). The results will be further

centralised in a dynamic reporting tool that will allow all executed LCA studies to be compared with each other.

The embodied carbon data below are based on this standard approach applying the full lifecycle A1-A3, A4-A5, B1-B5, B6-B7 (separately reported within operational carbon), C1-C4 based on 60 years, based on gross m² and covering all building elements, building techniques and transport scenario as specified by “LEVELS”, the new EU framework for sustainable buildings. ■

- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

- **Embodied Carbon**
- Operational Carbon
- Biodiversity
- Environmental leadership



The data clearly show how renovation projects manage to remain below the threshold of 500-750 kg CO₂/m² (Multi, Oxy, Isala, Proximus). Within these renovations projects, a direct link can be observed between embodied carbon and the degree of maintaining the existing building (Isala has the lowest maintain rate) because of the reduced need for new materials.

Our French renovation projects cannot be compared directly with Belgian data since different databases and tools are being used. Our 2 major renovation projects in Ile-de-France indicate an embodied carbon of 634 kg Co²/m² for Immside and 450 kg Co²/m² for La Passerelle Néo Barbès. The difference can be partially explained by the use of refrigerants at Immside (representing 15%

of the total embodied carbon) since a district heating solution was not possible, as opposed to La Passerelle Néo Barbès.

For new constructions we manage to remain far below our baseline of 1000 kg Co²/m². The mixed project Brouck'r indicates a result of 614 kg Co²/m², whereas the residential project Key west leads to a result of 777 kg Co²/m².

For our residential development in Avon (820 kg Co²/m²), France, Immobil has chosen to go further than the thermal regulations in force when the building permit is filed (i.e. RT2012), by volunteering for a project RE2020 before the official effective date. ►

- **Embodied Carbon**
- Operational Carbon
- Biodiversity
- Environmental leadership

We also vary the 100% concrete solution with a terracotta brick solution which is more optimal in carbon even if it was to the detriment of a loss of living space (20 cm of brick against 16 cm of concrete wall). Part of the exterior walls are innovative through the installation of prefabricated brick walls.

To put these data in perspective, we can refer to embodied carbon standards defined by stakeholders such as:

- Royal Institute of British Architects (RIBA): This is the main professional body representing architects in the United Kingdom: Embodied: 1,100 kg CO₂/m² as a business as usual benchmark over the whole life with best practice design target representing 500 kg CO₂/m² by 2030 for non-domestic buildings.

- London Energy Transformation Initiative (LETI): This initiative regroups professionals from the built environment dedicated to put London on an exemplary path to reduce carbon emissions. They recommend the following: Embodied: Baseline of 1,000 kg CO₂/m² and a best practice 2030 design stage target < 530 kg CO₂/m² for office buildings.
- RE2020: environmental reglementation in France (applicable for new permits as from 2022)

Immobel will apply LCA studies as a standard tool in order to exceed market standards such as the above. At the same time, LCA studies are part of the mandatory parameters for our asset to become taxonomy-aligned. ►

	Average maximum embodied carbon value			
	2022 to 2024	2024 to 2027	2028 to 2030	From 2031
Collective housing	740 kg CO ₂ /m ²	650 kg CO ₂ /m ²	580 kg CO ₂ /m ²	490 kg CO ₂ /m ²
Offices	980 kg CO ₂ /m ²	810 kg CO ₂ /m ²	710 kg CO ₂ /m ²	600 kg CO ₂ /m ²

Targets according to the RE2020 (France)



Reduce embodied carbon through a circular approach

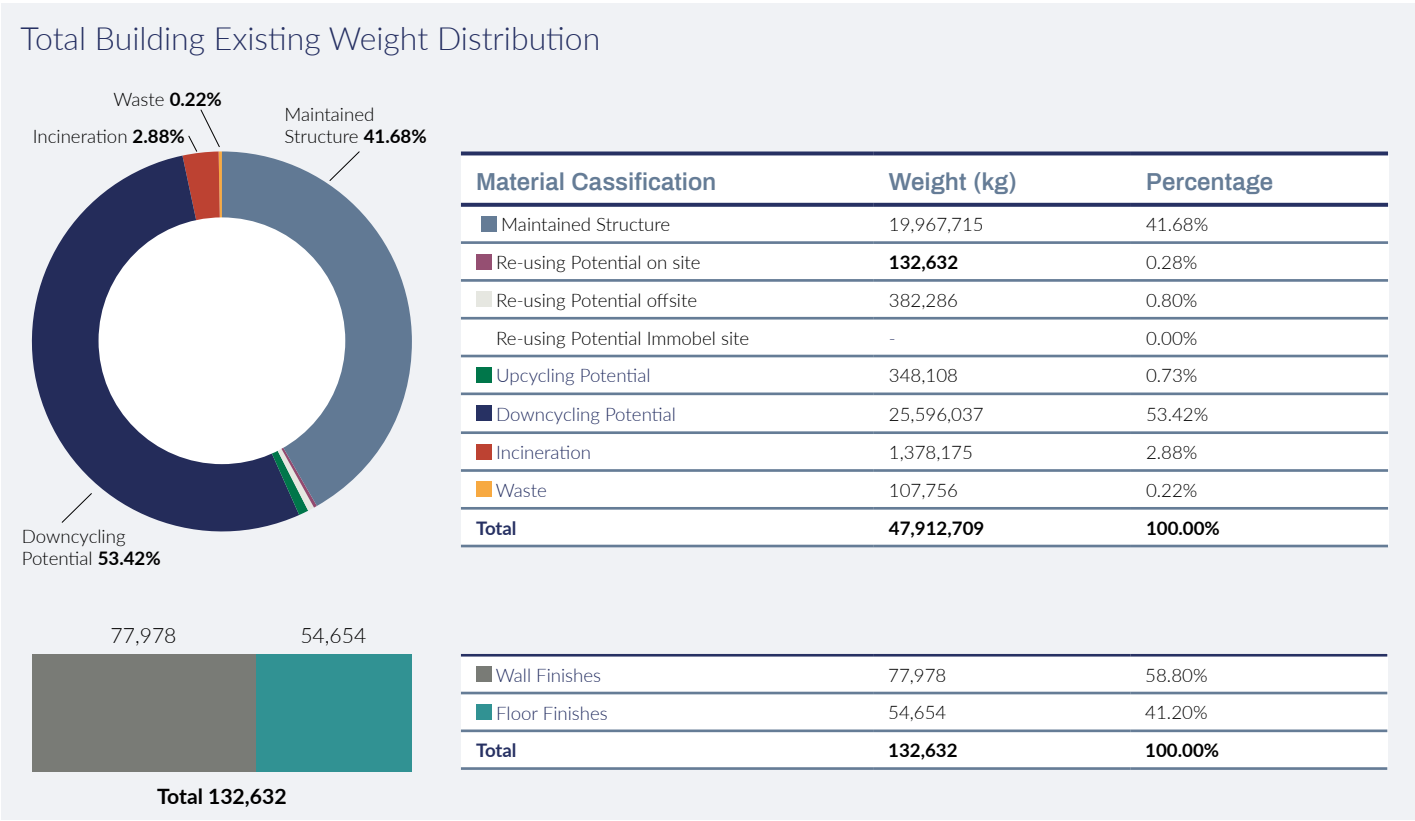
In addition to the LCA study, every renovation project in the design phase at ImmoBel is also subject to a **re-use inventory**: in this way we optimise the reuse and upcycling of materials on site or elsewhere. The following group targets have been set in this regard:

By 2025: Each renovation project has a material passport and develops an inventory for re-use as a basis to maximise re-use and upcycling of materials (on or off site).

By 2030: Re-used, recycled and biosourced materials must be a significant element in all projects.

The first priority is to keep the material onsite and to re-use them in the renewed renovation project.

Below is an overview for the **Isala project**, indicating the potential re-use of materials in the new development project: a total of 132 tons of materials. The material list is shared with the design team in order to ensure integration in the new project. ►



- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

For **The Muse**, this concerns 171 tons of material.



For all other potential re-use and recycling opportunities (by prioritising upcycling) towards projects other than our own developments, Immobel looks for recyclers and manufacturers to recover the material for re-use.

Specifically for smaller associations and even neighbours, sessions are organised where materials are given away. Before the renovation works started at the Oxy development, an event was organised at which individuals and associations had the possibility to recover mirrors, sinks, lights, chairs, tables etc. ►

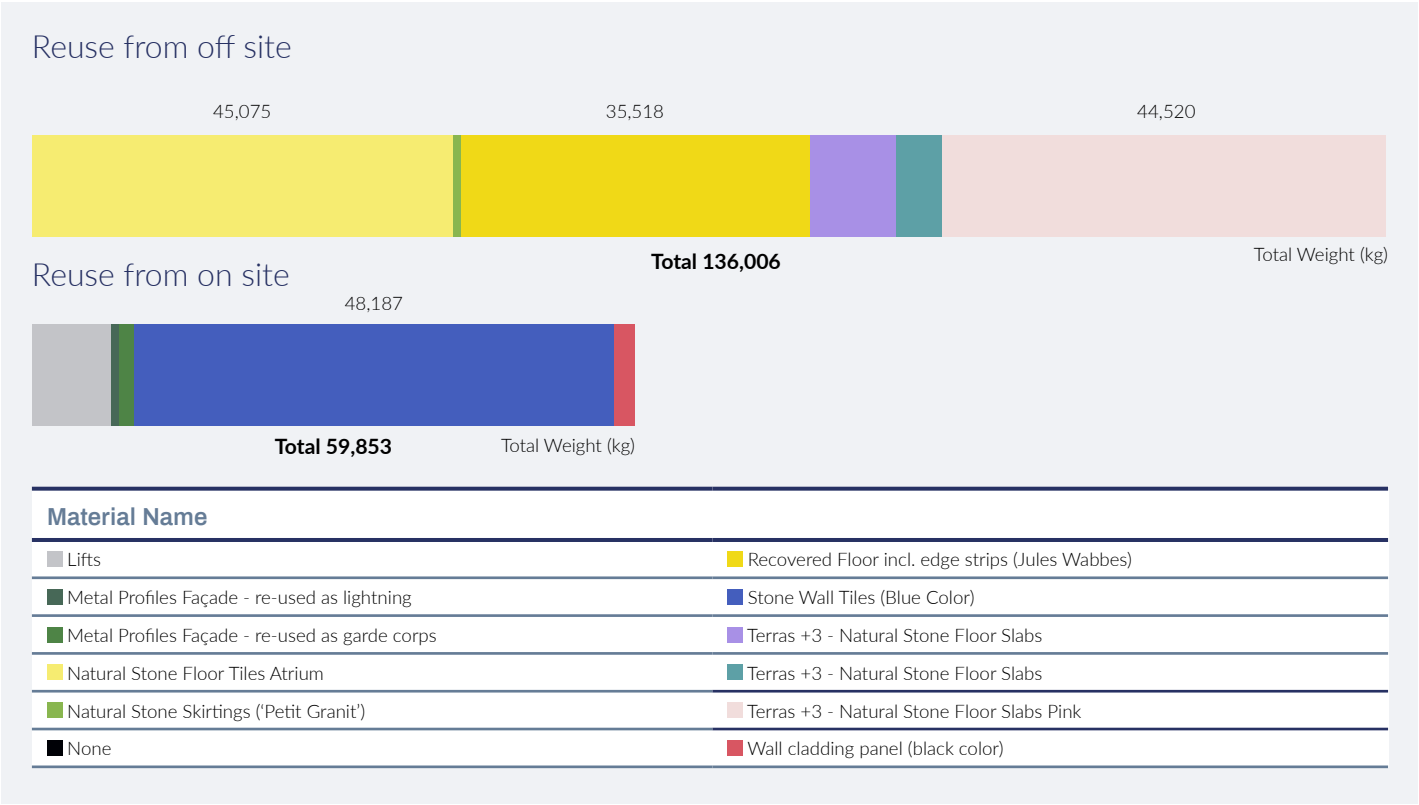
- **Embodied Carbon**
- Operational Carbon
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- Environmental leadership

With regard to the **incoming re-used and recycled materials in the new project**, a market study is systematically being done on the potential and availability of re-used and recycled materials that can be integrated in the new development.

As an example, our new headquarters, the **Multi building in Brussels**, re-used **59 tons of materials** originating from the **existing building** and **136 tons of re-used materials** arising from **external projects**.

At each site, Immobel is **also considering** the re-use of specific materials between development projects wherever technically feasible. The **raised floor from the Proximus Towers** will be re-used for the office part, while the raised floor from the second tower (destined to become residential) will be integrated in other Immobel office developments.

For the renovation of the Monnaie Centre in the centre of Brussels (Oxy project), the public walkway which will become an extension of the pedestrian zone will make use of natural stones that have been collected from existing developments in France to give them a second life in Brussels. ■



- Embodied Carbon
- Operational Carbon
- Biodiversity
- Environmental leadership

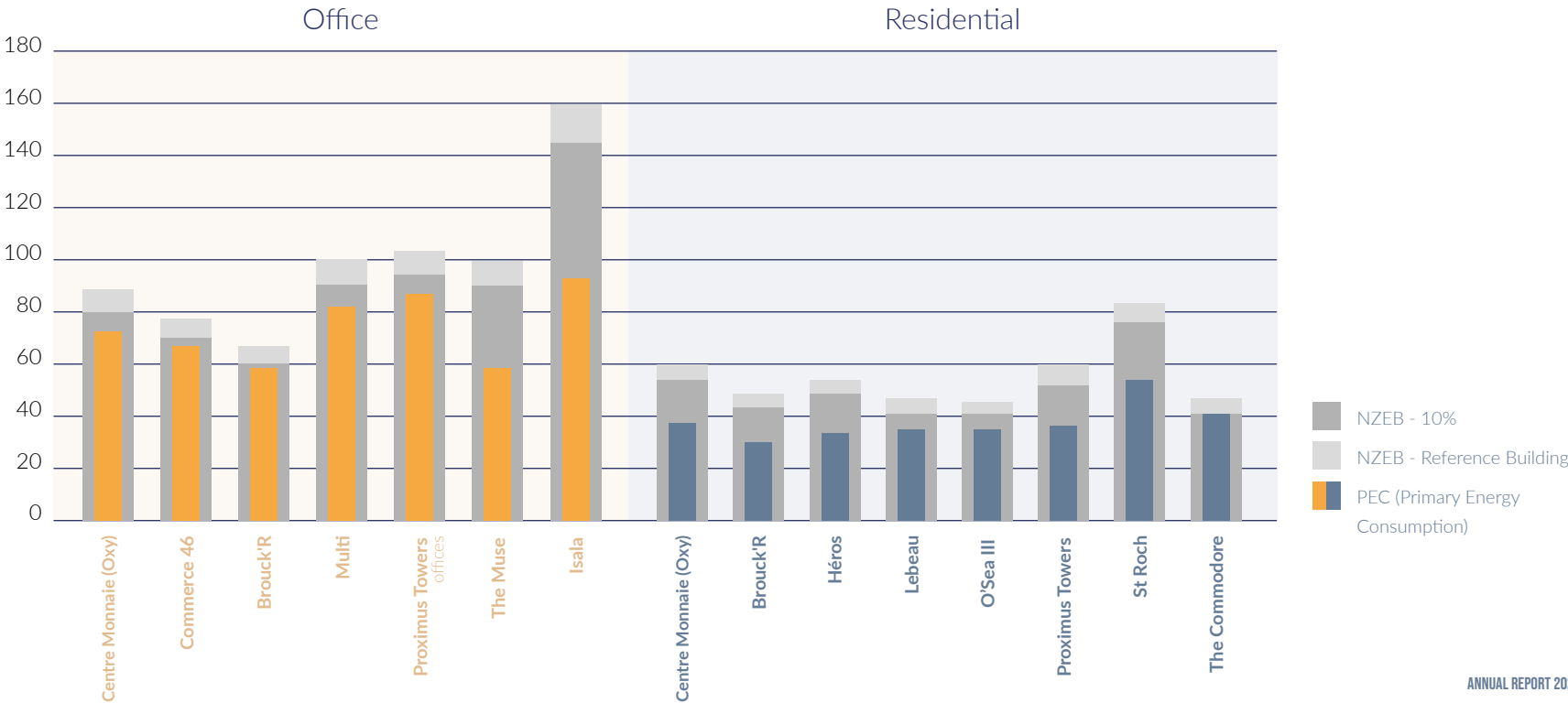
For the environment 2. Operational Carbon

Energy efficiency and operational carbon: targets

A fossil-free energy solution is the obligatory standard for all new permits introduced. In the design phase, particular attention is being paid to the replacement of fossil fuels by alternatives such as geothermal energy, heat pumps, solar panels and the optimisation of techniques to minimise energy consumption during the operational phase. Immobel will strive towards a fully aligned taxonomy portfolio by 2025 with regards to energy consumption. Immobel will further strive towards complete zero operational carbon developments by maximising electricity production onsite and encourage tenants to purchase green leases.

Energy efficiency and operational carbon: reporting

Below an overview of the Primary Energy Consumption for large office and residential developments from the Immobel portfolio in relation to the reference value imposed by the Nearly Zero Energy Building (NZEB) standard. In preparation of our taxonomy alignment, we have also indicated *aligned with the substantially contribute* target related to climate change mitigation, which is set at 10% below the NZEB standard. ►



- Embodied Carbon
- **Operational Carbon**
- Biodiversity
- Environmental leadership

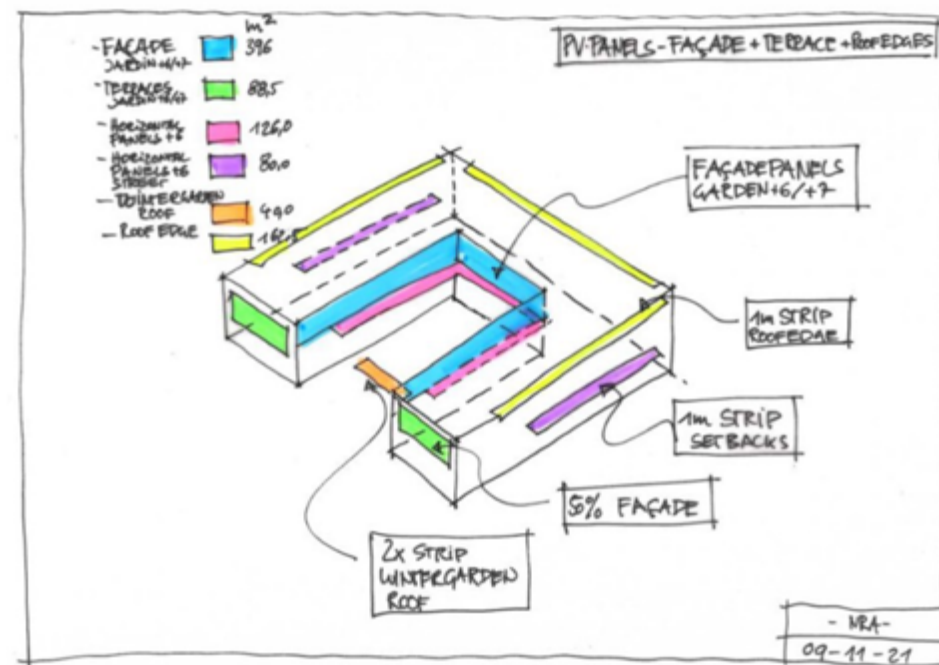
Our decision to develop fossil-free buildings automatically implies energy switches, replacing gas-fired boilers with electric heat pumps or urban heating, and an increase of the share of renewable energy in the energy mix.

In the roadmap towards net zero, the production of onsite electricity will be crucial to limit dependency on (grey) electricity from the grid.

By phasing out non-green gas, 100% of our delivered projects will be fossil-free by 2030 and will have a decreased dependency from the grid by maximising the electricity production onsite to cover the onsite demand. Immobel will set-up alignment tracks both with large tenants and residential buyers to stimulate the purchase of green electricity and head towards 100% net zero.

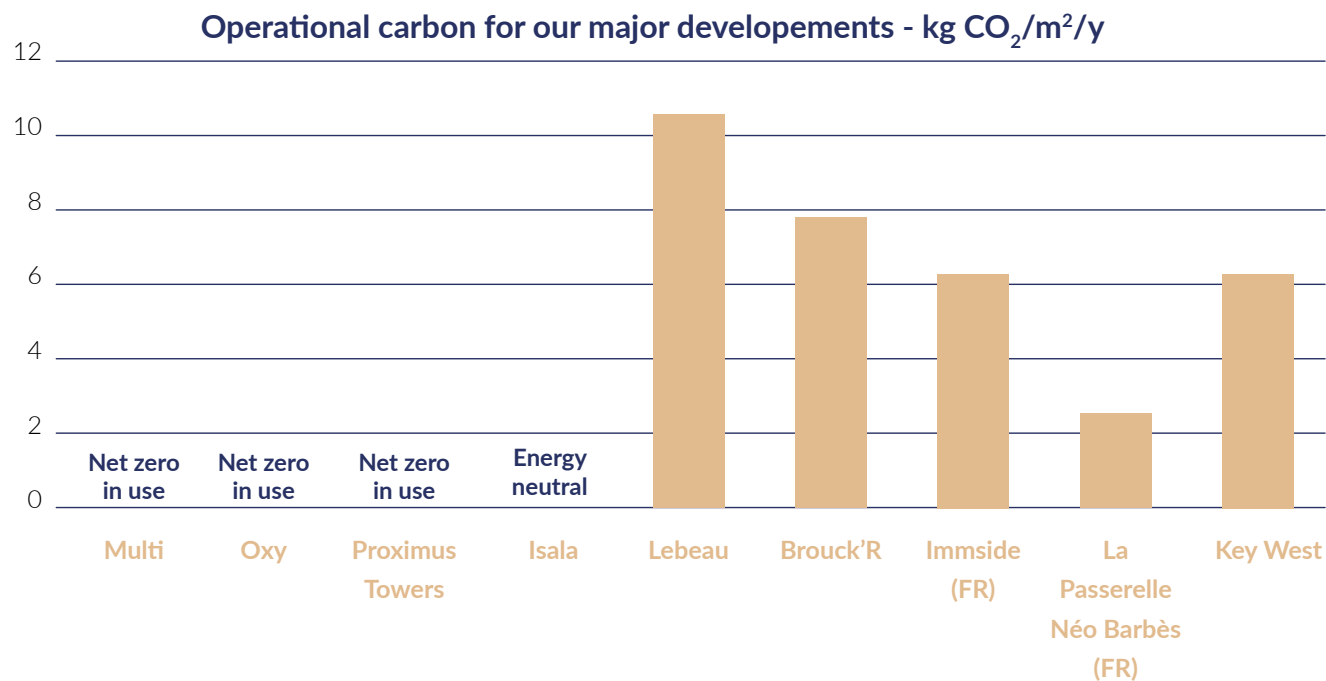
Regarding this operational carbon (limited to electricity from grid), our pathway aims for a maximum of 10kg CO₂/m² for developments with permits introduced as from 2022. We will continuously monitor our performance and implement alignment programs with tenants in order to make green leases the standard and to become net zero operational.

Development projects for which a Lifecycle Assessments has been done all indicate results equal or below 10 kg CO₂/m²/year, far below the CRREM pathway for decarbonisation. Since all developments are fossil-free, the operational carbon is related to the incoming electricity from the net and as such beyond the direct control of Immobel. Wherever possible and in close collaboration with future tenants, we put in place green leases in order to become net zero in operations (Multi and Proximus Towers). The Isala project is energy neutral on an annual basis since the production for the photovoltaic panels covers the entire energy consumption: the roof is covered with high performant PV panels while BIPV-panels are integrated on the upper garden facades (see image). ►



Multi, Brussels

- Embodied Carbon
- **Operational Carbon**
- Biodiversity
- Environmental leadership



A key solution in decarbonising our buildings will be the district heating/cooling solutions. A heating or cooling network implies the distribution of thermal energy in the form of steam, hot water or cooled liquids from a central production plant through a network connected to several buildings or locations, for heating or cooling of spaces.

A focus is put on two Immoebel developments that will rely on such collective heating and solution solutions: the Slachthuis site in Antwerp and La Passerelle Néo Barbès in Paris. ■

Focus on key projects - district heating

Slachthuis, Antwerp

The Slachthuis site in Antwerp will be completely gas-independent because of the integration of innovative and sustainable energy alternatives (green energy).

The scale of the Slachthuis site, with a development potential of $\pm 240,000 \text{ m}^2$, facilitates the integration of a heat network based on riothermia, a green and sustainable energy source. This heat

network will be able to supply heating and (passive) cooling to the entire newly-developed site through heat recovery from waste water. The residual heat is heated to the right temperature, using heat pumps, and will provide climate-neutral heating (and passive cooling) in the buildings on the Slachthuis site.

In the future, the 2,500 families that will live on this site will be able to use this efficient system, which is independent of fossil fuels, at an affordable price. ■

- Embodied Carbon
- **Operational Carbon**
- Biodiversity
- Environmental leadership



Slachthuis, Antwerp



Environmental strengths of the project:

The project for the restructuring of La Passerelle Néo Barbès is part of a greater environmental approach, with the aim of obtaining the following certifications and labels:

- HQE Bâtiment Durable (French label)
- BREEAM International Refurbishment and Fit Out
- Label BEE, Profil Ville de Paris, mention Effinergie Rénovation (French label)

Social

- 30% preserved for social housing
- several local shops
- a temporary occupation project in order prototype

Biodiversity and water

- Water treatment: reuse of rainwater
- Outdoor patios as part of a landscape project to improve urban biodiversity.

Preservation – circularity

- All existing façades are either pre-served, or made of wood.
- The restructuring project includes a wooden frame for the renovated façade
- 75% of the existing wood floors have been preserved
- The careful removal of specific materials and equipment during the stripping of the site meant that these materials were able to be donated for reuse in other renovation projects.

Mobility

- The project has no parking spaces
- a metro station and 2 international train stations within walking distance
- two bicycle parking spaces (117 places), including a hub for bicycle maintenance and repairs, as well as lockers, equipped with charging points, to store cycling helmets, hi-viz vests and batteries.

Energy

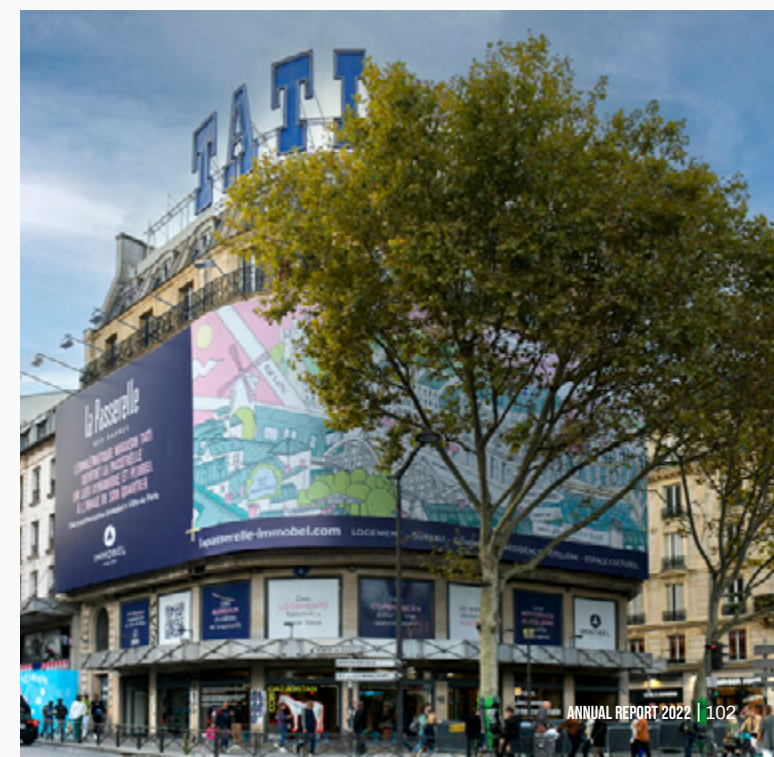
- The project is part of an energy renovation project, in accordance with the national objectives of the “Dispositif Eco-Energie Tertiaire/Tertiary Eco Energy Regulation” and relies on the frigories and calories of the City of Paris’s non-potable water supply.
- The project relies on the district heating network, which runs on 53% renewable energy.

Well-being

- Optimal thermal comfort in the offices with ceiling heating
- Outdoor patios for the apartments and a 140-square metre rooftop terrace with plenty of greenery as a community meeting place for all residents as well as a 100- m² outdoor space for office users. ■

La Passerelle Néo Barbès, Paris

The transformation of the iconic Tati Barbès building applies a design that respects the actual building and maintains a maximum of existing structures, combined with a program that responds to the human, social and cultural needs of the district.



For the environment **3. Biodiversity**

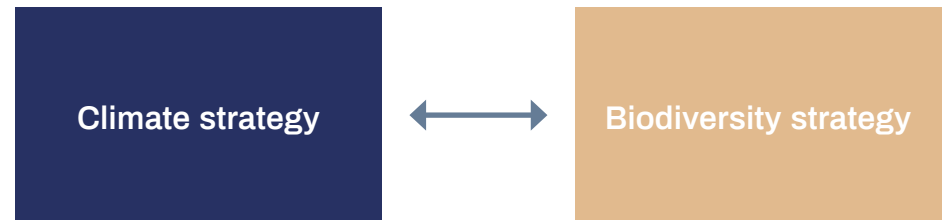
Importance of the topic

Biodiversity is the wealth of species, ecosystems and their interactions. In addition to their intrinsic value, these species and ecosystems provide several valuable services to our society, such as reducing the urban heat island effect (an increase in temperature in urban areas), improving air quality, absorbing CO₂, or regulating the runoff of rainwater. Biodiversity loss and ecosystem collapse represent one of the greatest threats humanity will face in the next decade: plant and animal species are disappearing at an accelerating rate due to human activities.

The continuous increase in built-up area and urbanisation is prompting new ways of thinking about biodiversity. Ecosystems and biodiversity in cities are important, sometimes unique, and need to be protected and further enhanced. There is a consensus that biodiversity strategies for the built environment will be a key element to protect and restore biodiversity in general. Action is needed to stop and reverse biodiversity loss.

Immobel will develop an approach to integrate biodiversity into all activities, using it as a driving force during the whole life cycle of a building or a development. As the biodiversity crisis and the climate crisis are profoundly interlinked, we are convinced they should be looked at jointly.

This approach will put Immobel on a pathway to become an active and positive partner to make our cities and communities more resilient and climate proof – combining the goals of biodiversity improvement and CO₂ reduction/capture.

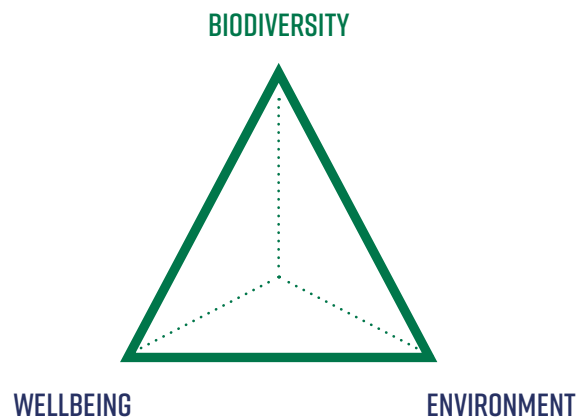


We will leave biodiversity in a measurably better condition on our developments. Since there is no legislative frame with regard to biodiversity, Immobel wants to pave the way in the application of Biodiversity Net Gain, setting best practice, and delivering schemes.

Sometimes through developments we remove green space or habitats to make way for new buildings. We are however committed to the principles of Biodiversity Net Gain (BNG). This means providing the right habitats, encouraging appropriate species, and improving the quality of biodiversity. We are targeting a 10% uplift in biodiversity compared with pre-development conditions for all new schemes, which is a significant net gain.

To measure the uplift, Immobel uses a recognised Biodiversity Net Gain calculator. This tool allows for the biodiversity value of a site to be measured based on the type of habitat present and its relative condition. Designs can then be drawn up which target an improvement in biodiversity following development. A pilot project has been set up for our residential development in Ciney, Belgium. ►

- Embodied Carbon
- Operational Carbon
- **Biodiversity**
- Environmental leadership



The interventions aiming to restore and increase the biodiversity value can and should obviously be mutually beneficial for the health of the users and the environment. The different habitats should provide an added value for:

- Climate resilience (water management, flood risk management, carbon sequestration)
- Microclimate (air quality, local thermal comfort)
- Well-being (sensory, relaxation and stimulation, social engagement and interaction).

We will therefore favour the following design features:

- Landscaping that includes a wide range of species of known value for pollinators.
- Maximisation of habitat variety and structure. Opportunities for the creation of novel habitats (appropriate from an ecological or land use perspective) will be taken, including the provision of living roofs, water features and urban woodland.
- Creation of green and blue corridors along which wildlife can freely pass.

- Living roof coverage (ideally biodiverse roofs) will be maximised.
- Minimisation of flood risk by means of natural infiltration solutions such as rain gardens or other SuDS (Sustainable Drainage Systems) measures.
- The design of green spaces that apply relevant guidance from the WELL Building Standard as a tool to quantify the benefit to occupants and local communities.

Targets and reporting

All future developments which make use of existing land will be assessed with the Biodiversity Net Gain tool to guarantee a net gain despite our construction activities. A 10% improvement is the minimum threshold to achieve by 2025.

There is no single universal measure of biodiversity as there is for carbon. Therefore, biodiversity metrics necessarily have to simplify some of the complexities of biodiversity.

To start exploring how to more quantitatively include biodiversity in Immobel's way of working, a decision was taken to conduct a pilot study for a concrete project. To this end, Immobel selected a project design for the development of new housing in Ciney, Belgium: the Crahiat project.

The Biodiversity Net Gain Calculator (BNGC) makes use of "Mean Species Abundance (MSA)", which is the generally accepted indicator in biodiversity. It is defined as the average abundance of originally occurring species relative to their abundance in the undisturbed ecosystem. Undisturbed ecosystem is understood here as equivalent to a pristine state, intact and undisturbed by human activity. ►

The score will be calculated by comparing the results of the envisaged design with a baseline score of the field in its initial state, calculated during a site visit.

Once a baseline situation has been calculated and expressed in terms of MSA.ha, consequent changes in biodiversity value (both

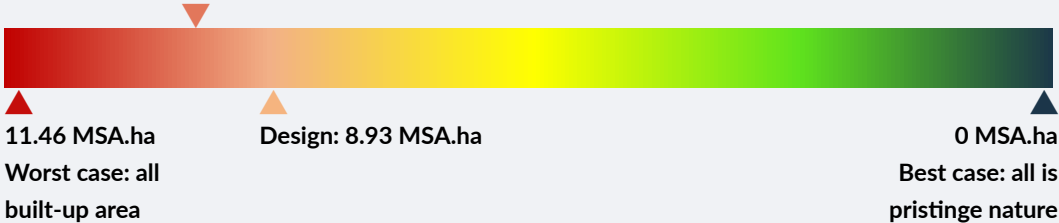
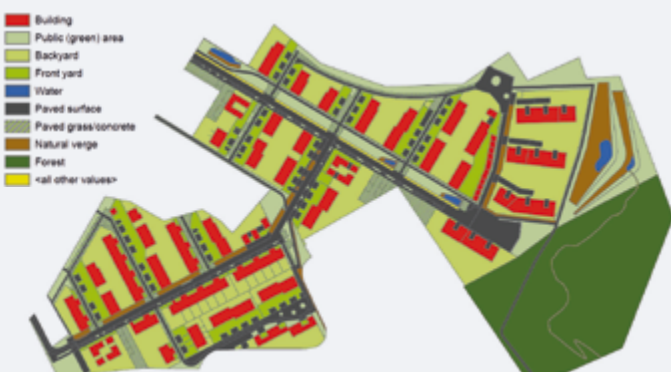
in surface as in quality) can be tracked and expressed with the same metric. Changes in biodiversity value can either be negative (e.g. due to reduction of available surface of green areas and/or due to degradation of habitat quality) or positive (e.g. through biodiversity positive measures). ►

Actual state



Baseline 9.16 MSA.ha

State after the intended real estate development



MSA score	Type
■ 0	Building
■ 0	Paved surface
■ 0 - 0.1	Paved grass/concrete
■ 0.1 - 0.2	Front yard
■ 0.1 - ?	Backyard
■ 0.3 - 0.5	Natural verge/wadi
■ 0.4 - 0.6	Forest (remains)
■ 0.2 - 0.6	Water

The total plot of 11.4 hectares has a baseline biodiversity footprint of 9.16 MSA.ha. The actual design of the project indicates that despite the provision of residential units,

a **biodiversity gain of 2.5 %** compared to the agricultural baseline was achieved, thanks to the integration of trees, water infiltration zones, bordering green hedges, an arboretum, wadi's etc.

- Embodied Carbon
- Operational Carbon
- **Biodiversity**
- Environmental leadership

The results of the pilot allows the design team to work on opportunities for biodiversity improvement detected during the study. The design will work on:

- Improving private plots such as front gardens
- Implementing green roofs and green walls
- Improvement of the 'slabs of grass' by foreseeing more room in between for herbs and other plants.
- Opportunities for enhancement of shared plots by creating communal ecological gardens with room for leisure, gardening and enhanced biodiversity. The calculator should become a design tool leading to decisions with regard to density, land use and specific measures to stimulate biodiversity, up to the design of private gardens of our residential projects.
- Integrating corridors and connective green spaces

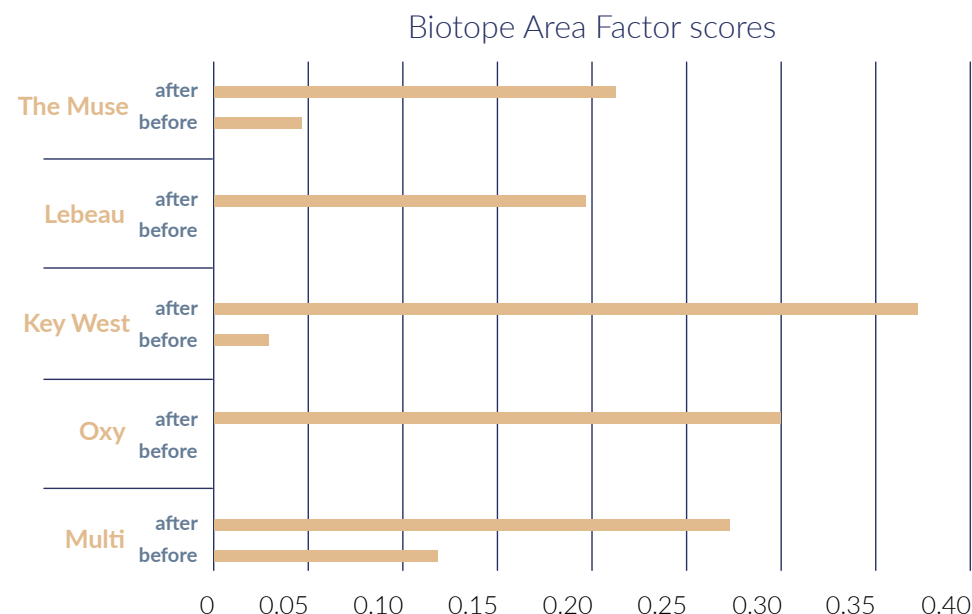
These improvements should allow us to optimise the BNG score.

As part of our ambition to make quantitative statements on Biodiversity Net Gain, Immobel will make available the use of the BNG calculator as a common design tool with the aim to reach a 10% gain by 2025 for similar rural projects. This will be a guiding principle in our evolution towards intelligent land use, which will in the future by definition be based on brownfields in order to limit construction on ground with high soil fertility and underground biological diversity.

The reporting will also provide us with relevant quantitative data with regard to the biodiversity-related disclosures within the EU taxonomy and the ecological KPIs as defined in ESRS 4 in the context of the Corporate Sustainability Reporting Directive.

While the Biodiversity Net Gain is almost by definition obtained in an urban context, success for urban developments will also be measured through the Biotope Area Factor (BAF): by assessing the proportion of green space in relation to the total site area and total open accessible space. The BAF is a tool used to measure the absorbent properties of a surface. To calculate this indicator, one need to determine the relationship between the ecologically effective surface area and the total surface area of a lot. The BAF is particularly valued because it offers a flexible approach to reconciling densification and greening policies.

For our large developments projects our design often leads to an increase of 30% biodiversity potential by providing a series of green spaces at different levels. ►

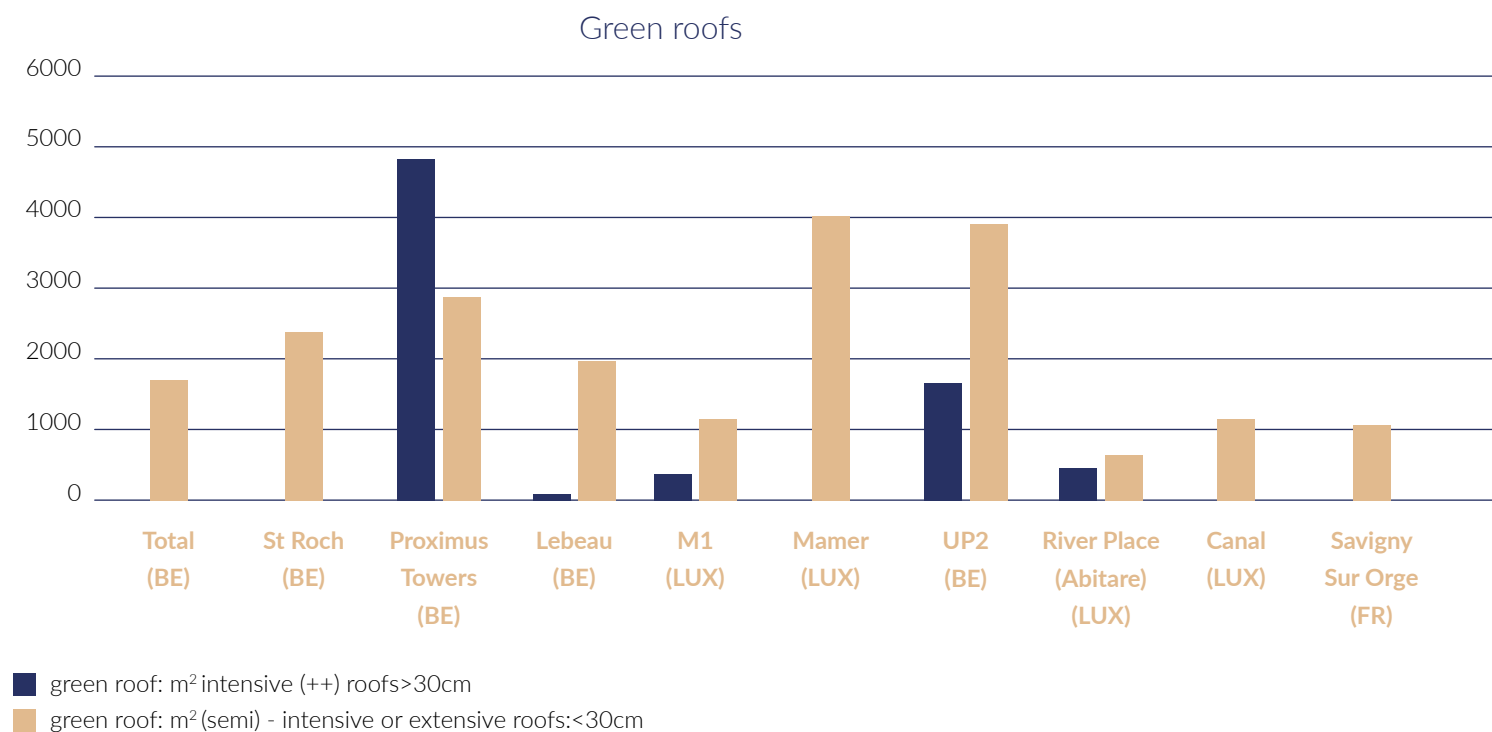


- Embodied Carbon
- Operational Carbon
- **Biodiversity**
- Environmental leadership

The provision of green roofs is also an essential part of the green-blue strategy that we use on our projects. Our residential development in Marbella includes a total of 21,000 m² of green roofs combined with a 70% coverage of the total surface by green spaces. This unique landscape vision creates a Mediterranean ecosystem by combining a typical local landscape (rocks, stones) with a vegetal landscape with a large density and variation.

The graph below provides an overview of the planned green roofs on some other main development projects under permit or under construction in the different countries where Immobel is active.

All Immobel development projects also integrate a circular solution that allows rainwater to be recovered, by means of stormwater basins and/or rainwater tanks. ■



Focus on key project (biodiversity and innovative water strategy)

If we look at the redevelopment of the Proximus Towers as an example, several actions have been taken to increase the BAF score. In total, approximately 1 ha of vegetation is provided on the buildings, in the form of roof gardens, green facades, covered patio gardens and especially public space on the ground floor.

The footprint of the buildings will be reduced. Thus, the transformed buildings will occupy a smaller land area than they do today; 62% compared to 82%. In this way, 20% (or / 2,250m²) of the land area will be given back to the neighbourhood by pulling the perimeter of the existing building back from the plot boundaries and creating an interior garden in the middle of the building.

Different green spaces are taken into account for the calculation such as the green roofs and terraces at different levels of the towers (with adapted habitats), as indicated below. This leads to an improvement in the BAF score which is significantly better compared to other developments in the Brussels area.

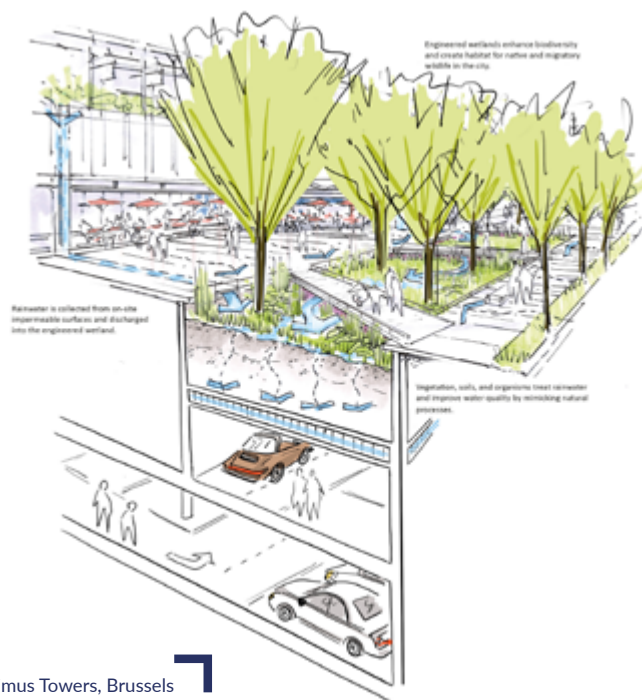
One of the means by which we have chosen to keep this commitment in the future is the registration of our major projects with the BiodiverCity® label. Created in 2013 by the International Council on Biodiversity and Real Estate (CIBI), it assesses the performance of real estate projects on the basis of a benchmark. This control, carried out by independent experts, guarantees that the program responds to the following four aspects: the commitment of the company, the means implemented, the evaluation of the ecological benefits, and the benefits for users. Immobel has started with one pilot project before opening up our ambitions to new, future developments. The first project to target this label is the redevelopment of the Proximus Towers. ►



- Embodied Carbon
- Operational Carbon
- **Biodiversity**
- Environmental leadership

The project is also characterised by an innovative water strategy. The area liberated by reducing the footprint of the buildings will be used to create an enormous water reservoir of 2,213m³. This water reservoir will collect 100% of all rainwater that fall on site.

In the same category of vertical green solutions, Immobel is proud to have integrated more than 2,000 m² or a total of 185,000 plants on the façade of the residential Eden tower in Frankfurt. This is almost 3 times more surface area than the ground on which the building is standing. The plants are watered using an automatic irrigation system. If the entire strip of greenery were to receive the same amount of water, this would not function optimally. To get the right amount of water in the right place, an advanced irrigation system with temperature sensors and several water groups is used. This way, each plant receives exactly what it needs.



Proximus Towers, Brussels

Focus on key project (Intelligent land use)

Immobel has a clear strategic focus on urban renovation projects. Unfortunately, renovation of the existing building stock is unlikely to meet the expectations of citizens regarding housing needs. Nevertheless, Immobel fully commits to the principles behind “no net land take in 2050” which implies applying a land sobriety principle adapted to the social and economic conditions of each region and preventing urban sprawl.

Therefore, with regards to land use, Immobel will apply an acquisition policy based on brownfield redevelopments (land that has already been developed) with a view to reduce land use while at the same time protect soil in peri-urban environments.

In 2022, Immobel started the reconstruction of Fort d'Aubervilliers in Paris. The two residences Fort'Izy and Fort'Immo consist of 157 homes and 256 social and intermediate rental homes. The project takes place integrally on a former military site and is therefore 100% a brownfield development so no new land has to be opened. In addition, this eco-district provides 13 hectares of greenery, which are partially accessible to residents. The projects also integrates an advanced solution of rainwater recovery consisting of a cascade system including a retention roof, an infiltration basin, a specific basin for watering of green spaces which has an additional buffer into a second infiltration basin to avoid any runoff to the sewage system.

Residential projects throughout Europe apply the same focus on brownfield development such as the Polvermillen site in Luxembourg where an old industrial site will be transformed into an ecodistrict with 1/3 of the site dedicated to green spaces or the Eden project in Frankfurt where an old car parking has become a residential tower with exceptional vertical gardens.

Overall, within our “new construction” portfolio, 70% is developed on brownfield areas rather than natural or agricultural land. ►

Offset programme

Immobel has started a net-zero pathway and considers that off-setting should be the last resort after efforts have been made to reduce the greenhouse gas emissions of its operations. For each project not reaching the objectives regarding operational and embodied, a CO₂ compensation program will be launched. For this purpose, local partnerships in Belgium, Luxembourg and France will be established and projects meeting the highest standards will be carefully selected.

The objective is to provide a local compensation equivalent to the gap towards the target via carbon sequestration solutions, such as regenerative agriculture and reforestation.

The following years, focus will be put on reducing carbon and improving biodiversity. Our aim is to have a 100% transparency on carbon emissions by 2025. In the meantime, we choose to build the necessary partnerships with local partners in the field of biodiversity or regenerative agriculture, rather than enrol in carbon credit programs that often place the burden on developing countries.

We will continue to build on existing partnerships and gradually expand them, such as the collaboration with Reforest'Action in France. This collaboration has already led to the following results in the last 2 years:

- 4,000 trees planted
- 12,000 animal shelters created
- 16,000 months of oxygen generated

The projects of Reforest'Action are aligned with the "Label Bas Carbone" in France. Adopted since 2019 to achieve the climate objectives of the national low-carbon strategy (SNBC), the Low-Carbon Label is the first voluntary climate certification framework in France (which includes certification by an independent international certifying authority).

In Belgium and Luxembourg, Immobel will continue analysing if plots in their portfolio can be dedicated to CO₂ compensation projects. Immobel will also take part in 2023 in local initiatives such as planting a company forest. ■



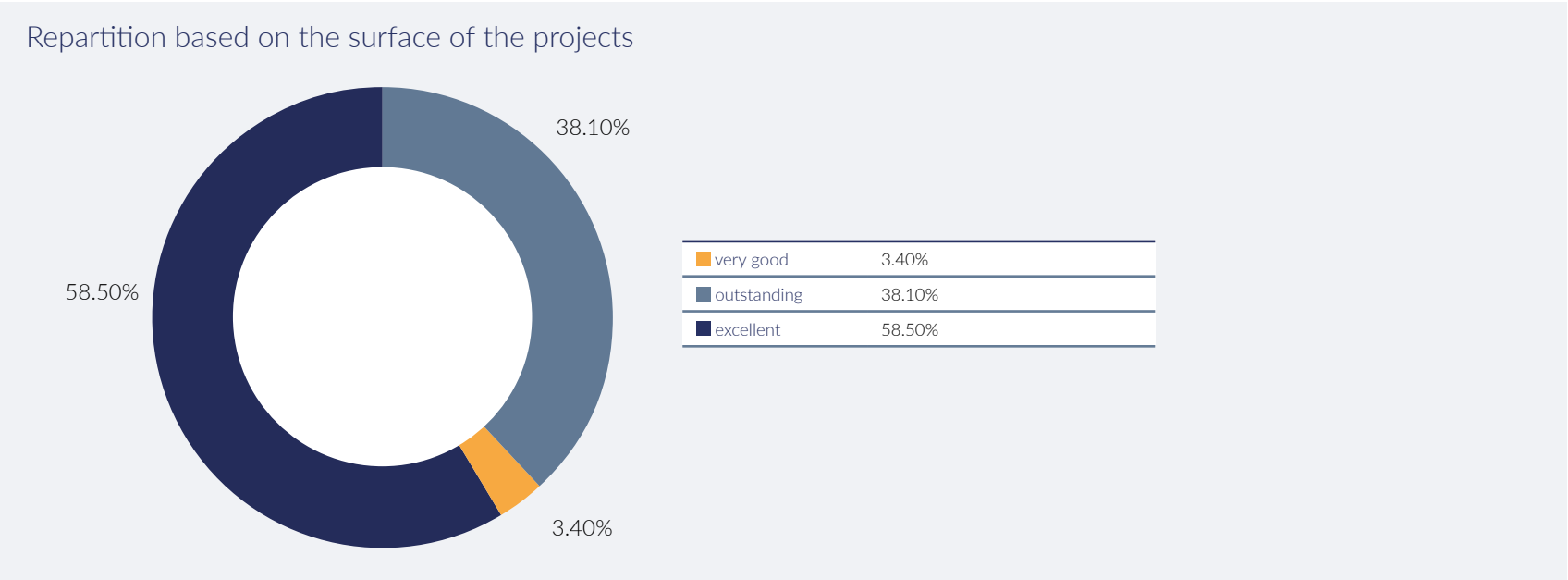
For the environment **4. Environmental leadership**

Environmental leadership: targets and reporting

Certifications

For (re)development projects, Immobel wants its buildings to achieve an environmental performance that surpasses the regulatory requirements. All its (re)development office projects are therefore certified by acknowledged frameworks (BREEAM, HQE, DGNB, WELL). All ongoing office developments target a minimum of BREEAM Excellent aiming for 100% BREEAM Outstanding certification by 2025.

100% of our of office projects (design – permit – construction) are in the process of a **BREEAM certification**:



Science-based Targets

Immobel will demonstrate how its net zero targets are compatible with the Paris Agreement and the 1.5°C trajectory by using the **Science Based Targets initiative (SBTi)**. It provides us with a clearly defined pathway to future-proof growth by specifying how much and how quickly we need to reduce our greenhouse gas emissions. Setting a Science Based Target is one of the most well-known internationally recognised methodologies to show ambition and to differentiate between greenwashing and real, effective climate action. The Immobel net zero targets, including the company-related scope 1 and 2 emissions, will be introduced in 2023 with the aim to be validated by 2025. ►

- Embodied Carbon
- Operational Carbon
- Biodiversity
- **Environmental leadership**

- Embodied Carbon
- Operational Carbon
- Biodiversity
- **Environmental leadership**

In 2022, Immobel finalised a baseline calculation for the **company-related scope 1 and 2 emissions**. Although the **scope 1 and 2 emissions** linked to corporate assets do not even represent 1% of the overall carbon emissions, Immobel considers that setting ambitious goals for this scope is essential, to set a good example and involve all employees in the overall effort to reduce greenhouse gas emissions.

Immobel has finalised these carbon emissions calculations of its own emissions, taking into account the **energy consumption** by buildings occupied by Immobel as well as **business travel** and **commuting** of Immobel employees.

The move to the Multi building – the new headquarters of Immobel – already leads to significant carbon reduction since this is the first CO₂ neutral office building in operation, thanks to a combination of heat pumps, solar panels and a green electricity contract: 100% of the consumption is covered by renewable energy contracts. The building has also obtained BREEAM In-Use with an Excellent rating.

Climate disclosure

We target full visibility on how the climate strategy is being implemented within the company and transparency on progress against targets. Immobel therefore commits to publicly report its GHG emissions progress against published targets on an annual basis.

Immobel commits to have 100% CO₂ documentation in place by 2025. This implies that all development projects should report on embodied and operational carbon (scope 3 emissions) by systematically using Life Cycle Analysis studies. ■

SCOPE OF THE CARBON FOOTPRINT



Office life
Scopes 1/2/3

DESCRIPTION

Emissions resulting from Immobel's office activities

SCOPE

Head office and branches

SOURCES OF EMISSIONS

- Energy consumed in the offices
- Home/work commute
- Work-related travel
- Purchase of goods and services
- Waste
- Fixed assets (IT equipment, etc.)

INDICATORS

total 580 tons CO₂

LEAD BY EXAMPLE

Towards Collaborators

	Current Target	2025	2030
Diversity & equality on all levels within the company	<p>Formalise our ambitions in a D&I policy based on zero inequality (equal pay - equal opportunities), fair and inclusive HR policies, diverse and inclusive workforce (gender, race/ethnicity, people with a disability)</p>	<p>40% diversity on the level of gender and ethnicity/race at all management levels: Management team, Executive Committee and Board</p>	<p>Take a leadership role in the sector regarding D&I by taking or supporting community initiatives, joining ecosystems/networks or obtaining external recognition for our equality and inclusion efforts.</p>
Stimulate a healthy work environment	<p>Development and personal growth: 75% of employees have an individual development plan ("Immobel academy")</p>	<ul style="list-style-type: none"> • Reach a minimum of 50 hours of training per employee • Employee satisfaction survey, increase: <ul style="list-style-type: none"> – participation to >80% – the score to >80% 	<ul style="list-style-type: none"> • Development and personal growth: 95% of employees have an individual development plan ("Immobel academy") • Employee satisfaction survey, increase: <ul style="list-style-type: none"> – participation to >90% – the score to >85%

- Diversity & Equality
- Healthy Work Environment

Towards collaborators **1. Diversity and Equality**

Importance of the topic

The business case for diversity and inclusion is stronger than ever – organisations perform best when they employ diverse talent. Yet for diversity to truly flourish, it needs to be treated as a strategic, business-critical priority that's supported at the very top of an organisation and integrated throughout.

Targets and reporting

At **Group level**, where people are our key asset, we have defined 4 KPI's :

- Equality: a zero inequality policy with 100% equal pay and no discrimination based on gender, age, sexual orientation, religion or philosophical belief, ... We want to promote a culture of overall equality where every employee can develop his/her talents within the company, regardless of his/her entry position.
- 40% diversity on the level of gender and ethnicity/race at all management levels. Below an actual overview is given of the Board compositions by gender:

Level	Male	Female	Female %
Board of Directors	4	3	43%
Executive Committee	5	1	20%
Local Management Teams	22	13	37%
All collaborators	142	120	46%



- **Divers and Inclusive workforce:** develop initiatives to increase the diversity of our workforce with a specific focus to welcome more collaborators with a disability.
- **Community leader:** take a leadership role in the sector regarding D&I by supporting community initiatives, joining ecosystems/networks or obtaining external recognition for our equality and inclusion efforts. ►

Immobel's Commitments towards its collaborators

Immobel recognises its talented and diverse workforce as a key competitive advantage in the Real Estate business. Being successful as a company requires the quality and skills of all the collaborators. Immobel recognises that everyone brings its own experience and capabilities in their field of expertise. This diversity is a key element in being successful at all levels of the company. Diversity is recognised within Immobel as a business interest, leading to better overall performance and to high quality products, services, and business decisions. Immobel strives to create a supportive environment where everyone can realise its full potential within Immobel, regardless of their differences. Immobel strives to employ the best employees and collaborators in their field of expertise to do the best job possible. Immobel values the importance of reflecting the diversity of our customers and markets in its workforce. This diversity encompasses differences in gender, language, ethnicity, age, sexual orientation, religion, socio-economic status, experience, and education. Immobel gives equal opportunities to individuals, regardless of their background, in its recruitment, retention and talent management in general. The diversity of the teams in all its aspects is a source of innovation, growth, and prosperity.

Immobel commits to:

- Encourage equality, diversity, and inclusion in the workplace as they are good practice and make business sense.
- Create a working environment free of bullying, harassment, victimisation, and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff are recognised and valued. This commitment includes training managers and all other employees

and collaborators about their rights and responsibilities under the equality, diversity and inclusion policy.

- Immobel considers the development of its staff as a priority. It ensures the motivation and involvement of its staff and ensures that they always have the skills required for the success of their assignments. In other words, Immobel's HR ambition reflects its promises: improving and developing the Group's human capital, rich in diversity, creating opportunities for everyone and building the future for its staff.

Immobel's commitments put into practice

Collaborators are essential to our success, and we are dedicated to attracting, developing and promoting a talented, diverse and multicultural workforce. To that end, Immobel's commitment to diversity and inclusion is reflected in its various practices:

Recruitment practices

Job opportunities are described with clear criteria and expectations and made available on a transparent job market (internally and externally). The recruitment process is open to diversity and free of any selection criteria linked, directly or indirectly, to age, sexual orientation, gender identity, marital status, birth, wealth, religious or philosophical belief, political belief, trade union belief, current or future health condition, disability, physical or genetic characteristic, social origin, or any other discriminatory characteristic.

When hiring, knowledge, experience and abilities of candidates will be considered against the objective requirements set forward. ►

Continuous learning & development practice

Attendance to learning opportunities is possible for all collaborators. Individual training needs are collected during the mid-year and yearly appraisal meeting and throughout the year career development reflections are organised. Immoel is also encouraging knowledge exchange between departments and countries by means of initiatives such as "lunch & learn" sessions.

Rewarding performance

Compliance with the Immoel approved remuneration policy (see annual report) is the foundation of a non-discriminating remuneration approach to all of our employees. We ensure that performance review methodologies and processes are consistently applied. ■

- Diversity & Equality
- Healthy Work Environment



Towards collaborators 2. Healthy work environment

Importance of the topic

Our employees are our most valued assets. We see a diverse, resilient workforce as essential to the strength of our global business, and we invest in supporting our employees through every stage of their career with us.

Since well-being is a central pillar of today's world of work, Immo-
bel takes also a number of actions to enhance physical well-being, in pleasant, ergonomic, well-equipped and safe environments.



- Diversity & Equality
- **Healthy Work Environment**

Targets and reporting

Learning and development: the Immo- bel Academy

Investing in continuous training and development of our teams contributes not only to them, but also to Immo-
bel as a whole. By providing our teams with learning and development activities, we enable the Company to achieve its business targets, and allows the people to constantly grow professionally and to prepare for the future.

Training and personal development has a strategic role in the Company. We believe that learning and development **contributes to attracting new talents as well as retaining existing talents.**

Through the **Immo-
bel Academy**¹ we want to offer an attractive and qualitative offer of training and learning experiences, accessible for all teams so that everyone can grow in their current role or evolve in their potential career path.

Through the Academy we aim at offering training in line with the learning objectives (Awareness – Knowledge – Skilled – experts) and we do this around three domains:



The foundations

We want to offer training to develop basic skills. E.g.: Languages, Effective use of Microsoft tool, Presentations skills, but also topics around Well-being...



The leader in Me

Specific programs on future proof senior Leadership. Participative Leadership. Open & continuous feedback, etc.



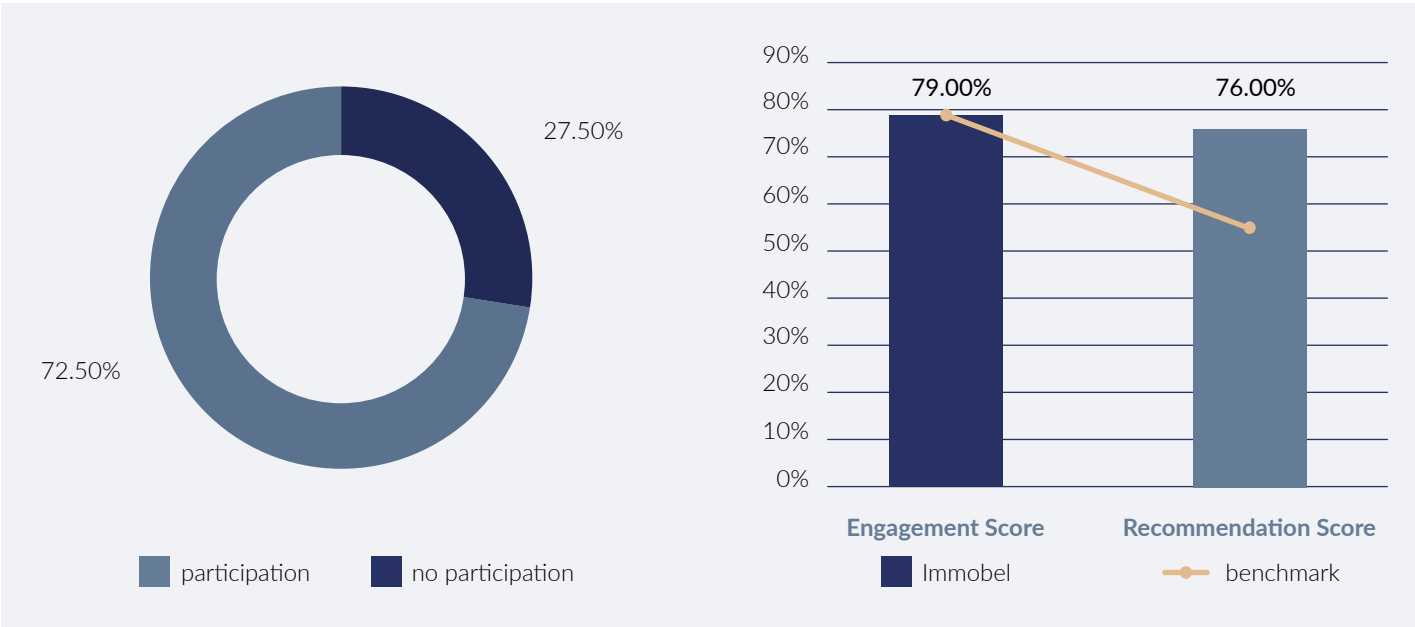
Our Experts/ Specific Real Estate Topics

Our internal experts share knowledge on specific topics. We regularly invite external speakers to do the same.

¹ The Immo-
bel Academy is the main tool and process which allows individual development plans to be stored and managed.

Well-being / Safety & Security / Engagement Survey

In 2022, an engagement survey was launched at **Immobel Belgium & Immobel Headquarters**. This survey focused on well-being and life at work and provided us with very useful insights.



Collaborator's engagement is the strength of the mental and emotional connection collaborators feel toward the work they do, their teams, and their organization.

An **overall Engagement score** of 79% was reached, which is perfectly in line with the benchmark.

The Promoter Score is used to measure loyalty and engagement. we ask the collaborators if they would suggest Immobel to a friend or family member. In 2022, **the promotor score (or recommendation score) was 76%**. This is strongly above the benchmark of 55%.

Immobel's ambitions do not have a negative impact on perceived workload (9/100, benchmark = 31/100) or work-life interference (20/100, benchmark = 19/100). Collaborators seem to have found a good balance here; something that is very important for (mental) well-being. Immobel aims to gradually improve these scores in the coming years.

The move in 2022 to the new headquarters was accompanied by a focus on **health and well-being** for employees by providing healthy food on a daily basis (such as fruit baskets and fresh soup) and launching initiatives such as yoga sessions. ■

LEAD BY EXAMPLE

In the industry

	Current Target	2025	2030
Positive leadership: promote sustainable behaviour throughout the value chain and within the industry	Launch of a supply chain due diligence	<ul style="list-style-type: none">• Full CSRD alignment• Environmental leadership: GRESB rating of 4 stars (top 40%)• Responsible purchasing policy integrated in all supplier contracts	<ul style="list-style-type: none">• 100% of delivered projects are taxonomy-aligned

Importance of the topic

The challenges described in this report can only have a structural impact if we collaborate at sector level. It is therefore important to take part in various sector initiatives on social, community and environmental impact and collaborate and align with all stakeholders in the value chain on these topics.

At the same time, we observe an enormous number of global (environmental) standards in the field of real estate. Such a large number of standards gives rise to divergent interpretations and, as a result, in greenwashing. Common languages such as the taxonomy classification will be crucial to get all stakeholders aligned and to obtain standard and transparent data.

CSRD – Corporate Sustainability Reporting Directive

Non-financial reporting has significantly improved over the past years. With the implementation of the new EU directives linked to non-financial reporting, the scope of companies required to report on ESG aspects will be increased.

Specifically, Immobel is expected to fall within the scope of the upcoming Corporate Sustainability Reporting Directive (CSRD). Although the exact CSRD requirements remain uncertain, the key elements have been drafted and the first steps are being taken today to be able to meet the upcoming CSRD reporting requirements.

As the current European Commission draft for the CSRD stands, this piece of legislation will come into force for Immobel as of financial year 2025 (report published in 2026).

The CSRD will require us to increase our current sustainability efforts to report in line with the upcoming CSRD requirements; not merely to comply but also to create and sustain value out of its sustainability journey where possible.

As a first step in this journey, Immobel has performed a readiness assessment against the CSRD requirements, by identifying the gaps between the current state of play at Immobel and what is mandated by the proposed CSRD legislation. Moreover, a realistic high-level roadmap with actions and initiatives (structural requirements) based upon the readiness assessment has been created.

This had led to an action plan structured in clear and concise initiatives which have all been mapped in a roadmap until 2025.

The roadmap enables Immobel to be compliant by FY 2024 to allow a first “test” reporting year in 2025 and conduct an assurance readiness assessment regarding this information. An assurance readiness assessment will help Immobel to remediate any shortcomings in time and will prepare Immobel to be fully compliant by FY 2025 (reporting in 2026).

Measuring, benchmarking and reporting

ESG reporting has become an increasingly important part of our business. Immobel is aligning its KPIs with the European Sustainability Reporting Standards (ESRS)) which will be the norm to be respected within the CSRD. Additionally, for the second year in a row Immobel has participated in the **Global Real Estate Sustainability Benchmark (GRESB)**, obtaining a **score of 79%** which is an improvement of 6 points compared to our first participation and in line with our ambitions to be in the top 40% of participants by 2025. ►

Such reporting frameworks have pushed us to be more strategic and actionable around ESG and to refine our approach to data collection to support more efficient, transparent disclosure.

Initiatives at sector level

Right from the outset Immobel has played an active role in sector initiatives such as **Urban Land Institute (ULI)**. In 2022 we were involved in sharing knowledge within several ULI product councils as well as supporting and contributing to specific programs such as C-Change. C-Change was founded at the end of 2021 by a group of major real estate players with a common goal: to focus on collaboration to give the entire sector access to practical solutions and training for decarbonisation. As a founding partner, Immobel is convinced that the sector needs a common language, common tools and access to knowledge to accelerate the path towards decarbonisation.

In the chapter on stakeholder engagement, other initiatives or engagements at sector level are mentioned.

Stakeholder dialogue

Conducting a constant and proactive dialogue with its stakeholders ensures that the Company keeps in step with their expectations and a constantly changing society. The overview below specifies the type of dialogue with both internal and external stakeholders. ■



Internal stakeholders

For collaborators

Immobel is a company that allows everyone to think about their job and give it meaning, to work in a caring professional environment and to have a balanced personal life.

Staff

- Internal communication : intranet
- Workshops such as ESG awareness and co-creation sessions
- Trainings
- Employee survey
- Annual appraisals
- Team events
- Collaborative IT tools (Teams, Sharepoint)
- Onboarding process for new collaborators
- Lunch & meet together - internal newsletters (flash news and "Hello Immobel")

Board of Directors - Executive Committee

'The Executive Committee proposes to the Board of Directors the implementation of a corporate social responsibility policy (CSR) to ensure that environmental, social, economic and ethical issues are taken into account in the company's activities.

External stakeholders

For users

Immobel designs real estate programmes to preserve the health of occupants, facilitate healthier and more sustainable lifestyles, and interact with the neighbourhood.

For corporate clients

Immobel offers properties located in lively neighbourhoods that contribute to a modern positioning of their brand and help their organisation connect with society.

Clients

- Satisfaction surveys on a regular basis
- Welcome pack at provisional acceptance
- Monthly newsletters for follow-up
- Marketing automation flows (Hubspot)
- Residential Projects Advisor (customer guidance) SPOC: meetings with Residential Projects Advisor (customer guidance) to personalise the finishings
- Digital sales agreement
- Digital follow-up through customer software
- Complaint handling process managed by a dedicated after-care department
- People for Excellence program: a continuous improvement programme (lean methodology) in our customer guidance team to improve customer satisfaction, employee engagement and increase efficiency.
- Specific clients showrooms in Belgium and Luxembourg - delivery kits (hand-over to end-user)

For investors

Immobel builds sober and attractive buildings that create value through their positioning and that are designed to be able to adapt to changing uses and maximise the intensity of use. ►



Financial community: investors, individual and institutional shareholders, banks and insurance companies

- Letters to the shareholders
- Press releases and financial reports
- Information on the website and on social media
- Conferences/roadshows
- Shareholder identification and targeting
- Direct dialogue
- Capital Markets Day in 2022
- Annual shareholders meeting

For local authorities

Immobel develops projects that contribute to the city's commitments. We participate in ecological and societal transitions which take into account the needs of the neighbourhood.

Public authorities

- Signing of the charter launched by the city of Paris to stimulate temporary occupations.
- Active participation in initiatives to stimulate societal and environmental transitions such as the RENOLAB ecosystem established to stimulate circular projects.

For suppliers

Immobel is committed to supporting its suppliers who develop high-performance products and services, while fully supporting less advanced suppliers.

Partners and suppliers: architects, constructors, industrial partners, start-ups etc.

- Charter of local and responsible procurement
- Continuous dialogue between Immobel development and technical teams and suppliers regarding project design and sustainability certifications, through design meetings, onsite visits etc.
- Partnerships with other developers in a joint approach for acquisitions and developments (e.g. partnerships with Whitewood, Triple Living, Besix) ►

For local communities

To participate in the social and economic diversification of the neighbourhoods where we operate, Immobel relies on the ecosystem of local actors. We seek to enhance their knowledge and integrate into the ecosystem of the project area. Immobel's buildings have a positive impact on the community and the local economy, and host initiatives led by local people and groups.

Associations, exchange platforms, ONG, local communities, neighborhoods

- One-on-one dialogue, workshops and information sessions with neighbourhoods before and during (re)development (internal IMPULSE co-creation methodology)
- Several collaborations with local associations such as a Street art collaboration for the NOVA development in Luxembourg

Public-private partnerships:

Active member in a number of public-private partnerships as an engagement to rethink the neighbourhoods in which we are active:

- Co-creation trajectory with other developers and the city of Brussels to rethink ground floors and public spaces in and around our developments in the centre of Brussels ("Rez-de-Ville")
- Member of the association Up4North to rethink the North district in Brussels
- Member of the association Biestebroek in order to prototype the new district Biestebroek in Brussels
- Member of the European Quarter Fund

Associations, ONG's

- Partner of Reforest'Action in France
- Founder and sponsor of the Immobel Engagement Fund (managed by the King Baudouin Foundation)
- Sponsor of Fondation Pallatio (France)

Academic sector

Managing Director of Immobel Belgium is guest lecturer in the Master of Real Estate course, Saint-Louis University in Brussels

For our sector:

Immobel contributes to the advancement of the real estate sector and its ability to face the major social and environmental challenges of the years to come (industry dialogue).

Associations for our sector

- Madaster Max: partner for the launch of the Madaster platform in Belgium
- Presidency and active member of Urban Land Institute (product councils, decarbonisation programme etc.)
- Several employees are members of Young ULI
- Collaboration and member of Proptech Lab (BeLux)
- Dialogue with European Public Real Estate Association (EPRA)
- Active member of several professional circles: Professional Union of the Real-Estate Sector (UPSI and young UPSI)
- Member of Belgian Investor Relations Association (BIRA)
- Partner of The Pavillon de l'Arsenal (France) which gathers and unites actors of the urban and architectural world, developers, and public and private general contractors
- Member of LuxReal in Luxembourg ■

LEAD BY EXAMPLE

for The Community

	Ongoing	2025	2030
Immobel Engagement Fund	<ul style="list-style-type: none">• Supports non-profits active in social inclusion, health & culture for up to 1% of yearly net profit	<ul style="list-style-type: none">• All employees spend one day working for a charity per year	<ul style="list-style-type: none">• Develop a European scope for non-profit support strategy

Importance of the topic

Beyond our developments, Immobel as a group wants to demonstrate a **societal engagement and a positive impact towards the community**. In that perspective, the **Immobel Engagement Fund** is active for several years as the charity pillar of Immobel.

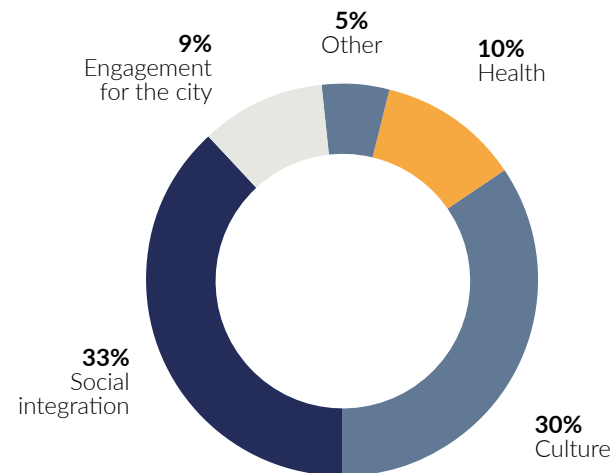
Reporting

The objective of the Immobel Engagement Fund is twofold:

- on the one hand, to allocate amounts to associations in order to support their activities which have a societal aim;
- on the other hand, it allows the integration of Immobel's staff in solidarity actions and reinforces the objectives linked to Corporate Social Responsibility defined by Immobel.

A Board composed of internal and external members selects on a regular basis **initiatives in the fields of social inclusion, culture, health and inclusive city development** to be supported by Immobel.

With regard to social inclusion, Immobel has chosen to work with the **King Baudouin Foundation** to manage the selection of and follow-up of the selected associations or initiatives.



Initiatives that were supported in 2022 include:

- **TADA (TOEKOMSTATELIERDELAVERNIR)**: A network that involves citizens, civil society and businesses in the integration and emancipation of Brussels' socially most vulnerable teenagers and their entourage.
- **CALAME ASBL**: An association supporting youngsters in their school trajectory.
- **YOUTH START**: Training opportunities for youngsters.
- **VUB KINDERUNIVERSITEIT**: Bringing science closer to youth.
- **SCHOLA ULB**: Supporting students in difficulty to avoid them having to drop out of school.
- **OPENING THE FUTURE**: A health programme from KU Leuven, active in research against cancer and neurodegenerative sicknesses.

The Immobel Engagement Fund also encourages the team to devote time to participate in actions the Company supports. To create awareness, different supported associations are invited during **Lunch and learn sessions** in order to explain to our collaborators the impact they are making for society thanks to the Immobel support.

Some solidarity actions in 2022 include:

- Our interior designers went to meet the children of the non-profit organisation ToekomstATELIERdelAvenir (TADA). They shared their skills with them through different workshops they had prepared.
- Immobel employees have also been active in solidarity actions in favour of the Arc-en-Ciel (bringing presents to underprivileged kids) and Les Samaritains Shoe-Box operations (Christmas boxes for homeless).
- By means of individual donations of its employees and through the Immobel Engagement Fund, Immobel donated 100,000 EUR to Ukraine Support, dedicated to medical training and support to local NGOs.
- Donation to “Fondatioun Kribskrank Kanner” that supports the families of children with cancer and rare life-threatening diseases on a daily basis in Luxembourg.
- For several years Immobel is also main sponsor of the Immorun. Next to being a sports event and a teambuilding event, the goal is also to support the @SPORT2BE association, which works to help underprivileged children play sports.
- Donation of office materials to schools and associations at the occasion of our internal move to the new headquarters.

Saturday class organised by our interior designers for children from the TADA programme.



Teambuilding event during the action to give away small building materials at Oxy.



Lunch and learn session by TADA for Immobel employees.

- Employees also demonstrate their solidarity within the context of our development projects. Before renovation works started at the Oxy development in Brussels, employees from Immobel and Whitewood assisted in a giveaway where large quantities of materials were given away to individuals and associations. ■

IV. ESG RISKS

Risks	Description	Link with corporate strategy	Key Risk Indicator	Financial planning
Climate change risk				
	<ul style="list-style-type: none"> • TRANSITION – failure to meet our carbon reduction target leading to regulatory, reputational and commercial impact. • PHYSICAL – failure to mitigate physical impact on Immobel assets” 			
Environmental regulations (legal transition risk)	<ul style="list-style-type: none"> • regulations in all European countries impose buildings at least to achieve a certain standard of energy performance. Some countries have also set targets with regards to material use and climate adaptability 	<ul style="list-style-type: none"> • All renovations and new constructions will be fully aligned with the requirements set by the EU taxonomy • Immobel has executed a gap-analysis with regards to the CSRD. A 3 - year action plan has been rolled-out to ensure 100% alignment by 2024 • Sustainability certifications of buildings 	<ul style="list-style-type: none"> • Energy intensity • Renewable electricity • EPC ratings • Operational carbon emissions • Embodied carbon for new developments • re-use of materials 	<ul style="list-style-type: none"> • Capex associated with refurbishment, including improving energy efficiency, is integrated in the assets business plans
Access to capital	<ul style="list-style-type: none"> • Investors are increasingly discriminating between investment opportunities based on sustainability credentials, risking less availability and higher cost of capital for companies which do not show strong performance and/or progress in this area 	<ul style="list-style-type: none"> • In order to assure our access to capital, Immobel has established a Green Financing Framework (GFF). The GFF sets out the criteria for allocating the proceeds of green finance instruments 	<p>criteria set in Immobel's Green Financing Framework:</p> <ul style="list-style-type: none"> • New acquisitions, construction of new buildings (mostly office and mixed-use developments) which have received or will be designed to receive any of the following classifications: *BREEAM, HQE or equivalent: minimum "Excellent" • For Assets which are not subject to an official classification standard (mostly residential projects), Eligible projects should achieve a high level of energy efficiency with a maximum Primary Energy Demand ("PED") of <ul style="list-style-type: none"> • FOR BELGIUM, LUXEMBOURG, AND SPAIN: 100 kWh/m²/year, • GERMANY: up to 75 kWh/m²/year, • FRANCE: 70 kWh/m²/year 	

Risks	Description	Link with corporate strategy	Key Risk Indicator	Financial planning
Customer behavior and stakeholder expectations (transition risk)	<ul style="list-style-type: none"> • "Customers and other stakeholders expect buildings with sustainability credentials • Not keeping pace with social attitudes and customer behaviours and preferences could additionally cause reputational damage and reduce the attractiveness and value of our assets 	<p>In order to address climate change risks, we have set ambitious climate-related targets:</p> <ul style="list-style-type: none"> • All new developments are fossil-free and strive to a maximum to integrate renewable energy. All sites also include extensive landscape solutions that reinforce biodiversity. Tenants are stimulated towards low-carbon mobility solutions • Specific targets have been set with regards to the carbon emissions. These climate-related targets will be validated by the Science-Based Targets • Each development aims to contribute to the local economy or community as a whole by means of the creation of public spaces, public amenities" 		<ul style="list-style-type: none"> • "Capex associated with sustainability issues is integrated in the assets business plans"
Flood - precipitation - sea rise level (physical risk)	<ul style="list-style-type: none"> • Increased insurance costs from growing flood risk • Increased maintenance and repair costs • Increased investment in drainage solutions and flood defences • Negative impact on asset valuation 	<ul style="list-style-type: none"> • All new investments (both acquisitions and developments) incorporate flood risk assessments • Measures taken to mitigate flood risk include rainwater recycling (such as rainwater harvesting systems for internal building use and landscaping) and biodiversity solutions 		<ul style="list-style-type: none"> • Measures incorporated into financial appraisals of acquisitions, refurbishments and developments
Extreme heat - increase in average temperature (physical risk)	<ul style="list-style-type: none"> • Increased cooling demand 	<ul style="list-style-type: none"> • Adaptation techniques include solutions to prevent the Urban Heat island phenomenon, onsite renewable energy generation installed to manage additional cooling requirements, thermal modelling - orientation choices etc 		

Risks	Description	Link with corporate strategy	Key Risk Indicator	Financial planning
Environmental risk				
Land use: need to limit the artificialisation of soils and protect biodiversity		<ul style="list-style-type: none"> Define a roadmap with regards to land use by applying an acquisition policy aligned with the objectives regarding artificialisation of soil (intelligent urban sprawl taking into account the need for new housing and by increasing urban renovation projects), active policy of ontharding / perméabilisation / permeability. This implies a focus to build new residential project on brownfields (e.g. demolition & reconstruction, reuse of existing buildings) 	<ul style="list-style-type: none"> Biodiversity Net Gain Coefficient Biotope par surface 	
During construction sites, there is a risk of water and soil pollution linked to the presence of hydrocarbons, chemicals, etc.		<ul style="list-style-type: none"> Immobel strives towards 100% taxonomy alignment which included measures with regards to pollution prevention and control 		
Social risk				
Risks related to working environment, corruption and human rights - risk that its counterparties may not fully comply with Immobel's ethical standards.	<ul style="list-style-type: none"> These risks can be found within the company, but also among suppliers and partners working on assignments for Immobel. This corporate responsibility risk can cause significant damage to Immobel's operations and brand" 	<ul style="list-style-type: none"> Immobel will design a Third Party lifecycle process for the risk domains in scope (Environment and Human Rights across the whole value chain) by conducting third party due diligence activities 	<ul style="list-style-type: none"> Code of Conduct towards suppliers in integrated in contract 	

Risks	Description	Link with corporate strategy	Key Risk Indicator	Financial planning
Risk linked to the health, safety and well-being of the team.	<ul style="list-style-type: none"> Failure to identify, mitigate and/or react effectively to a major health, safety or security incident 		<ul style="list-style-type: none"> Number of reportable health and safety incidents 	
War for talent	<ul style="list-style-type: none"> By providing our teams with learning and development activities, we enable the Company to achieve its business targets, and the people to constantly grow professionally and to prepare for the future 	<ul style="list-style-type: none"> Training and personal development has a strategic role in the Company. We believe that learning and developing contributes to attracting new talents as well as retaining existing talents 		
Scarcity of resources and managing the production of waste	<ul style="list-style-type: none"> Managing resources and waste, either by limiting waste or reusing and recycling it, is a crucial issue. More than ever, circularity is a major challenge for our businesses 	<ul style="list-style-type: none"> Immobel applies for future developments a strong preference for renovations and brownfield redevelopments 		

Opportunity	Description	Link with corporate strategy	Key Risk Indicator	Financial planning
Landscaping				
	<ul style="list-style-type: none"> The integration of nature-based solutions or a diversity of habitats in our developments 			
Biodiversity	<ul style="list-style-type: none"> Integrate biodiversity into all activities, using it as a driving force during the whole life cycle of a building or a development. Look for combined benefits; resilience, CO2 caption and biodiversity, linking site to the existing blue-green network There is a clear business case for biodiversity. The ecosystem services provided increase property value and help safe energy, improve quality of life for users and inhabitants and increase social and mental well being Carbon capture Health and well-being Increase permeable soil of our developments 	<ul style="list-style-type: none"> Immobel demonstrates BNG on all its development projects Local partnerships are concluded with biodiversity stakeholders/ reforestation projects If Immobel constructs new buildings, it always ensures that there is at least a gain in biodiversity upon completion of the project as there was before the building was constructed. To ensure this, a tool that has been specially produced and adapted to Immobel's developments. Several different measures such as planting of flora and preservation of water courses were taken to ensure an increase in biodiversity 	<ul style="list-style-type: none"> Biodiversity Net Gain 	<ul style="list-style-type: none"> The landscaping cost is integrated in the CAPEX of the developments

V. ESG GOVERNANCE

A. Governance structure

Immobel has set up a governance structure to manage and standardise the definition and rollout of its ESG strategy within the company.

Board of Directors (BoD)

The Board of Directors is to pursue sustainable value creation of the Company. To do so, they have a crucial role in overseeing the effective management of Corporate Social Responsibility in all its dimensions at the company. In particular, on the proposal of the Executive Committee, the Board of Directors examines and/or approves:

- The **CSR Framework**¹, as an integral part of the business strategy;
- The **CSR Action Plan** with investments to meet the operational objectives [by 2025];
- The **scenario analysis** into strategic planning and/or enterprise risk management;
- The **Short Term Incentive Plan** with targets related to the reduction of GHG emissions for the CEO and the members of the Executive Committee with strategic responsibilities; ►



¹ The 2021 process has resulted in the ESG Framework "Creating healthy places" based on 6 pillars.

- The **ESG report** as part of the Annual Report;
- **Disclosures**, considering the assessment of the Audit & Risk Committee, including the Half-Year Management Report and the Full Year Management Report (including the Consolidated Disclosure of Non-Financial information).

Audit & Risk Committee

- It supports the BoD on the review of the Disclosures, including the Half-Year Management Report and the Full Year Management Report (including the Consolidated Disclosure of Non-Financial information);

The Audit & Risk Committee is responsible for the monitoring of the Enterprise Risk Management and mitigation strategies, including ESG risks.

Remuneration Committee

- It proposes to the BoD the general criteria for the variable remuneration of the CEO and members of the Executive Committee, which include specific objectives associated with the reduction of GHG emissions.

Nomination Committee

- The ESG knowledge is taken into consideration at each appointment. Specific attention is paid to ESG aspects at the level of the appointment.

Acquisition Committee

Monitors the ESG sanity check (including climate risks) as part of Due Diligence.

CEO / ExCo

The CEO, together with the ExCo is ultimately accountable for the effective management of Corporate Social Responsibility of the Company and is supported by:

- the ESG Steerco
- dedicated thematic working groups to strengthen the knowledge with regards to specific ESG topics across the company.

ESG SteerCo

Goal: To allow regular in-depth conversations on all ESG topics and set the priorities for the overall ESG program and company-wide initiatives (including start-up of thematic working groups):

Frequency: monthly

Possible topics: ESG strategy; refresh ESG policy; report 2022 implementation actions; define 2023 actions; ESG governance; CSRD update; expert sessions on specific topics. ►

Esg SteerCo

Responsibilities	Participants
Chair meeting and set the tone at the top	CEO (Chair)
Overall program management	Head of ESG (acting as ESG Program Manager)
Reporting on implementation actions and KPIs	
Monitor of and compliance with ESG regulation	Chief Legal Officer (CLO)*
Monitor and report on market trends and developments and share insights with thematic working groups	Head of ESG
Develop proposals, coordinate the integration of ESG aspects into core activities and drive implementation	Healthy Places: (Delegate) MDs and Chief Technical Officer Employees engagement: HR* Governance: CLO / Company Secretary*
Ensure operational projects are in line with the integrated strategy	Head of ESG - Continuous Improvement Manager

* participation in function of topics on agenda

Thematic working groups

Goal: Strengthen the knowledge with regard to specific ESG topics across the company and exchange best-practices around specific topics.

Working groups at group level

- **Carbon Neutrality Programme** aims to monitor targets and actions to reduce emissions and identify new reduction initiatives in the long term for scope 1 and 2, including the identification of technologies to support the energy transition in buildings;
- **Biodiversity Programme** for the identification, development and monitoring of the impact of projects aiming at conservation, restoration and sustainable management of biodiversity;
- **Circular Economy Programme** has the aim of accelerating the process of identifying and implementing technological solutions, products and processes that minimise the consumption of resources and energy in all businesses, and the reuse and exploitation of waste materials;
- **HR / Governance Program** with the aim to accelerate the process to align policies across all entities. ■



B. Governance of ESG issues

All of Immobel's operations are encompassed by the sustainability initiatives, which are governed via Group-wide policies,

guidelines, short- and long-term measurable goals and detailed action plans. The aim of this work is to monitor,

document, evaluate and improve Immobel's sustainability activities with strategic responsibilities;

	Users	Neighbourhoods	Environment	Lead by example (collaborators, stakeholders, industry)	Social / community impact
Sustainability issues	<ul style="list-style-type: none"> • Healthy buildings 	<ul style="list-style-type: none"> • Promote low-carbon mobility • Support local communities/economy • Affordability 	<ul style="list-style-type: none"> • Protecting, restoring and enhancing biodiversity and ecosystem services • Increase circularity • Renewable energy • Responsible water use across construction • Climate change adaptation and resilience • Energy and carbon emissions • Sustainable and circular building materials • Certification and labeling of buildings • Climate risks 	<ul style="list-style-type: none"> • Employee training and engagement • Attractive workplace • Responsible purchasing 	<ul style="list-style-type: none"> • Good business ethics and anti-corruption • Diversity and equal opportunity • Sustainable financing • Respect for human rights
Policy documents			<ul style="list-style-type: none"> • Net zero roadmap • Positive biodiversity roadmap 	<ul style="list-style-type: none"> • Diversity and Inclusion policy • Health and wellbeing policy • Good and ethical behavior code • Remuneration policy • HR manual • Sustainable procurement policy (2023) • Supplier code of conduct 	<ul style="list-style-type: none"> • Associative partnership code of conduct
ESG-policy					
Tools	<ul style="list-style-type: none"> • Health and well-being checklist / WELL certificate • Quality of Life survey post-delivery 	<ul style="list-style-type: none"> • Perform neighbourhood diagnostic/ local economy diagnostic and organise a co-creation table (or a methodology for the analysis of regional/local issues) 	<ul style="list-style-type: none"> • CRREM Carbon Risk Real Estate Monitor (CRREM) as reference for carbon intensity • ESG Due Diligence checklist and carbon assessment as part of a larger taxonomy assessment for new acquisitions • LifeCycle Analysis studies • Biodiversity Net Gain calculator • Inventory for re-use • (Madaster) material passport • Certification schemes • GRESB audit 	<ul style="list-style-type: none"> • Employees (health and well-being) survey • Immobel Academy (learning and development) • GRESB audit 	

	Users	Neighbourhoods	Environment	Lead by example (collaborators, stakeholders, industry)	Social / community impact
KPI's to measure performance		<ul style="list-style-type: none"> Distance to public transport Number of bicycle parkings / number per type: regular, cargo, electric Number of electrical charging stations Public equipment (m²) or (semi-)public spaces Number of projects with a temporary occupation program part of social housing; part of residential offer for specific groups (seniors, students etc.) 	<ul style="list-style-type: none"> BNG (Biodiversity Net Gain), BAF (Biotope Area Factor), CES (Coefficient Emprise au Sol) Embodied and operational carbon (kg CO₂/m²) Primary Energy Demand (kWh/m²/y) Total primary energy consumption from renewable source (kWh/m²/y) Green roofs Water buffer capacity % of buiding preserved Re-use inventory: indication of re-use options (downcycle - upcycle - re-use) indicated in weight Number of developments with certifications scheme (score) 	<ul style="list-style-type: none"> Gender parity on Boards GRESB score 	
Special projects, initiatives, programs		<ul style="list-style-type: none"> Launch of Rez-de-Ville programme to reinforce a local economy around our developments in the Brussels hypercenter Launch a pilot by providing job opportunities for young people and unemployed in our development project Participate in programs around alternative living forms Collaboration with SLRB (BE) 	<ul style="list-style-type: none"> Signature projects net-zero carbon Launch a pilot development project per country targeting the BiodiverCity or a local label with a specific focus on biodiversity Launch pilot project regarding re-use of drainage water (e.g. in Brussels via non-profit Open Source) for watering public green spaces Development of a dynamic calculator that allows all executed LCA studies to be compared between each other leading to a Call For Tender for future LCA studies Launch of pilot projects of LCA in residential market to set the baseline Local partnerships with positive biodiversity stakeholders such as regenerative agriculture and reforestation (Reforest'Action) 	<ul style="list-style-type: none"> Sustainability trainings and awareness sessions Stakeholder dialogue initiatives (information sessions) Immobel is founding partner of the ULI "C-change" decarbonisation program Membership of Real Estate Balance (D&I) 	<ul style="list-style-type: none"> Green Financing Framework



CORPORATE GOVERNANCE

Statement



CORPORATE GOVERNANCE STATEMENT

In addition to complying with the applicable laws and regulations, Immobel sets itself high standards of corporate governance and continuously reassesses its methods based on acceptable principles, practices, and requirements. In this framework, the Company applies the Belgian Corporate Governance Code¹ (the “2020 Code”) as a reference code within the meaning of Article 3:6, §2, section 1 of the Belgian Code of Companies and Associations (the “CCA”).

On 31 December 2022, the Board of Directors has stated that, to its knowledge, its corporate governance practice is compliant with the 2020 Code, except regarding the following and subject to changes:

1. the Chair (as defined in section 2.2.4 of the Corporate Governance Charter, the “CG Charter”), who is not only a member of the Board of Directors, but also of Executive Management (in this capacity, he is referred to as the Executive Chair, as defined in section 4.1 of the CG Charter) also performs the tasks of the CEO (as defined in section 4.2 of the CG Charter). By doing so, the Company deviates from Provision 3.12 of the Code. This deviation is explained by the fact that Marnix Galle is currently deemed to be the best placed to fulfil the functions of both the Executive Chair and the CEO considering Marnix Galle’s unique track record in real-estate, including his knowledge, skills, experience and seniority level in the Company, and his long-term engagement and relationship vis-à-vis the Company as well as the Company’s shareholders/stakeholders. Hence, this is considered to be in line with the Company’s interests. Therefore, references below to “Chair” and “CEO” shall be interpreted and construed as referring to the same individual;
2. the Nomination Committee (as defined in section 3.5 of the CG Charter) shall be chaired by Marnix Galle who acts both as Executive Chair and CEO of the Company (see above). By doing so, the Company deviates from the recommendation in Provision 4.19 to the Code.

Such deviation is explained by the fact that Marnix Galle has an extensive network and is considered as most fit to chair the Nomination Committee;

3. the non-executive members of the Board are not partly remunerated in the form of shares in the Company. As such, the Company deviates from Provision 7.6 of the Code. This deviation is explained by the fact that the interests of the non-executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company and, hence, that the issue of shares to them is not deemed necessary. However, the Board of Directors, on proposal of the Remuneration Committee, decided on 10 December 2020 that each Director is requested to buy Immobel shares for a minimum amount of 20,000 EUR before the AGM to be held in April 2022, being the fixed annual remuneration for each of them and to keep the shares at least four years after acquisition and until one year after the ending of the mandate;
4. no minimum threshold of shares to be held by the executives has yet been set. Therefore, the Company deviates from Provision 7.9 of the Code. This deviation is explained by the fact that the interests of the executives are currently considered to be sufficiently oriented to the creation of long-term value for the Company. Hence, setting a minimum threshold of shares to be held by executives is not deemed necessary.

The Corporate Governance Charter describes in detail the structure of the Company’s governance and its policies and procedures in matters of governance. This Charter can be consulted on the Company’s website: www.immobelgroup.com.

In terms of diversity policy, Immobel’s Board of Directors wishes to point out that it meets the criteria that at least one-third of the Members are of a different gender. More information on diversity is included under: III. Regulations and Procedures (see below).

This section of the Annual Financial Report contains information concerning the way Immobel put the principles of governance into practice during the past year.

¹ The “2020 Code” was published in the Belgian Official Gazette on 17 May 2019 and is available on the website: www.corporategovernancecommittee.be.

I. Governance Structure (as at 31 December 2022)

In accordance with the articles 7:85 of the CCA, Immobel has opted for a one-tier governance model, whereby the board of directors holds all powers unless those reserved by law or the Articles of Association to the general meeting of shareholders.

A. Board of Directors

A) Composition and mode of operation

In accordance with Immobel's articles of association and as further specified by the Corporate Governance Charter, the Company is administered by a Board of Directors of at least five Directors of which at least three independent Directors meet the criteria set out in provision Article 7:87 §1 of the CCA and Article 3.5 of the 2020 Code. The Directors are appointed for a maximum period of four years by the general meeting. They are re-electable.

The Board meets at least four times a year. This frequency enables, among other things, to review the half-yearly accounts in September, the annual accounts in March, as well as the budgets in December. Moreover, additional meetings may be organised at any time, with reasonable notice, whenever it is deemed necessary or advisable for its proper functioning.

In 2022, the Board met on six occasions. In addition to the items falling within its ordinary powers, it made decisions on the following key topics:

- the analysis and approval of investment and divestment projects, among which the acquisition of a real estate asset in Belgium.
- the analysis of the macro-economic scenarios and the impact on the company's activities.
- the monitoring of the company's financing.
- the organisational structure.
- The appraisal of the Executive Committee, setting its objectives and the fixed and variable remuneration.

The Board was regularly informed on the activities of the Audit & Risk Committee, the Investment Committee, the Nomination Committee, the Remuneration Committee, and the Executive Committee.

B) Composition of the Board of Directors as at 31 December 2022

On 31 December 2022, the Board consisted of seven Directors, specifically:

- one Executive Chair

- six non-executive Directors, including five independent Directors who meet the criteria of Article 7:78 §1 of the CCA and Article 3.5 of the 2020 Code, and one Director linked to a shareholder.

Name Function	Date first appointment	End of term	Professional address	Directorships in other listed companies
Marnix GALLE ² Executive Chair / CEO	25/09/2014	AGM 2026	c/o the Company's registered office	None
Astrid DE LATHAUWER ³ (Independent) Director	26/08/2015	AGM 2024	c/o the Company's registered office	Etablissements Fr. Colruyt – Etablissements Fr. Colruyt NV, listed on Euronext Brussels
Wolfgang de LIMBURG STIRUM ⁴ (Independent) Director	01/01/2019	AGM 2024	c/o Ergon Capital Advisors SA/NV, avenue Louise 326, 1050 Brussel	None
Pierre NOTHOMB ⁵ (Independent) Director	25/09/2015	AGM 2023	c/o Deminor SA/NV Joseph Stevensstraat 7, 1000 Brussel	None
Michèle SIOEN ⁶ Director linked to a shareholder	20/12/2018	AGM 2025	c/o Sioen Industries NV Fabriekstraat 23, 8850 Ardooie	NV, D'Ieteren SA/NV and Sofina SA, all listed on Euronext Brussels
Annick VAN OVERSTRAETEN ⁷ (Independent) Director	28/09/2016	AGM 2026	c/o PQ Belgium SA/NV Havenlaan 6C, 1000 Brussel	Financière de Tubize SA, listed on Euronext Brussels
Patrick ALBRAND ⁸ (Independent) Director	30/11/2021	AGM 2024	c/o the Company's registered office	None

² In carrying out the functions concerned in the present report, Marnix GALLE acts as the permanent representative of the company A³ Management SRL.

³ In carrying out the functions concerned in the present report, Astrid DE LATHAUWER acts as the permanent representative of the company ADL CommV.

⁴ In carrying out the functions concerned in the present report, Wolfgang de LIMBURG STIRUM acts as the permanent representative of the company LSIM SA.

⁵ In carrying out the functions concerned in the present report, Pierre NOTHOMB acts as the permanent representative of the company Pierre Nothomb SRL.

⁶ In carrying out the functions concerned in the present report, Michèle SIOEN acts as the permanent representative of the company M.J.S. Consulting SRL.

⁷ In carrying out the functions concerned in the present report, Annick VAN OVERSTRAETEN acts as the permanent representative of the company A.V.O. - Management SRL.

⁸ In carrying out the functions concerned in the present report, Patrick ALBRAND acts as the permanent representative of the company SKOANEZ SAS since 17 February 2022.

The target on gender diversity at the level of the board, to reach at least one-third of members of different sexes, has been met. At the end of 2022, the board of directors was composed of three women and four men, i.e. 42% exceeding the minimum criteria of at least one-third. More information on diversity is included under: III. Regulations and Procedures (see below).

Changes in the composition of the Board of Directors during 2022

The mandates of the following Directors expired at the end of the ordinary general meeting of 20 April 2022:

- Marnix Galle
- Annick Van Overstraeten

The same ordinary general meeting renewed the mandates of:

- Marnix Galle, as Executive Chair, for a further term of four years, expiring at the end of the ordinary general meeting of 2026;
- Annick Van Overstraeten, as independent Director, for a further term of four years, expiring at the end of the ordinary general meeting of 2026;

The ordinary general meeting decided to appoint Patrick Albrand following his co-optation at the end of the mandate of Karin Koks until 17 February 2022 and appointed the company SKOANEZ SAS, represented by the permanent representative Patrick Albrand, since 17 February 2022 until the ordinary general meeting of 2024.

A brief description of the professional background of each Director is included below.

C) Proposals for appointments and / or renewals at the 2023 Ordinary General Meeting

The mandate of Pierre Nothomb expires at the Ordinary General Meeting of 20 April 2023. The proposal for renewal will be submitted to the Ordinary General Meeting of 20 April 2023.

The curriculum vitae can be summarised as follows:

Marnix GALLE (59) began his professional career in 1987 at Cegos Belgium as a consultant, after having studied economics at Tulane University in New Orleans, Louisiana, USA. In 1989 he took his first steps in the real estate sector (family portfolio). His own company Allfin (°2001) became one of the leading real estate developers in Belgium. In 2014, Allfin took a 29% stake in Immobel, listed on the Brussels Stock Exchange since 1863. Following the merger between Allfin Group and Immobel in 2016, he became its Executive Chair.

Patrick ALBRAND (67) holds a Master of Architecture degree from the Paris Ecole des Beaux-Arts (1980) and a Master's degree in Real Estate Development from Columbia University (1988). He joined Hines in 1995 and was instrumental in the creation and supervision of its French subsidiary. He has been active in the overall development of Hines France, both in the Development and the Investment Management activities. Prior to working at Hines, he was the Director in charge of Development at Bouygues Real Estate in Paris (1989-1995), where he arranged joint ventures with outside developers and investors. He was a Senior Research Associate at Lawrence Berkeley Laboratory in Berkeley, California (1983-1987), and prior to that, worked for the Ministry of Interior of Morocco (1980-1982).

Astrid DE LATHAUWER (59) holds degrees in International Politics and Diplomatic Sciences (KU Leuven), a Bachelor in History of Art (RU Ghent) and completed an Executive MBA at Stanford, California. She brings over 30 years of international Human Resources experience. She started her career in marketing and moved to Human Resources very early in her career as the HR Manager for Eastern Europe with Monsanto. In 1990 she became the HR Leader for Central & Eastern Europe and subsequently the entire EMEA region for the Communications Services Division of AT&T. In 1994 she relocated to the US, first as the HR Director of the AT&T Microelectronics Division internationally, and subsequently as the Executive HR Director at HQ, managing the employment conditions of all Executives outside the US. In 2000 she returned to Belgium and became the CHRO and Member of the Executive Committee at Proximus until 2011, and later the HRVP and Member of the Executive Committee at Ontex until 2022.

Wolfgang de LIMBURG STIRUM (51) holds an MBA from the Booth School of Business at the University of Chicago (USA), a Bachelor's degree in Management Engineering and a Master's degree in Applied Economics and Management from the Louvain School of Management (Belgium). Over the past twenty years, he has built up a solid experience in finance and private equity in Europe and the United States, investing in a wide range of sectors, such as healthcare, specialty chemicals, industrial niche products, services, entertainment and media. He is a Managing Partner of Ergon Capital, a mid-market private

equity fund with a portfolio of approximately EUR 2.5 billion, which he joined in 2005. Prior to that, he spent most of his career in investment banking (mergers and acquisitions) at Lehman Brothers in New York and London, where he became co-head of the European Healthcare M&A team. He is currently also a director of Haudecoeur, Telenco, Sausalitos, Opseo, SVT, Stationary Care Group, Dental Service Group and VPK Group.

Pierre NOTHOMB (60) has a Master in Applied Economic Sciences (UCL Louvain-la-Neuve). He joined Deminor 32 years ago at its foundation. He has several mandates as director of companies or associations including Sibelco, ULB Foundation, Build UP, the FIIS Kimbal, Imperbel-Derbium, and Epsilon. He is also Chairman of the Deminor companies and member of the advisory committee of DIMFunds (with DegroofPetercam Manco). He is a member of the audit committee of Imperbel and of the psychiatric care network of La Ramée - Fond'Roy. In addition, he is a certified mediator in civil and commercial matters since 2022. Before joining Deminor in 1991, he worked as a senior auditor at Coopers & Lybrand (now PricewaterhouseCoopers), and subsequently as a financial consultant at Petercam Securities. He was also director of ForSettlement (Fortis), member of the audit committee of Sabam and CEO of the toy retailer Christiaensen International.

Michèle SIOEN (58) holds a Master's degree in Economics and has completed management programmes at Vlerick Business School, among others. She is the CEO of Sioen Industries, a multinational specialised in the production of technical textiles and professional protective clothing. She was Chair of the FEB between 2015 and 2017 and is now Honorary Chair. In addition to her daily involvement in Sioen Industries, she is also a director of various Belgian listed companies, including D'Ieteren and Sofina, as well as associations such as Fedustria and Vlerick Business School. Finally, she is closely involved in Art and Culture through her Chairship of KANAL and as a member of the Board of Directors of the Queen Elisabeth Music Chapel.

Annick VAN OVERSTRAETEN (57) holds a degree in Economic Sciences (KUL – 1987) and a Master's degree in Management (IAG-UCL – 1992). She began her career at Philips in 1987 as a project manager in the HR department. Between 1991 and 1999, she worked in the retail sector, in particular in the textile sector (New-D, Mayerline). She then worked as Commercial & Marketing Director at Confiserie Leonidas (1999-2004). From 2004 to 2009, she was the Operational Director of Quick Restaurants Belux NV. From 2010 until 2020, she occupied the position of CEO and Director of Lunch Garden Group. In 2020, she was appointed CEO at Le Pain Quotidien. She is an independent Director of Financière de Tubize SA/NV, as well as of Euro Shoe Group NV.

B. Committees of the Board of Directors

In accordance with the articles of association, the Board of Directors may establish one or more committees. In accordance with the articles of association, the Board of Directors has set-up the Audit and Risk Committee, the Nomination Committee, the Remuneration Committee and the Investment Committee to assist them.

A) Audit & Risk Committee

In accordance with Article 4.3 of the 2020 Code, the Audit & Risk Committee (ARC) is composed of at least three members. All members are non-executive Directors and at least one meets the criteria of Article 7:78 §1 of the CCA and Article 3.5 of the 2020 Code.

The Board of Directors ensures that the Audit & Risk Committee has enough relevant expertise to fulfil its role effectively, notably in accounting and audit matters. All the members are competent in accounting and auditing matters.

The Chair of the Audit & Risk Committee is appointed by the Committee itself from its members. The Chair of the Audit & Risk Committee is different from the Chair of the Board of Directors.

As at 31 December 2022, the Audit & Risk Committee was composed as follows:

Pierre NOTHOMB, Independent Director and Chair of the Audit & Risk Committee

Patrick ALBRAND, Independent Director

Wolfgang de LIMBURG STIRUM, Independent Director

Michèle SIOEN, non-executive Director, linked to the shareholder.

The Members have the collective competence in the field of activity of ImmoBel and have particular accounting and audit skills.

The Executive Chair is not a member of the ARC but he is invited to attend the meetings.

The Audit & Risk Committee assists the Board of Directors and the Executive Committee with the following duties:

- monitoring the statutory audit of the annual and consolidated accounts, including following up on any questions and recommendations made by the External Auditor;

- monitoring the financial reporting process, including making recommendations or suggestions to ensure the integrity of the process;
- monitoring the effectiveness of the Company's internal control and risk management systems;
- if there is an internal audit, monitoring the internal audit and its effectiveness; and
- reviewing and monitoring the independence of the External Auditor, particularly regarding the provision of additional services to the Company (Article 7:99 of the Belgian Companies & Associations Code).

The Audit & Risk Committee meets at least four times a year and whenever a meeting is deemed necessary, at request of its Chair.

Activities during 2022

In 2022, the Audit & Risk Committee met four times, at the request of its Chair. Amongst others, the following topics were discussed:

- Half-yearly and annual accounts and financial report;
- Financing needs;
- Review of Business Plan for future years (including base case and stagflation case);
- Review macro-economic scenarios and real estate implications per market and for key projects.

B) Remuneration Committee

The Remuneration Committee is composed of non-executive directors of whom a majority should be independent in accordance with the requirements set out in Article 3.5 of the 2020 Code and Article 7:87 of the CCA.

The Remuneration Committee consists of only non-executive Directors, of which at least a majority must be independent Directors with an expertise in remuneration matters. A non-executive Director with particular knowledge in the field of the remuneration policy chairs the Remuneration Committee.

As at 31 December 2022, the Remuneration Committee was composed as follows:

Astrid DE LATHAUWER, independent Director and Chair of the Remuneration Committee

Pierre NOTHOMB, independent Director

Annick VAN OVERSTRAETEN, independent Director.

The tasks of the Remuneration Committee consists of:

- making proposals to the Board of Directors on:
 - the remuneration policy for non-executive Directors and members of the Executive Management, as well as, where appropriate, on the resulting proposals to be submitted by the Board of Directors to the shareholders;
 - the remuneration of Directors and members of the Executive Management, including variable remuneration and long-term incentives, stock-related or not, in the form of stock options or other financial instruments, and regarding the arrangements on early termination, and where applicable, on the resulting proposals to be submitted by the Board of Directors to the shareholders;
 - the annual review of the Executive Management's performance;
 - the realisation of the Company's strategy against performance measures and targets; and
- submitting a remuneration report to the Board of Directors and explaining this report during the Annual General Shareholders' Meeting.

In 2022 the Remuneration Committee met three times, at the request of its Chair. The following main dossiers and topics were discussed:

- the budget of the remuneration of the non-executive directors;
- the evaluation of the Executive Chair and the members of the Executive Committee and their remuneration, including the criteria for granting variable remuneration;
- the preparation of the 2023 objectives of the Executive Chair and the members of the Executive Committee;

- the preparation of the remuneration report.

C) Nomination Committee

The Nomination Committee consists of a majority of independent non-executive Directors in accordance with the requirements set out in Article 3.5 of the 2020 Code and Article 7:87 of the CCA.

The Chair of the Board chairs the Committee. The Chair can be involved but cannot chair the Nomination Committee when dealing with the appointment of his successor.

As at 31 December 2022, the Remuneration Committee was composed as follows:

Marnix GALLE, Executive Chair and Chair of the Nomination Committee

Astrid DE LATHAUWER, independent Director

Annick VAN OVERSTRAETEN, independent Director.

The task of the Nomination Committee consists of:

- drafting (re)appointment procedures for members of the Board of Directors and the Executive Management;
- periodically assessing the size and composition of the Board of Directors and making recommendations to the Board of Directors regarding any changes;
- identifying and nominating, for the approval of the Board of Directors, candidates to fill vacancies as they arise;
- ensuring that the appointment and re-election process is organised objectively and professionally.
- advising on proposals (including, of the management or of the shareholders) for the (re)appointment and removal of Directors and members of the Executive Management;
- properly considering issues related to succession planning; and

- ensuring that sufficient and regular attention is paid to the succession of executives and that the appropriate talent development programmes and programmes to promote diversity in leadership are in place.

In 2022, the Nomination Committee met three times, at the request of its Chair. The following main topics were discussed:

- the renewal of the mandates of the members;
- the composition of the Investment Committee, Audit & Risk Committee, Nomination Committee, Remuneration Committee, Executive Committee and the Acquisition Committee;
- the appointment of the company secretary;
- the organizational structure of the Company

D) Investment Committee

The Investment Committee consists of at least four members, including the Executive Chair, who is also the Chair of the Investment Committee.

The Members of the Investment Committee are appointed by the Board of Directors for a maximum of four years.

As at 31 December 2022, the Investment Committee was composed as follows:

Marnix GALLE, Executive Chair and Chair of the Investment Committee

Patrick ALBRAND, independent Director

Olivier THIEL⁹, Head of Development Belgium

Thierry VANDEN HENDE, non-executive Director

Piet VERCRUYSSSE, non-executive Director.

⁹ acting as the permanent representative of the company SRL Queen-K.

Olivier BASTIN (Managing Director Immobel Luxembourg & Germany) was replaced by Olivier THIEL as member of the Investment Committee on 8 September 2022.

The Investment Committee is in charge of:

- formulating the objectives, policies and strategies of the Company's real estate investments; and
- monitoring ongoing projects when these projects entail a substantial part of the Company's portfolio and when Executive Management has flagged a project as considerably deviating from its original business plan.

The Board of Directors has delegated to the Executive Committee the power to approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of 70 MEUR per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties).

The Board of Directors further has delegated to the Investment Committee the power to decide on and approve all acquisitions, development, syndication and divestments of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of MEUR 200 per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties).

The Chair of the respective Committees will inform the Board of Directors on the investment decisions so taken at the next Board of Directors' meeting.

In 2022 the Investment Committee met five times, at the request of its Chair. The following main topics were discussed:

- the analysis and approval of investment and divestment projects, among which the acquisition of real estate assets in Belgium, Luxembourg and the United Kingdom, the disposal of real estate assets in Belgium; and
- the monitoring of the project portfolio.

¹⁰ In carrying out the functions concerned in the present report, Karel BREDA acts as the permanent representative of the company KB Financial Services SRL.

¹¹ In carrying out the functions concerned in the present report, Stephanie DE WILDE acts as the permanent representative of the company Lady at Work SRL.

C. Executive Committee

The Executive Committee of the Company is composed of the Executive Chair and of the Members of the Executive Committee (as mentioned on the website of the Company).

As at 31 December 2022, the Executive Committee was composed as follows:

Marnix GALLE, Executive Chair and Chair of the Executive Committee

Olivier BASTIN, Managing Director Immobel Luxembourg

Karel BREDA¹⁰, Chief Financial Officer

Stephanie DE WILDE¹¹, Chief Legal Officer

Duncan OWEN, Managing Director of Immobel Capital Partners

Adel YAHIA¹², Managing Director Belgium, Members.

Duncan Owen (Managing Directors of Immobel Capital Partners) has joined the Executive Committee on 1 January 2022. In addition, Stephanie De Wilde (Chief Legal Officer) has joined the Executive Committee on 8 September 2022. Fabien Acerbis (Managing Director Immobel France) has terminated his mission for the Company on 2 December 2022.

The Board of Directors defines the responsibilities of the Executive Committee. The Committee is primarily in charge of the following tasks:

- consider, define and prepare, under the leadership of the Executive Chair, proposals and strategic options that could contribute to the Company's development. This responsibility covers (i) strategic planning, including the analysis of strategies, activity plans and budgets submitted by the Company's departments; and (ii) drawing up the business plan and budgets of the Company for proposal, discussion and approval by the Board of Directors;
- monitor the developments of the Company by analysing the compliance of the feasibility, the deadlines and the quality of the projects while making sure to maintain or improve quality standards of the Group;

¹² In carrying out the functions concerned in the present report, Adel YAHIA acts as the permanent representative of the company Adel Yahia Consult SRL.

- present to the Board of Directors a complete, timely, reliable and accurate preparation of the Company's financial statements, in accordance with the applicable accounting standards and policies of the Company;
- prepare the Company's required disclosure of the annual accounts and other material, financial and non-financial, information;
- propose the financial strategy to the Board of Directors;
- monitor the performance of the Company's departments in line with their strategic objectives, business plans and budgets; and
- draw up and implement the Company's policies which the Executive Chair considers falling within the competence of the Executive Committee;
- within the limits of the mandate given by the Board of Directors, approve all acquisitions, development, syndication and divestments of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein (cfr. above mentioned).

In 2022 the Executive Committee met fourteen times, at the request of its Chair.

The "curriculum vitae" of the Members of the Executive Committee in function (except for Marnix GALLE already listed above) can be summarized as follows:

Olivier BASTIN (52) began his career in the banking sector (BACOB, 1994-1995) before joining the real estate department at Intermarché, where he contributed to the expansion of the brand in Wallonia (1995-1996). In 1997, he joined Jones Lang LaSalle, where he became the department head of the Office Department for Belgium (1997-2005) before becoming Managing Director of the group's Luxembourg branch (2005-2011). In 2010, he combined this position with that of Head of Capital Markets for the Belux. He left JLL at the end of 2011 to join Allfin Group as CEO of the Luxembourg entity. Since 2018, he is also in charge of the German market. Olivier has a degree in Applied Economics (ULG, 1988-1992) and an MBA (ULG & Maastricht University, 1993-1994).

Karel BREDA (47). After studying Applied Economics at the KU Leuven and obtaining an MBA from the University of Chicago, Booth School of Business, Karel began his professional career in 1999 by developing a number of internet start-ups in Europe. In 2002, he joined GDF Suez (now Engie), where he held various managerial positions in M&A and Project Finance in Europe, South Asia, the Middle East and Africa. In 2011, he was promoted to

Chief Financial Officer for the South Asia, Middle East and Africa region based in Dubai and in 2014 for Engie E&P in the Netherlands. Prior to joining Immobel on 1 August 2018, Karel was Managing Director Middle East, South and Central Asia and Turkey for Engie Solar based in Dubai and India.

Stephanie DE WILDE (40), holds a Master in Law from Ghent University, a Master after Master in Company Law (UGent) and a Master in Real Estate (KU Leuven). She started her professional career as an attorney for Corporate and M&A and gained experience at several law firms, including Monard Law and EY LAW, and in-house experience as Corporate Legal Counsel at Lotus Bakeries. In 2016, Stephanie joined Immobel Group as Senior Legal Counsel and later Head of Legal (2020) before being promoted as Chief Legal Officer and Compliance Officer in 2022.

Duncan OWEN (55) has a long history of building real-estate investment management businesses and delivering investment performance for multiple stakeholders through a number of economic cycles. With a career spanning more than 30 years, he has an in-depth knowledge of European real-estate markets and a strong track record in core+ and value-add investment, development, asset management, refurbishment, and portfolio restructuring. He served as Global Head of Real Estate at Schroders for nine years and subsequently, in 2021, as Special Advisor. Prior to Schroders, he was the CEO of Invista Real Estate PLC which he founded and listed on the London Stock Exchange.

Adel YAHIA (44) joined Immobel in December 2017 as Chief Operating Officer responsible for the Development, Technical, Sales and Landbanking departments. Prior to that, he worked at AG Real Estate as head of the Residential department and co-Head of Development. Between 2010 and 2015, he was responsible for various business units at Matexi. He started his career in 2004 as a real estate developer and also worked in real estate investment banking. After studying law at the KU Leuven and holding a Master's degree in General Management (MGM) from Vlerick Business School, he graduated in 2006 with a Master's degree in Real Estate (postgraduate programme in Real Estate Studies) at the KU Leuven. In 2014, he completed the "Executive Program in Real Estate" training at Solvay Business School (ULB). He is a lecturer at KU Leuven, Solvay Business School and at Saint-Louis in different real estate related programmes.

D. Acquisition Committee

The Acquisition Committee of the Company is composed of the Executive Chair and of the Members of the Acquisition Committee (as mentioned on the website of the Company).

The Board of Directors defines the responsibilities of the Acquisition Committee and oversees following tasks:

- analyse, determine and prepare real estate investment proposals which may contribute to the Company's development except for decisions falling within the scope of the Executive Committee;
- take any decision relating to the acquisition, financing, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of 70 MEUR per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties), it being understood that the Chair of the Acquisition Committee will inform the Board of Directors about the investment decisions so taken at the next Board of Directors' meeting;
- analyse all acquisition proposals of new real estate projects; - manage ongoing real estate projects, as well as the related contracts;
- analyse the compliance with the feasibility studies, deadlines and the quality of the projects while ensuring that the quality standards of the Group are maintained or improved and allowing an efficient and sustainable legal and technical risk management.

In 2022 the Acquisition Committee met fourteen times, at the request of its Chair.

E. Management Teams

The Executive Committee has established Teams in each country that assist it in the practical implementation of the executive powers (the "Management Teams"). Their creation has been approved by the Board of Directors. The Executive Committee determines the assignment of the Management Teams, their composition, and their responsibilities.

These Management Teams are accountable for the exercise of their powers vis-à-vis the Executive Committee.

II. Internal control and risk management

The Belgian legislative framework for internal controls and risk management consists of the Law of 17 December 2008 (in application of the European Directive 2006/43 concerning corporate financial control), the Belgian 2020 Code and Law of 6 April 2010 (Corporate Governance Law).

The IFRS 7 likewise defines additional requirements in regard to management of risks related to financial instruments.

Nevertheless, the current Belgian legislative and normative frameworks specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required).

Immobel uses a system of risk management and internal control that was drawn up internally based on the "COSO¹³" model of internal control. The COSO methodology is organised around five elements:

- the internal control environment
- risk analysis
- control activities
- information and communication
- supervision and monitoring.

A. The internal control environment

The element "internal control environment" focuses on the following components:

A) Precise definition of the Company's objectives

Immobel is the largest listed real estate developer in Belgium. The Group, which dates back to 1863, creates high-quality, future-proof urban environments with a positive impact on the way people live, work and play, and specialises in mixed real estate. With a market capitalisation of about EUR 450 million¹⁴ and a portfolio of more than 1,500,000 m² of project development in seven countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany and the United Kingdom), Immobel occupies a leading position in the European real estate landscape. The group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture

¹³ Abbreviation of "Committee of Sponsoring Organizations of the Treadway Commission".

¹⁴ On 31 December 2022.

and social inclusion. More than 200 people work at Immobel. For more information, please visit www.immobelgroup.com

B) A definition of the roles of the decision-making bodies

Immobel has a Board of Directors, an Investment Committee, an Audit & Risk Committee, a Remuneration Committee, a Nomination Committee, an Executive Committee and an Acquisition Committee.

Responsibility for Immobel's strategy and for the oversight of its activities belongs primarily to the Board of Directors. The main responsibilities of the different Committees have been mentioned above (cfr. Decision-making bodies).

C) Attitude versus risk

Immobel takes a prudent attitude in managing its portfolio of diversified projects that create long-term value through its lines of activity.

D) Application of ethical standards and integrity

Immobel has a Good Behaviour Code that describes the principles of ethics and integrity that apply to each of the Directors and the Members of the Executive Committee as well as all the employees and external collaborators. This Code deals with aspects of conflicts of interest, professional secrecy, corruption, and misuse of corporate funds and even business gifts. Immobel also has a Dealing and Disclosure Code, the main purpose of which is to ensure that Persons Discharging Managerial Responsibilities do not misuse or place themselves under suspicion of misusing certain price-sensitive information, ("Inside Information" as defined in the Dealing and Disclosure Code). Certain obligations are also imposed on persons closely associated with them (such as certain of their relatives or entities controlled by them). Compliance with these Codes is monitored by the Compliance Officer.

See also point C. "Control Activities", below.

E) Measures geared to ensuring the level of competence

- Competence of the Directors: given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.
- Competence of the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and

evaluation based on the achievement of realistic and measurable goals makes it possible to ensure the competence of Immobel staff.

- Immobel has introduced a remuneration procedure dealing with remuneration policy for the Directors and the Members of the Executive Committees that complies with the requirements of the Law of 6 April 2010 on Corporate Governance and of the 2020 Code. Any deviations to the 2020 Code are duly explained where required.
- Further to a benchmark, the Extraordinary General Meeting of 28 May 2020 has, on proposal of the Remuneration Committee, decided to revise and increase the remuneration of the non-executive Directors, effective as from financial year 2021.
- Currently only one Performance Share Plan exists for some Members of the Executive Committee. This Performance Share Plan was approved on 28 May 2020 for the benefit of some Members of the Executive Committee for the years 2020 up to 2022.
- The Members of the Executive Committee, exercising a role of Country Managing Director, can benefit from a Long-Term Incentive Plan, incentivising out-performance of the activity of the concerned country.

B. Risk analysis

Immobel regularly carries out risk identification and evaluation exercises. They are mapped out and formal action plans are drawn up to deal with those risks for which the level of control is deemed to be inadequate. The Audit & Risk Committee monitors the implementation of these action plans.

The principal risks to which Immobel is exposed are set out in detail in section I.B.C of the Management Report.

C. Control activities

The control activities correspond to the regulations and procedures used to deal with the principal risks identified. The the main regulations and procedures established within Immobel that we would like to mention are as follows:

- Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by a financial controller, a developer, a technical director, the Head of Technical of the group and the CFO, together with the Executive Chair.
- The Acquisition Committee can, at its discretion, approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset

developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of 70 MEUR per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties) without prior consent of the Investment Committee or the Board of Directors. Furthermore, the Investment Committee can, at its discretion, mandate the Executive Committee to approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of MEUR 200 per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties), without prior consent of the Board of Directors.

- Each year, a budget is defined for the expected revenues and costs, as well as the underlying operational drivers in the given year(s). The budget is validated by the Executive Committee and is presented to the Board of Directors. The variations between the budget and the actuals, both at the company level and the project level, are monitored on a quarterly basis. Any significant differences observed are submitted to the Management bodies.
- In addition, a multi-year-plan is defined, which is validated by the Executive Committee and presented to the Board of Directors once a year. A review of the discrepancies between the plan and the expected financial situation of the projects and Immobel is carried out on a quarterly basis by the finance department.
- As mentioned above, a set of operational key performance indicators is defined, each year, which are monitored monthly and regularly presented to the Executive Committee.
- Three times a year, a business review meetings (BRMs) cycle is organised within the respective countries to review the business opportunities and the other operational activities, such as HR, Legal, IT and ESG.
- The accounts and future financial obligations are monitored, and regular reports submitted to the management bodies.
- The “four eyes”-principle is embedded in the governance of Immobel SA and throughout its subsidiaries. There is a harmonized internal “agreement approval”-process across all countries, that requires that all engagements are reviewed and approved by all relevant (heads of) departments prior to the commitment is actually taken.
- In addition, the controllers check that all payment requests are linked to an internal approval before the execution of the payment. Outgoing payments that are not covered by the process are blocked.

D. Supervision and monitoring

The Audit & Risk Committee is responsible for supervising internal control. The internal audit function does not currently exist within the Company and will be created in function of the future needs.

To regularly evaluate the control environment, the Audit & Risk Committee entrusts the auditor with certain specific missions involving more thorough examination of internal control, consisting of testing the existing controls and identifying possible weaknesses. The Audit & Risk Committee ensures that the recommendations are implemented if the need arises.

III. Rules and procedures

A. Transactions and other contractual relationships between the Company, including associated companies, with the Directors, the Members of the Executive Committee, and the other staff

During the financial year 2022, there were no transactions between Immobel (associated companies included) and a Member of its Management Team and no transactions between Immobel and its Directors, its Members of the Executive Committee, or its other Staff Members.

B. September 3rd, 2017 on the publication of non-financial information and information relating to diversity

Under the new provisions of the said Act, Immobel specifies that the diversity policy applied in all company bodies goes beyond gender. Age and skills are also considered.

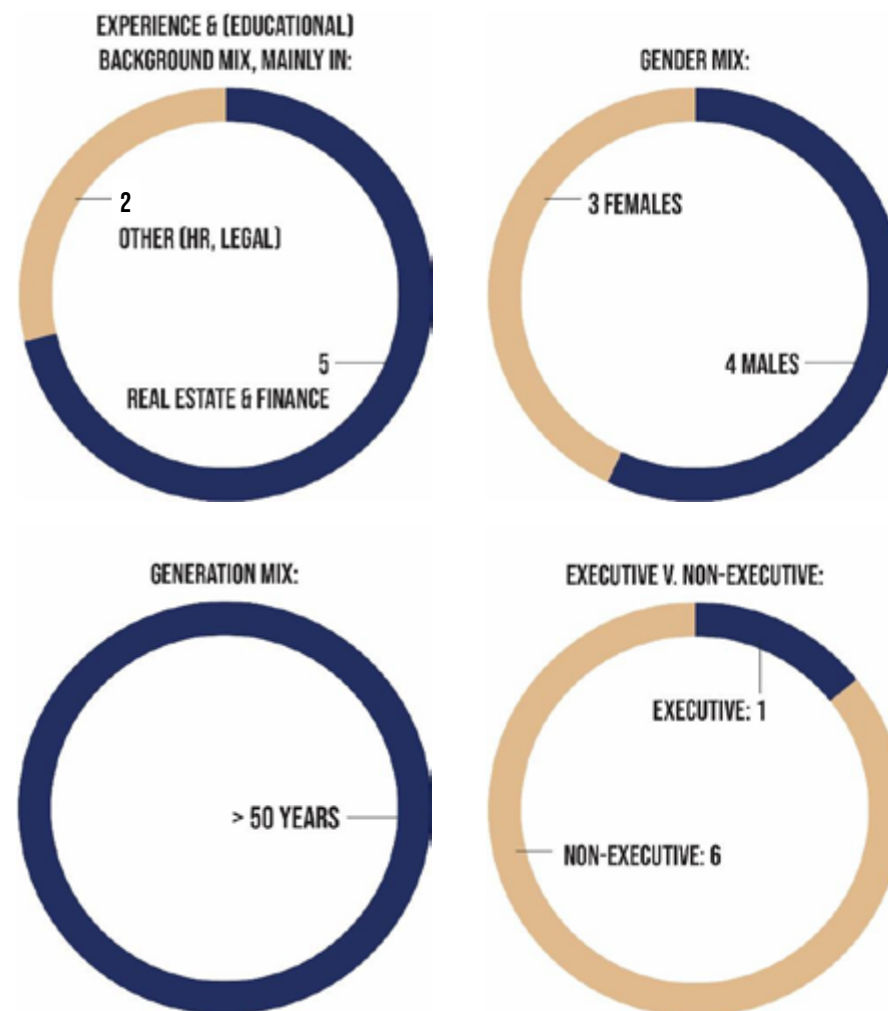
Diversity policy applied on the Members of the Board of Directors

Immobel's Corporate Governance Charter states that the composition of its Board of Directors guarantees decision-making in the interest of the company. To this end, the Board of Directors is attentive to gender diversity and diversity in general, as well as complementarity of skills, experiences, and knowledge. The provisions of article 7:86 of the Belgian Companies & Associations Code relating to gender diversity are respected in this regard.

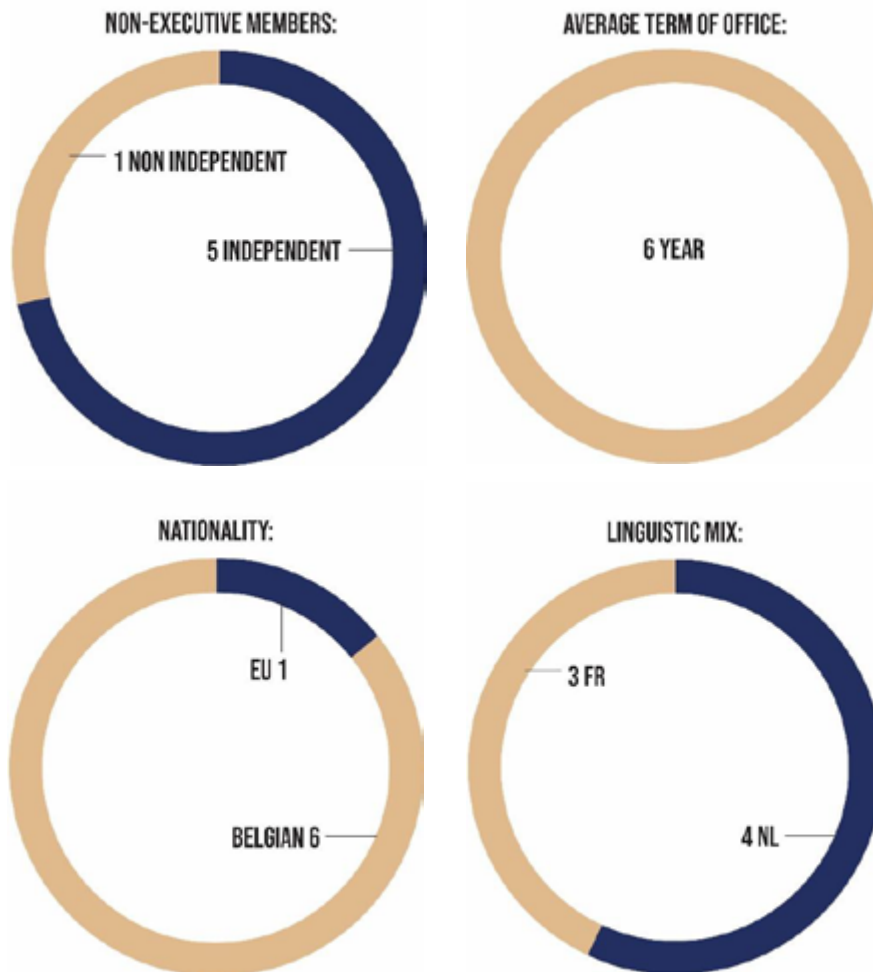
Currently the Board of Directors is composed of seven Members. Following its adherence to the Corporate Governance principles contained in the Belgian Corporate Governance Code 2020, and more particularly provisions 3.1 and 3.3 of the said Code, the Board of Directors believes that this number is sufficiently small to allow for effective decision-making and sufficiently broad to ensure that its Members bring experience and knowledge in different areas and that changes in its composition are managed without disruption. Indeed, the Board of Directors shares the European Commission's view that diversity feeds debate, promotes vigilance, and raises the stakes within the Board. The quality of decisions is improved.

Following the diversity policy in force at Immobel during the year under review, the breakdown of the composition of the Board of Directors is as follows (as at 31 December 2022):

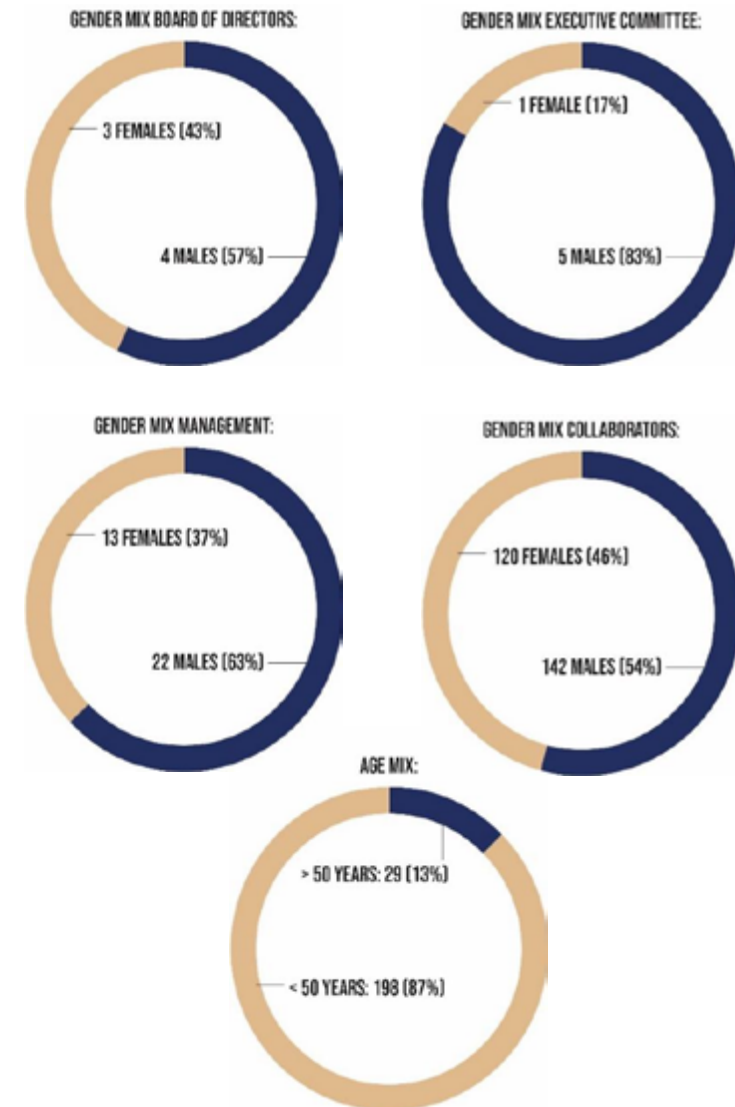
COMPOSITION OF THE BOARD OF DIRECTORS



COMPOSITION OF THE BOARD OF DIRECTORS



GENDER AND AGE MIX



Diversity policy applied to all staff, Members of the Executive Committee and of the Management Teams included

Immobel recognises its talented and diverse workforce as a key competitive advantage in the Real Estate business. Being successful as a company requires the quality and skills of all the employees and collaborators.

Immobel recognises that everyone brings their own experience and capabilities in their field of expertise. This diversity is a key element in being successful at all levels of the company. Diversity is recognised within Immobel as a business interest, leading to better overall performance and to high-quality products, services, and business decisions.

Immobel strives to create a supportive environment where everyone can realise their full potential within Immobel, regardless of their differences. Immobel strives to employ the best employees and collaborators in their field of expertise to do the best job possible.

Immobel values the importance of reflecting the diversity of our customers and markets in its workforce. This diversity encompasses differences in gender, language, ethnicity, age, sexual orientation, religion, socio-economic status, experience, and education.

Immobel gives equal opportunities to individuals, regardless of their background, in its recruitment, retention and talent management in general. The diversity of the teams in all its aspects is a source of innovation, growth, and prosperity.

Immobel commits to:

Immobel considers the development of its staff as a priority. It ensures the motivation and involvement of its staff and ensures that they always have the skills required for the success of their assignments.

In other words, Immobel's HR ambition reflects its promises: improving and developing the Group's human capital, rich in diversity, through an open and innovative human resources policy and thus creating opportunities for everyone and building the future for its staff and customers.

Following this diversity policy that Immobel implemented, the breakdown of the Immobel operational teams, in the seven countries, (as at 31 December 2022) is presented in the ESG Report:

As part of its diversity policy, Immobel promotes diversity at all levels (operational teams, members of the Management Teams, Members of the Executive Committee & Directors).

C. Comments on the measures taken by the Company in the context of the Directive on Insider Trading and Manipulation of the Market

The Dealing and Disclosure Code intends to ensure that Directors, senior executives and other staff of Immobel and affiliated entities do not misuse information which they may have about Immobel and which is not available to other investors.

These rules have been supplemented by an internal note summarising the main legal obligations in this matter, particularly considering the new Regulation on Market Abuse as entered into force on 3 July 2016, with a view to increasing an awareness of their obligations in those concerned.

The Compliance Officer is entrusted with ensuring compliance with said rules to reduce the risk of abuse of the market by insider trading. The Compliance Officer keeps lists of people who have or are liable to have privileged information and who have access to, may have access to or cannot reasonably be unaware of the privileged nature of this information.

These rules provide, among others, in:

- A prohibition against Persons exercising managerial responsibilities to carry out transactions on their own behalf or on behalf of a third party, whether directly or indirectly, relating to the shares or debt instruments of Immobel or to derivatives or other Financial Instruments linked thereto during the Closed Periods and the Prohibited Periods;
- The possibility given to the Compliance Officer, without being obliged, to authorise a Person exercising managerial responsibilities to negotiate during a Closed Period or a Prohibited Period (in specific cases);
- The obligation of Persons exercising managerial responsibilities to inform the Compliance Officer prior to the transaction, for their own account, on their own responsibility, relating to the shares or debt instruments of Immobel or to derivatives or other related Financial Instruments, outside the Closed Periods and the Prohibited Periods;
- The obligation of Persons exercising managerial responsibilities and persons closely associated with them to notify the Compliance Officer and the FSMA of any transactions they have made for their own account in shares or debt instruments of such Issuers or on derivative instruments or other related financial instruments. Such notification shall be made within three working days from the date of the transaction. This notification obligation does not apply if the total amount of transactions carried out during the same calendar year does not exceed the threshold of EUR 5,000. These persons obliged to notify may authorise Immobel to make such notifications to FSMA on their behalf. In such cases, they must always

notify Immobel of such relevant transactions promptly and no later than two working days from the date of the transaction;

- The obligation for Persons exercising managerial responsibilities to ensure that their investment managers, persons who organise or carry out business transactions on their behalf or any other person who organises or carries out transactions on their behalf do not trade during the Closed Periods or the Prohibited Periods, including when the investment managers are authorised financial intermediaries acting under a fully discretionary investment management mandate.

During the past financial year, the role of Compliance Officer at Immobel was carried out by Joëlle Micha¹⁵ until 8 June 2022 and afterwards by Stephanie De Wilde¹⁶.

During the year, Immobel observed that there is a need to strengthen the awareness and procedures in regard to the Dealing and Disclosure Code among Directors and Senior

Executives. In this regard, Immobel has implemented a new tool to ensure compliance with the European Market Abuse Regulation (MAR) in Q4. In addition, a Compliance Update is planned during H1 2023 to further strengthen the awareness of the Directors, senior management and other concerned staff of Immobel on their obligations.

D. Legal and arbitration procedures

The Board of Directors of Immobel assesses that, except those disclosed in the Note 32 to the Consolidated Financial Statements "Main contingent assets and liabilities", no governmental, legal or arbitration proceeding exists that reasonably may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

¹⁵ Permanent representative of the company JOMI BV.

¹⁶ Permanent representative of the company Lady at Work BV.

IV. Information about the issued capital

A. Shareholding structure

Based on the transparency declarations or based on the information received from the shareholder by Immobel, the following shareholders are the most important:

Shareholder	Voting rights	% of the gross number of shares ¹⁷
A ³ Capital NV (and a related company) ¹⁸ having its registered seat at 1020 Brussel, Abelenlaan 2	5,898,644	59.00%
Immobel SA/NV (own shares / Treasury shares) having its registered seat at 1000 Brussel, Anspachlaan 1	25.434	0.25 %

There are no special voting rights and, to the extent known by the Company, no shareholder agreements. Further to a decision of the Board of Directors, the dividend rights of the treasury shares kept by Immobel are suspended. In application of the Belgian Companies and Associations Code, these shares have no voting rights.

B. Elements that could have an influence in case of a takeover bid on securities issued by the company

During the General Meeting of 28 May 2020, the Shareholders have authorised the Board of Directors:

- to increase the Company's capital by a maximum amount of 97,000,000 EUR, in one or more occasions, dates and manner to be determined by the Board of Directors, and for a term of five years from the publication of this authorisation in the Belgian Official Gazette.

The Company may acquire or take as security its own shares under the conditions determined by the law. The Board of Directors is authorised to sell, on the stock exchange

or outside, at the conditions it determines, without prior authorisation of the General Meeting, in accordance with the law.

- for a term of 3 years dating from said Extraordinary General Meeting, to purchase or dispose of shares in the Company when this purchase or disposal is necessary to prevent any serious imminent harm. This authorisation was granted for a period of three (3) years dating from publication of this authorisation in the Annexes to the Belgian Official Gazette.
- to acquire or alienate shares of the Company to a maximum of twenty percent (20%) of the issued shares at a price which will not be less than ten (10) EUR nor more than twenty percent (20%) during the highest closing of the last five trading days of the Company shares on Euronext Brussels before the acquisition or alienation. This authorisation is granted for a period of five (5) years from the date of the Extraordinary General Meeting of 28 May 2020.

This authorisation also applies to the acquisition of shares of the Company by a direct subsidiary according to article 7:221 of the Belgian Companies and Associations Code.

The Board of Directors has full powers to cancel the shares acquired by the company in this way, to have the cancellation certified by notarial act and to amend and coordinate the Articles of Association to bring them into line with the decisions taken.

The rules governing the appointment and replacement of Directors and the amendment of the Articles of Association shall be those provided by the Belgian Companies and Associations Code, as well as by the Corporate Governance Charter of Immobel.

The terms of change of control contained in credit agreements with financial institutions were approved by the General Meeting of 28 May 2020, pursuant to article 7:151 of the Belgian Companies & Associations Code.

¹⁷ A gross number of 9,997,356 shares were issued.

¹⁸ Companies controlled by Marnix GALLE.

V. Other contributors

A. Statutory Auditor

The auditor of Immobel NV, KPMG Réviseurs d'Entreprises SRL, represented by Filip De Bock, has been appointed as Statutory Auditor for a period of 3 years. The mandate will expire after the Annual General Shareholders' Meeting of 2024.

Audit fees of KPMG Réviseurs d'Entreprises SRL charged to Immobel SA for the audit of the statutory and consolidated accounts amounted to 114 KEUR (excluding VAT). The fee for the audit of the statutory accounts of subsidiaries amounted to 187 KEUR (excluding VAT).

Total fees charged by the Statutory Auditor and his network in 2022 in the exercise of the mandate on Group level amounted to 540 KEUR (excluding VAT). In addition, the Statutory Auditor charged 118 KEUR for audit related services.

B. Central Paying Agent

BNP Paribas Fortis Bank is the Central Paying Agent of Immobel for an indefinite period. The remuneration of the commission amounts up to 0.20% of the net amount (VAT excluded) of the coupon and of the income securities presented in a securities account.

Agreed during the Board of Directors of 9 March 2023.

PIERRE NOTHOMB SRL
represented by Pierre Nothomb
Director

A³ MANAGEMENT BV
represented by Marnix Galle
Executive Chair of the Board



REMUNERATION report



REMUNERATION REPORT

Ladies and Gentlemen,

We have great pleasure in presenting our Remuneration Report for the year under review.

Introduction

This report provides a complete overview of the different components of the remuneration and other benefits granted or due during 2022 to the Directors, the Executive Chair / CEO and the other Members of the Executive Committee.

The remuneration report complies with the provisions of Article 3:6 §3 of the Code of Companies and Associations (CCA) and the 2020 corporate governance code and the Company's remuneration policy.

No deviation or derogation has been done from the current Remuneration Policy as approved by the Annual Shareholders' Meeting of the Company held on 21 April 2022.

During 2022 the following changes occurred among the Directors and the Members of the Executive Committee:

- On 17 February 2022, the mandate of Patrick Albrand as Director, as Member of the Audit & Risk Committee and as Member of the Investment Committee was replaced by the company SKOANEZ SAS, represented by the permanent representative Patrick Albrand.
- On 1 January 2022, Duncan Owen started as Managing Director of ImmoBel Capital Partners and Member of the Executive Committee.

- On 8 September 2022 Stephanie De Wilde¹ (Head of Legal of ImmoBel Belgium) was promoted as Chief Legal Officer and appointed as Member of the Executive Committee.
- On 2 December 2022, Fabien Acerbis (Managing Director of ImmoBel France and Member of the Executive Committee) terminated his contract with the Company.

Finally, the Board of Directors has launched a compensation benchmarking for all Members of the Executive Committee which will have an impact on the remuneration in 2023.

A. Non-Executive Directors

The individual sums of remuneration granted or due to all the Directors for 2022 are shown in the table below. All the amounts shown are, where appropriate, gross, i.e. before the deduction of tax.

It is reminded that the Board of Directors, on proposal of the Remuneration Committee, decided on December 10th 2020 that each Director is requested to purchase ImmoBel shares for a minimum of 20,000 EUR before the AGM to be held in April 2022 being the fix annual remuneration for the year 2022 for each of them and to keep the shares at least 3 years after acquisition and until 1 year after the ending of the mandate.

Pursuant to Provision 7.5 of the Belgian Corporate Governance Code 2020, non-executive Directors do not receive any performance-related remuneration, that is directly related to the results of the Company.

¹ In carrying out the functions concerned in the present report, Stephanie De Wilde acts as the permanent representative of the company Lady at Work bv.

Name Director, Position	Fixed remuneration in EUR			Variable remuneration in EUR		Extraor-dinary items ²	Pension expense	Total remuner-ation in EUR ³	Proportion fixed/ variable remuner-ation
	Base salary	Attend-ance Fees	Fringe benefits	One-year variable	Multi-year variable				
Patrick ALBRAND ³	2,575	2,100	N/A	N/A	N/A	N/A	N/A	4,675	100%
SKOANEZ SAS represented by Patrick ALBRAND ⁴	17,425	26,250	N/A	N/A	N/A	N/A	N/A	43.675	100%
ADL Comm.V represented by Astrid DE LATHAUWER	20,000	18,300	N/A	N/A	N/A	N/A	N/A	38,300	100%
Pierre Nothomb SRL, represented by Pierre NOTHOMB	20,000	30,150	N/A	N/A	N/A	N/A	N/A	50,150	100%
M.J.S. Consulting BV represented by Michèle SIOEN	20,000	19,950	N/A	N/A	N/A	N/A	N/A	39,950	100%
LSIM SA represented by Wolfgang de LIMBURG STIRUM	20,000	19.950	N/A	N/A	N/A	N/A	N/A	39.950	100%
A.V.O.- Management SRL represented by Annick VAN OVERSTRAETEN	20,000	18,900	N/A	N/A	N/A	N/A	N/A	38,900	100%
Total Directors	120,000	135,600						255,600	

² Such as the cost or value of insurance and other benefits in kind, with an explanation of the details of the main components.

³ This includes benefits that were granted / awarded / due (but not materialised) during the reported FY.

³ Up to 17 February, 2022.

⁴ As from 17 February 2022.

B. Executive Chair / CEO and the Members of the Executive Committee

In 2022, the Company has applied the principles of the Remuneration Policy for the Members of the Executive Committee as described in Annexe 2 of the Corporate Governance Charter. The Board of Directors approves the appointment propositions of the Executive Committee, upon proposal by the Nomination Committee, and decides on their remuneration, based on the recommendations of the Remuneration Committee.

As already mentioned above, Duncan Owen joined Immbel as Managing Director Of Immbel Capital Partners and became a Member of the Executive Committee on 1 January 2022. Stephanie De Wilde⁴ was appointed Chief Legal Officer and became a member of the Executive Committee on 8 September 2022. Until then she was remunerated in her capacity as Head of Legal Immbel Belgium. Since her appointment she has been remunerated in accordance with the remuneration policy and this remuneration is included in the remuneration report.

Fabien Acerbis (Managing Director of Immbel France) has terminated his mission for the Company on 2 December 2022.

No other changes were done in the composition of the Executive Committee.

In line with the Remuneration Policy applicable in 2022, the remuneration package of the Executive Chair and the Members of the Executive Committee consist of 3 elements: 1° a fixed remuneration, 2° a Short Term Incentive Plan, and 3° a Long Term Incentive Plan, unless contractually otherwise agreed.

The 2022 remuneration paid to the Executive Chair / CEO is as follows:

- A yearly remuneration for the role of Chair of the Board of 400,000 EUR, in 4 quarterly instalments;
- A yearly base remuneration amounting EUR 800,000 (VAT excluded), in 12 monthly instalments;
- A variable Short Term Incentive. If 100% of the objectives (quantitative and qualitative) are met, 100% of the fix remuneration can be obtained as variable remuneration. The quantitative criteria (ROE with target = 15%) can be outperformed. In this case, the variable remuneration will increase proportionally. Below the threshold of 10% ROE,

the quantitative amount obtained on the STI will be put at 0. In 2022, short-term variable remuneration granted to the Executive Chair/CEO amounts to 120,667 EUR;

- A LTI "Performance Share plan" up to 50% of the base salary, as described hereunder.

The fixed remuneration of the other Members of the Executive Committee at December 31st, 2022, together with quantitative and qualitative criteria of their variable Short Term Incentive (STI) and the criteria and targets of the Long Term Incentive (LTI) for some of the Members are decided by the Board of Directors, on recommendation of the Remuneration Committee, and upon proposal of the Executive Chair of the Board / CEO.

On this basis, the Board of Directors, during its session on 9 March 2023, and on recommendation of the Remuneration Committee, decided to award the CEO and the other Members of the Executive Committee the variable remuneration for 2022 as set out in the table below.

⁴ In carrying out the functions concerned in the present report, Stephanie De Wilde acts as the permanent representative of the company Lady at Work bv.

Name Member Executive Committee, position	Fixed remuneration in EUR			Variable remuneration in EUR		Extraordinary items	Pension expense	Total remuneration in EUR ⁵	Proportion fixed/ variable remuneration
	Base salary	Attend-ance Fees	Fringe benefits	One-year variable ⁶	Multi-year variable ⁷				
A ³ Management, represented by Marnix Galle	1,200,000	N/A	N/A	120,667	0		N/A	1,320,667	994%
Executive Chair of the Board									
Total of all other Members of the Executive Committee ⁸	2,529,442	N/A	N/A	1,364.345	1,500,497		N/A	5,394,284	88%
Total	3,729,442			1,485.012	1,500,497			6,714,951	

⁵ This includes the remuneration and benefits that were granted / awarded / due during the reported FY.

⁶ The « one-year variable » includes the Short-Term Incentive (STI) and the Long-Term Incentive (LTI) that were granted, awarded or due in the given reporting year and linked to the performance of the reported year.

⁷ The « multi-year variable » includes (i) the Long-Term Incentive (LTI) that is granted, awarded or due in the reported year and linked to the performance of the previous years and (ii) the performance shares (PSP) that are vested at the end of the

performance period as indicated also in the table related to « share awards ». The amount of the share based remuneration is equal to the sum of the amount reported in the table « share-based remuneration » as indicated below.

⁸ For the new Members and Members that left the Company the remuneration during their effective mandate as Member of the Executive Committee is taken into account.

II. Share-based remuneration

The Board of Directors, at its meeting of 10 March 2022, on recommendation of the Remuneration Committee, has granted a total of 5.878 performance shares to the CEO and the other Members of the Executive Committee as part of the variable remuneration for 2022

A. To (Executive) Directors in 2022

under the Performance Share Plan 2020-2022. In addition the Board of Directors, at its meeting of 9 March 2023, on recommendation of the Remuneration Committee has granted 4.010 performance shares as part of the variable remuneration linked to the 2022 performance.

The tables hereafter detail the performance shares granted and vested to the Executive Chair / CEO and the other members of the Executive Committee since 2020.

Name Director, position	Main conditions of the Performance Share Plan					Information regarding the reported FY					
	Specification plan	Performance period	Grant/ award date	Vesting date	End of holding period	Opening balance	During the year		Closing balance		
						Shares granted/ awarded at the beginning of the period	Shares vested	Shares granted	Shares subject to a performance condition	Shares granted/awarded and vested at year end	Shares subject to a holding period
A³ MANAGEMENT bv Executive Chair / CEO	PSP 2020 – 2022	01/01/2020 - 31/12/2022	10/12/2020	20/04/2023	n/a	2,424	-	-	-	0	n/a
		01/01/2021 - 31/12/2023	04/03/2021	18/04/2024	n/a	2,352	-	-	2,352	-	n/a
		01/01/2022 - 31/12/2024	10/03/2022	17/04/2025	n/a	5,405	-	-	5,405	-	n/a
						10,181	-	-	7,758	0	n/a

B. To other Members⁹ of the Executive Committee performing missions in 2022

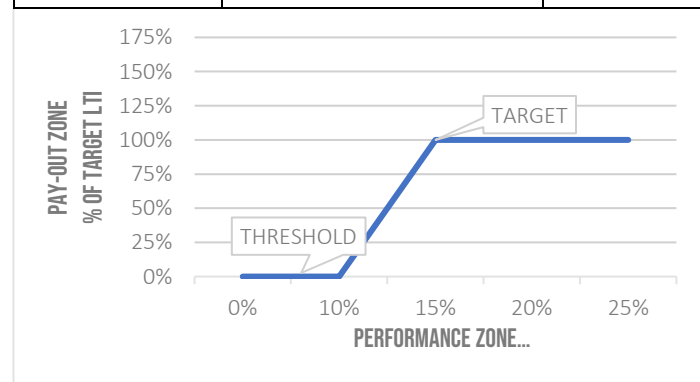
Name Executive, position		Main conditions of the Performance Share Plan					Information regarding the reported FY					
							Opening balance	During the year		Closing balance		
		Specification plan	Performance period	Grant/ award date	Vesting date	End of holding period	Shares granted/ awarded at the beginning of the period	Shares vested	Shares granted	Shares subject to a performance condition	Shares granted/awarded and vested at year end	Shares subject to a holding period
KB FINANCIAL SERVICES BV Executive (CFO)	PSP 2020 – 2022		01/01/2020- 31/12/2022	10/12/2020	20/04/2023	n/a	489	-	-	-	0	n/a
			01/01/2021- 31/12/2023	04/03/2021	18/04/2024	n/a	514	-	-	514	-	n/a
			01/01/2022- 31/12/2024	10/03/2022	17/04/2025	n/a	473	-	-	473	-	n/a
Adel Yahia Consult BV Executive (MD Belgium)	LTI 2019						728	-	-	-	-	728
	LTI 2021						925					925
							925					925
	LTI 2022						2,005					2,005
							2,005					2,005
Olivier Bastin Executive (MD Luxembourg)	LTI 2021						80					80
							80					80
							8,224	-	-	987	0	6,748

⁹ Still in function at the end of the reporting period.

Performance Share Plan 2020-2022

The Performance Share Plan 2020 – 2022 was approved by the Shareholders at the General Meetings held on May 28th, 2020. Pursuant the « **Performance Share Plan 2020 – 2022** » some Members of the Executive Committee can be granted yearly, under certain conditions, Performance Shares. These “Performance Shares” will vest definitively after a period of three full calendar years, if they meet the predefined performance targets based on the average Return on Equity over three years and the average Return On Capital Employed (ROCE) over three years.

3Y Average ROE		
Performance		Pay-Out % of target
<= Threshold	3Y Average ROE <=10%	0%
At target	3Y Average ROE => 15%	100%



For 2022, the lower threshold for 3Y Average ROE is defined by the Board of Directors at 10%, while the upper threshold is 15%.

For 3 Year Average ROCE, the lower threshold is defined by the Board of Directors at 7%, while the upper threshold is set at 8%.

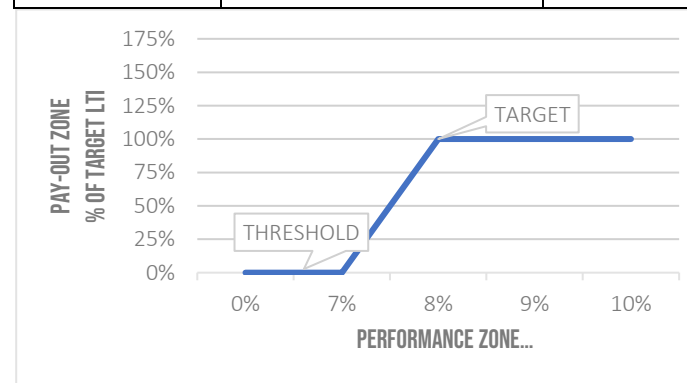
There will be an allotment of Performance Shares in each of the years 2020 to 2022 and the total number of Performance Shares, and the total number of Performance Shares to be offered will be determined each year by the Board of Directors upon proposal of the Remuneration Committee.

In the framework of this Plan, for the 2022 allocation a total of 5,878 shares have been granted, subject to the achievement of the 100 % performance objectives, split-off as follows:

Executive Chair : 5,405 Performance Shares.

Chief Financial Officer : 473 Performance Shares.

3Y Average ROCE		
Performance		Pay-Out % of target
<= Threshold	3Y Average ROCE <= 7%	0%
At target	3Y Average ROCE => 8%	100%



The main rules of this Performance Share Plan are listed below:

The “Performance Shares” granted by the aforementioned plans are offered free of charge to the beneficiaries, and entitle the same rights as the existing shares. The Board of Directors annually sets the objectives, in accordance with the Company’s strategy and the Remuneration Policy of the Company.

The exact degree to which the Performance Shares for the two plans will be definitively acquired, will depend on the level of performance of the objectives achieved:

- no definitive acquisition when the performance is below or equal to the defined minimum threshold;

- the full implementation of the objectives will lead to a nominal acquisition of 100 % of the allocated Performance Shares;
- the maximum definitive acquisition is limited to 100 % of the Performance Shares awarded when the performance is equal to or greater than the agreed upper limit —

Upon the final vesting, the beneficiaries will not receive the dividend value of the last three years to which the acquired Performance Shares relate.

LTI Plan

As mentioned above, the Members of the Executive Committee, exercising a role of Managing Director of a country, can benefit from a Long Term Incentive Plan (LTI), based on the outperformance of the business unit. This LTI is for 5% allocated in shares. These shares will be vested in year 4 and year 5 following the grant allocation.

III. Any use of the right to reclaim

There is no specific right to reclaim the variable remuneration awarded based on incorrect financial information, except in the above-mentioned Performance Share Plan which contains a Claw Back Clause. The Board of Directors has decided that the variable remuneration (“Short Term Incentive”) will be paid to the Members of the Executive Committee/ Executive Director after the Board of Directors of March 9th, 2023 which draws up the Annual Accounts as at December 31st, 2022, subject to final approval by the Shareholders’ Meeting of 20 April 2023.

IV. Information on how the remuneration complies with the remuneration policy and how performance criteria were applied

A. Compliance with the Remuneration Policy

Pursuant to Provision 7.8 of the Belgian Corporate Governance Code 2020, the variable part of the executive remuneration package is structured to link reward to overall corporate and individual performance, and to align the interests of the Members of the Executive Committee with the sustainable value-creation objectives of Immoel. Therefore the Remuneration of the Members of the Executive Committee (Executive Chair included, as detailed above) is divided

into a fixed part, a variable part STI (“Short Term Incentive”) and, for some of them, a variable part LTI (“Long Term Incentive”).

The variable part STI includes:

- a variable quantitative remuneration exclusively based on the level of Return on Equity;
- a measurable variable qualitative remuneration determined in function of:
 - the general criteria applicable to all the Members of the Executive Committee. These general criteria are the following:
 - Show leadership
 - Respect Immoel governance and agreed processes and procedures
 - Show leadership in way of working towards all Immoel teams
 - the responsibilities, the missions, and the targets to be achieved, on an individual basis by each of the Members of the Executive Committee, during the reviewed financial year.
 - the ESG criteria applicable to all the Members of the Executive Committee.

As decided by the Board of Directors, upon proposal of the Remuneration Committee, the Members of the Executive Committee, exercising a Group function, benefit from a weighted remuneration, at 80 % for quantitative aspects, and at 20 % for qualitative aspects, compared to total variable remuneration. The Managing Directors benefit from a weight 50 % - 50 %.

Regarding the variable part Long Term Incentive (LTI), a differentiation needs to be made between, on the one hand the Immoel Performance Share Plans (2020 - 2022) and on the other hand a specific Long Term Incentive Plan for some other Members.

The Performance Share Plan gives to some Members of the Executive Committee an incentive in case targets are met on ROE and ROCE (Plan 2020 - 2022).

The 2nd LTI Plan, which incentivizes more specifically outperformance of the Managing Directors on country level, is based on outperformance of the ROE on country level and calculated in function of excess Net profit (above ROE level of 15%). In this LTI-Plan, a part of the amount is vested and paid out in cash (95% over 3 years), while the remaining 5% is allocated in shares and vested in year 4 and year 5 following the grant allocation.

The Members of the Executive Committee exercising a function at Group level received shares in the framework of the PSP 2020 - 2022 Plan, according to a certain % depending on their remuneration (50% for the Executive Chair/CEO and 10% for the other Members holding a function at Group level). The Board of Directors has decided that the variable

remunerations “Short Term Incentive” will be paid to the Members of the Executive Committee after the Board of Directors of March 2023 establishing the Annual Accounts per December 31st, 2022, subject to final approval by the General Meeting of 20 April 2023.

Based on the global performance of the Company during 2022 and on the realization of the individual targets of the Members of the Executive Committee between January 1st and December 31st, 2022, the variable part of the global remuneration (qualitative and quantitative) paid for 2022, represents 113,26% of the basic remuneration for the Members of the Executive Committee (with exclusion of the one of the Executive Chair / CEO, detailed below). The variable part include on the one hand the contractually agreed STI amount, the LTI amount for some members and the amounts due in the context of the Performance Share Plans (the vested shares).

The period of notice or compensatory severance payment due by Immobel in case of termination of contracts with the Members of the Executive Committee / Executive Directors, under a self-employed status, active within Immobel is 3 months. Exceptions can only be granted, after validation by the Board of Directors, on proposal of the Remuneration Committee.

For those exercising their function under an employee status, the legal notice periods and modalities are applicable.

For your information, the foreseen periods of notice for the Members of the Executive Committee are:

- Marnix Galle : 12 months
- Karel Breda : 6 months
- Stephanie De Wilde : 3 months
- Adel Yahia : 3 months.
- Fabien Acerbis : 3 months
- Olivier Bastin : according to legislation in Luxembourg.

No severance payments were paid to any Member of the Executive Committee during 2022.

B. Application performance criteria

For 2022, the performance of the CEO and the other Members of the Executive Committee were appraised on the basis of the following criteria.

Name Director, position	Description of the performance criteria and type of applicable remuneration	Relative weighting of the performance criteria	Information on performance targets		Measured performance (a) and actual award outcome (b)
			Minimum target/threshold performance (a) and corresponding award (b)	Maximum target/threshold performance (a) and corresponding award (b)	
A ³ MANAGEMENT bv, Executive Chair / CEO	Return on Equity – quantitative performance	80%	(a) ROE of 10%	(a) unlimited	(a) ROE of 1,9%
			(b) 0 EUR	(b) unlimited	(b) 0 EUR
	Qualitative performance (general criteria, specific criteria and ESG criteria)	20%	(a) /	(a) 100%	(a) 75,42%
			(b) /	(b) 160,000 EUR	(b) 120,667 EUR
Other Members of the Executive Committee	Quantitative criteria	Depends on Role within the Executive Committee.	(a) ROE of 10% or 15%	(a) unlimited	(a) Individual scores per Member
			(b) 0 EUR	(b) unlimited	(b) 3,690,014 EUR
	Qualitative criteria (general, specific and ESG criteria)	Depends on Role within the Executive Committee	(a) /	(a) /	(a) individual scores per Member
			(b) /	(b) 217,533 EUR	(b) 195,841 EUR

V. Derogations and deviations

Based on the global performance of the Company during 2022 and on the realization of the individual targets of the Members of the Executive Committee between January 1st and December 31st, 2022, the variable part of the global remuneration (qualitative and quantitative) paid in 2022, represents 113,26 % of the base remuneration for the Members of the Executive Committee (with exclusion of the one of the Executive Chair/CEO).

The variable remuneration of some other Members of the Executive Committee amounts more than 25 % of their respective remuneration in 2022. Further to the Extraordinary

General Meeting of November 17th, 2016 it was expressly foreseen in article 14 (former article 16) of the articles of association that the Company may however derogate from the provisions of articles 7:91 paragraph 1 and 2 and 7:121 last paragraph of the Code of Companies and Associations, for each person falling within the scope of these provisions.

During 2022, there were no deviations from the Remuneration Policy or from its implementation.

VI. Comparative information on the change of remuneration and company performance over the 5 lasted reported financial years

Annual change	2018	2019	2020	2021	2022	Information regarding the RFY
Remuneration CEO /						
Executive Chair of the Board of Directors						
A³ MANAGEMENT bv ¹⁰ Executive Chair	-	886,260	1,043,760	2,032,801	1,320,667	The lower remuneration is due as the quantitative results on Group level are below the predefined threshold target.
Year-on-year change	-	-	+18%	+95%	-35%	
Remuneration other members of the Executive Committee						
Other members of the Executive Committee	-	-	2,181,293	4,288,273	5,394,284	The higher remuneration is partly linked to the new members that joined the Executive Committee and partly due to the outperformance of a business unit.
Year-on-year change	-	-	-	+97%	+26%	
Remuneration Non-Executive Directors						
ADL CommV ¹¹ Non-executive	27,050	34,175	25,475	35,525	38,300	Higher attendance fees due to higher number of (physical) meetings.
Year-on-year change	-18%	+26%	-25%	+39%	+8%	
PIERRE NOTHOMB srl ¹² Non-executive	-	43,175	35,875	47,625	50,150	Higher attendance fees due to higher number of (physical) meetings.
Year-on-year change	-	-	-17%	+33%	+5%	

¹⁰ Represented by its permanent representative Mamix GALLE.

¹¹ Represented by its permanent representative Astrid DE LATHAUWER.

¹² Represented by its permanent representative Pierre NOTHOMB.

A.V.O.- MANAGEMENT bv ¹³	30,800	35,525	26,600	36,800	38,900	Higher attendance fees due to higher number of (physical) meetings.
Non-executive						
Year-on-year change	-5%	+15%	-25%	+38%	+6%	
M.J.S. CONSULTING bv ¹⁴	-	29,750	28,700	39,950	39,950	Equal attendance fees due to equal number of meetings meetings
Non-executive						
Year-on-year change	-	-	-4%	+39%	0%	
LSIM sa ¹⁵	-	23,450	20,300	41,000	39,950	Lower attendance fees due to lower number of (physical) meetings.
Non-executive						
Year-on-year change	-	-	-13%	+102%	-3 %	
Patrick ALBRAND	-	-	-	7,967	4,675	Patrick Albrand was replaced by the Company SKOANES SAS as of 17 February 2022.
Non-executive						
Year-on-year change	-	-	-	-	-41 %	
SKOANEZ SAS ¹⁶	-	-	-	-	43,675	Patrick Albrand was replaced by the Company SKOANES SAS as of 17 February 2022.
Non-executive						
Year-on-year change	-	-	-	-	n/a	
Total remuneration granted to	270,752	289,775	167,750	250,300	255,600	
-non-executive Directors¹⁷						
Year-on-year change	-10%	+7%	-42%	+49%	+2%	

¹³ Represented by its permanent representative Annick van OVERSTRAETEN.

¹⁴ Represented by its permanent representative Michèle SIOEN.

¹⁵ Represented by its permanent representative Wolfgang de LIMBURG STIRUM.

¹⁶ Represented by its permanent representative Patrick ALBRAND.

¹⁷ The total remuneration granted includes also the remuneration granted to non-executive Directors that have left the Company.

Annual change	2018	2019	2020	2021	2022	Information regarding the RFY
Company performance						
EBITDA	75.1 MEUR	124.6 MEUR	52.8 MEUR	103.8 MEUR	68.6 MEUR	
<i>Year-on-year change</i>	291%	+66%	-58%	+97%	+34%	
Net profit	56.8	102.4 MEUR	33.3 MEUR	92.2 MEUR	10.7 MEUR	
<i>Year-on-year change</i>	+514%	+80%	-68%	+177%	-88%	
Average employee remuneration						
Average remuneration per employee (full cost)	NA	NA	NA	125,498	152,220	
<i>Year-on-year change</i>	-	-	-	-	+21%	

VII. Ratio lowest remuneration/ highest remuneration

The ratio of the highest remuneration (i.e. the Executive Chair compared to the lowest remunerated employee, at Full Time Equivalent, in Immobel Group amounts to 2,65 % in 2022. This information applies to all entities of the Group, in all locations (Belgium, Luxemburg, France, Germany, Poland, Spain and United Kingdom).

VIII. Information on shareholder vote

Immobel is required to explain in the report how the advisory vote on the previous remuneration report adopted by the last General Meeting has been taken into account:

For the sake of completeness, it is especially mentioned to the Shareholders that de Ordinary General Meeting of Shareholders (representing 64,83% of the share-capital) has on April 21th, 2022 approved

- the latest Remuneration Report by 5,906,776 votes “for”, 574,698 votes “against” and 114 abstentions, and
- the Remuneration Policy by 5,914,437 votes “for”, 567,037 votes “against” and 114 abstentions.

We therefore ask you to approve the terms of this Remuneration Report for the year 2022.

Agreed at the Meeting of the Board of Directors on March 9th, 2023.

ADL CommV
(represented by Astrid De Lathauwer)
Chair of the Remuneration Committee

A³ Management BV
(represented by Marnix Galle)
Executive Chair of the Board of Directors



MANAGEMENT report

MANAGEMENT REPORT

Ladies and Gentlemen,

We have the pleasure to present our activity report 2022.

Immobel closed its annual accounts on 31 December 2022.

Immobel delivered solid 2022 financial results despite challenging geopolitical and macroeconomic environments. The underlying net profit reached EUR 54.5 million. The underlying return on equity stood at 9.5%. EBITDA reached EUR 68.6 million.

Like most real estate companies, in 2022 Immobel was impacted by the geopolitical context and macro-economic headwinds. These have led to rapidly increasing interest rates, increased construction costs as well as procurement issues for key building materials – impacting construction speed. In the face of these challenges, the company shifted its focus from growth to operational excellence, reducing its overhead costs by 30% as of 2024. Together with Immobel's healthy balance sheet – with a cash position of EUR 276 million – this strategy enabled the company to weather current market conditions and provide a solid foundation for the future.

HIGHLIGHTS

- The underlying net profit reached EUR 54.5 million, down from EUR 92.2 million in 2021, which was a record year for the company. The underlying ROE stood at 9.5%. EBITDA totalled EUR 68.6 million, vs 103.8 million in 2021.
- Operating income (incl. joint ventures and associates)¹ reached EUR 410 million. Sales of residential projects remained strong in Belgium and Poland. Other markets were more challenging. 2022 saw a slowdown in residential demand, due to rising interest rates and overall macroeconomic headwinds. The sales of prime office assets also contributed significantly to the financial performance. These include the Cours Saint-Michel site in Etterbeek (Brussels, Belgium). The company also witnessed strong rental activity for its office business.
- As part of its focus on operational efficiency, Immobel will reduce its yearly overhead costs by EUR 15 million as of 2024 mainly by limiting its exposure to the development of small residential projects in France as well as transferring its real estate investment management activity from London to Brussels. It also encompassed toning down its acquisition strategy during the second half of 2022.
- An impairment loss of goodwill of EUR 43.8 million was recorded in 2022 reflecting the strategy to shift our focus from the development of small residential projects located in the suburban areas of Paris, to the development of mixed-use projects located in the centre of the capital. Including impairment loss, the net profit group share reached EUR 10.7 million.
- Real estate investment management remains part of Immobel's strategy. However, given the challenges related to the current economic context, the company has decided to close its dedicated platform in London (Immobel Capital Partners) early 2023 and further pursue this activity from Brussels.
- In Germany, the Eden Tower (Frankfurt) project – which is currently being completed – has recorded significantly higher construction costs than expected, leading to a negative impact on the net profit.
- Final permits obtained for projects with a total GDV (Gross Development Value) of EUR 412 million. Immobel's total gross development value remained stable compared with 2021, at EUR 5.7 billion.
- A conservative balance sheet and a cash position of EUR 276 million provide Immobel with a strong financial footing, enabling the company to weather the tough market and pursue the development of its existing portfolio.
- In June 2022, Immobel successfully placed green notes for a total of EUR 125 million, underlining the trust in the company as well as our ability to deliver on our commitments.
- A gross dividend of EUR 3.05 per share will be proposed at the General Meeting on 20 April 2023.

¹ Represents operating income in internal view (i.e. external view figures before the application of IFRS 11). Operating income in external view (i.e. official IFRS reported figures of the company) reached EUR 244 million.

I. Business development (art. 6 ' 1, 1' et art. 3:32, 1' cca)

A. Groupe Immobel business

A) Financials

Financial performance driven by prime office assets

In 2022, the total sales value of our sold assets reached EUR 473 million. This figure can be broken down into EUR 318 million for residential properties and EUR 155 million for offices. The company also witnessed strong rental activity for its office business.

- In Belgium, sales of residential assets remained solid, especially the O'Sea, Slachthuis, Ilôt Saint-Roch and Lalys projects. Prime office assets were also key contributors to sales, including the Cours Saint-Michel site in Etterbeek (Brussels); Commerce 46, a BREEAM Outstanding and CO2 neutral building in the European Quarter in Brussels; and The Woods, a 10,000 m² modern redevelopment located in Hoeilaart, Flemish Brabant.
- As part of Immobel's focus on operational efficiency, in France the company is limiting its exposure to small residential projects located in the outskirts of Paris and its suburban areas in order to focus on (high-margin) mixed developments located in the centre of Paris. The delay of the sales process of the St Antoine office project impacted sales negatively in this country.
- In Poland, the Granary Island residential project in Gdansk was nearly fully sold in 2022. Next to the higher costs incurred related to the Eden Tower (Frankfurt) project, sales in Luxembourg and Germany were negatively impacted by lower demand for residential projects and the delayed start of construction.

Permitting – key projects moving forward

Although the company faces substantial delays in obtaining permits for some of its mixed-use residential developments, other key projects are moving forward. Final permits were obtained for new projects with a total GDV (Gross Development Value) of EUR 412 million last year. This was slightly lower than expected mainly due to the annulment of the land use plan for our RAC4 project in Brussels by the Council of State, in December.

- Neighbourhood information and co-creation play a significant role in the redesigned Brouck'R project for which Immobel and BPI Real Estate submitted a modified building permit request in October.
- In the summer, Immobel submitted a building permit request to transform the Proximus Towers into a liveable, future-oriented and inclusive place. The plans are part of the new vision of the Brussels Region to transform the North District, including the North Quarter, into an accessible, safe, and connecting neighbourhood for all its residents and users.
- In July, Immobel acquired the Commodore project (11,000 m²) in Evere (Brussels, Belgium). The project, with final permit, consists in the redevelopment of a former office site into 115 quality apartments surrounded by green.

Focus on high quality of project portfolio

Immobel's total gross development value remained stable compared with 2021, at EUR 5.7 billion, as the sale of assets offset acquisitions.

During the first half of 2022, Immobel conducted several successful and impactful new acquisitions, including the **Proximus Towers** (see above).

During the second half of 2022, Immobel toned down its acquisition strategy to align it with the evolving macroeconomic environment and the existing pipeline.

Healthy balance sheet

Despite the challenging economic conditions, the company has maintained a strong liquidity, with a cash position of EUR 275.9 million and a gearing ratio² of only 53.0%. The net debt³ reached EUR 626.6 million at the end of last year. The company's financial footing gives it the flexibility and agility to face the current headwinds and pursue the development of its existing portfolio.

B. Comments on the consolidated financial statements

A) Key indicators

CONSOLIDATED TURNOVER PER COUNTRY (MEUR)

	BEFORE IFRS 11	AFTER IFRS 11
Belgium	279.13	129.41
Grand-Ducy of Luxemburg	30.02	23.65
France	45.43	52.12
Poland	1.22	0.48
Germany	20.99	20.99
Spain	0.58	0.58
Total	377.37	227.23

CONSOLIDATED INVENTORIES PER COUNTRY (MEUR)

	BEFORE IFRS 11	AFTER IFRS 11
Belgium	735.24	436.74
Grand-Ducy of Luxemburg	152.94	152.36
France	237.6	218.02
Poland	104.2	64.23
Germany	112.46	112.46
Spain	18.26	1.92
Total	1360.7	985.73

² Gearing ratio is calculated by dividing net debt by the sum of net debt and equity group share with goodwill subtracted from equity group share.

³ Net debt refers to the outstanding non-current and current financial debt offset by the cash and cash equivalents.

B) Consolidated accounts

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (IN THOUSANDS €)

	NOTES	31/12/2022	31/12/2021
OPERATING INCOME		243 875	392 815
Revenues	2	227 228	379 509
Rental income	3	9 078	9 368
Other operating income	4	7 569	3 938
OPERATING EXPENSES		-293 573	-338 312
Cost of sales	5	-208 866	-311 066
Cost of commercialisation		- 204	- 439
Administration costs	6	-84 503	-26 807
Administration costs - Others	6	-40 714	-26 807
Administration costs - Goodwill impairment	6	-43 789	
OPERATING PROFIT		-49 698	54 502
SALE OF SUBSIDIARIES			25
Gain (loss) on sales of subsidiaries			25
JOINT VENTURES AND ASSOCIATES		67 181	44 531
Share of result of joint ventures and associates, net of tax	7	67 181	44 531
OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		17 483	99 058
Interest income		4 398	4 983
Interest expense		-4 272	-6 605
Other financial income		103	81
Other financial expenses		-4 584	-3 552
NET FINANCIAL COSTS	8	-4 355	-5 094
PROFIT BEFORE TAXES		13 128	93 964
Income taxes	9	-2 755	-1 619
PROFIT OF THE PERIOD		10 373	92 345
Share of non-controlling interests		- 350	195
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		10 723	92 150
PROFIT FOR THE PERIOD		10 373	92 345
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		5 524	- 820
Currency translation		1 779	- 904
Cash flow hedging		3 745	84
Other comprehensive income - items that will not be reclassified subsequently to profit or loss		111	57
Actuarial gains and losses (-) on defined benefit pension plans	24	111	57
TOTAL OTHER COMPREHENSIVE INCOME		5 635	- 763
COMPREHENSIVE INCOME OF THE PERIOD		16 008	91 582
Share of non-controlling interests		544	112
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		15 464	91 470
EARNINGS PER SHARE (€) (BASIC/DILUTED)	10	1,08	9,25

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS €)

ASSETS	NOTES	31/12/2022	31/12/2021
NON-CURRENT ASSETS		362 294	506 259
Intangible assets	11	1 357	246
Goodwill	12		43 789
Property, plant and equipment	13	4 122	2 793
Right-of-use assets	14	9 937	3 772
Investment property	15	67 686	173 999
Investments in joint ventures and associates	16	144 891	156 532
Other investments			1 015
Advances to joint ventures and associates	16	111 527	101 670
Deferred tax assets	17	21 733	21 292
Cash guarantees and deposits		1 041	1 151
CURRENT ASSETS		1 385 733	1 178 890
Inventories	18	985 726	698 623
Trade receivables	19	17 591	38 116
Contract assets	20	42 148	117 953
Income Tax receivables		988	1 369
Prepayments and other receivables	21	56 217	36 240
Advances to joint ventures and associates	16	3 450	13 163
Other current financial assets		3 687	49
Cash and cash equivalents	22	275 926	273 377
TOTAL ASSETS		1 748 027	1 685 149

EQUITY AND LIABILITIES	NOTES	31/12/2022	31/12/2021
TOTAL EQUITY	23	573 140	582 919
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		556 552	571 567
Share capital		97 257	97 257
Retained earnings		456 249	472 629
Reserves		3 046	1 681
NON-CONTROLLING INTERESTS		16 588	11 352
NON-CURRENT LIABILITIES		744 480	535 104
Employee benefit obligations	24	567	996
Deferred tax liabilities	17	21 136	26 352
Financial debts	22	722 777	507 596
Derivative financial instruments	22		160
CURRENT LIABILITIES		430 408	567 126
Provisions	25	3 829	2 328
Financial debts	22	179 723	359 094
Trade payables	26	98 384	83 546
Contract liabilities	27	51 485	21 969
Income Tax liabilities		13 057	13 770
Social debts, VAT and other tax payables		20 021	16 430
Accrued charges and other amount payable		34 339	31 165
Advances from joint venture and associates	16	29 570	38 824
TOTAL EQUITY AND LIABILITIES		1 748 027	1 685 149

C) Immoel SA company accounts

Income Statement

The operating loss amounts to EUR 4.69 million for the past financial year.

The financial result amounts to EUR 50.7 million, being the net amount of interest charges on group financing (bonds and corporate lines), capital gains on disposals of subsidiaries, interest income from loans to the various subsidiaries, mainly generated by dividends and disposal of treasury shares.

Immoel's financial year ended with a net profit before taxes of EUR 46.01 million.

The Balance Sheet

The total Balance Sheet amounts to EUR 1,081.78 million and is mainly composed of financial investments in subsidiaries and claims on these subsidiaries (EUR 819.76 million), the project stock directly held by Immoel SA (EUR 42.28 million), own shares (EUR 1.14 million) and cash equivalents (EUR 175.41 million).

The equity amounts to EUR 331.94 million as of 31 December 2022. The liabilities are mainly composed of long-term debts (EUR 479.43 million) and short-term debts (EUR 261.03 million).

Allocation of results

The profit to be allocated, taking into account the amount carried forward from the previous year amounts to EUR 157.92 million.

Given the dividend policy approved by the Board of Directors and the results as of 31 December 2022, the Board of Directors proposes to the General Meeting of Shareholders of 20 April 2023 to distribute a gross dividend of EUR 3.05 per share in circulation for the year 2022, an amount that should increase every year, subject to the absence of any currently unforeseen exceptional events.

Main risks and uncertainties

The Immoel Group faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world.

Without the list being exhaustive, we would like to mention the following in particular:

Market risk

Changes in general economic conditions in the markets in which Immoel's properties are located can adversely affect the value of Immoel's property development portfolio, as well as its development policy and, consequently, its growth prospects.

Immoel is exposed to the national and international economic conditions and other events and occurrences that affect the markets in which Immoel's property development portfolio is located: the office property market in Belgium (mainly in Brussels), Luxembourg, France, Germany, Spain, Poland, and United Kingdom; and the residential (apartments and plots) property market in Belgium, Luxembourg, Poland and France. This diversification of both business and countries means it can target different clients, economic cycles and sales volumes.

Changes in the principal macroeconomic indicators, a general economic slowdown in one or more of Immoel's other markets, or on a global scale, could result in a fall in demand for office buildings or residential property or building plots, higher vacancy rates and higher risk of default of service providers, building contractors, tenants and other counterparties, any of which could materially adversely affect Immoel's value of its property portfolio, and, consequently, its development prospects.

Immoel has spread its portfolio of projects under development or earmarked for development to limit the impact of any deterioration in the real estate market by spreading the projects in terms of time and nature.

Operational risk

Immoel may not be able to dispose of some or all of its real estate projects.

Immoel's revenues are determined by disposals of real estate projects. Hence, the results of Immoel can fluctuate significantly from year to year depending on the number of projects that can be put up for sale and can be sold in a given year.

Furthermore, it cannot be guaranteed that Immoel will find a buyer for the transfer of its assets or that the transfer price of the assets will reach a given level. Immoel's inability to conclude sales can give rise to significant fluctuations of the results.

The policy of diversification implemented by Immobel over the last years to spread its exposure to both offices and residential activities should give it a revenue base and regular cash flows.

The development strategy adopted by Immobel may prove to be inappropriate.

When considering property development investments, Immobel makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to differ from reality, rendering Immobel's strategy inappropriate with consequent negative effects for Immobel's business, results of operations, financial condition, and prospects.

Immobel takes a prudent approach to the acquisition and development of new projects and applies precise selection criteria. Each investment follows a clear and strict approval process.

Immobel's development projects may experience delays and other difficulties.

Before acquiring a new project, Immobel carries out feasibility studies with regards to all relevant aspects of such projects, including but not limited to urban planning, technical, legal, financial and tax due diligence, usually with the help of specialised consultants. Nevertheless, these projects are always subject to a variety of risks, each of which could cause late delivery of a project and consequently increase the length of time before it can be sold, engender a budget overrun or cause the loss or decrease of expected income from a project or even, in some cases, its actual termination.

Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, construction process, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in obtaining construction permits or other approvals required to complete the project, appeals against such permits and resulting delays in the start of commercialization and construction; (iii) a refusal by the planning authorities in the countries in which Immobel operates to approve development plans; (iv) demands of planning authorities to modify existing plans; (v) intervention by pressure groups during public consultation procedures or other circumstances; and (vi) upon completion of the development project, occupancy rates, actual income from sale of properties or fair value being lower than forecasted.

Considering these risks, Immobel cannot be sure that all its development projects (i) can be completed in the expected timeframe, (ii) can be completed within the expected budgets or (iii) can even be completed at all. It is in the framework of controlling this risk and others that Immobel has increased the diversification of its business/countries/clients, which allows it to reduce its concentration on any particular project or another.

Furthermore, Immobel has some projects where an asset under development is preleased or pre-sold to a third party and where Immobel could incur substantial liabilities if and when such projects are not completed within the pre-agreed timeline.

Immobel may be liable for environmental issues regarding its property development portfolio.

Immobel's operations and property development portfolio are subject to various laws and regulations in the countries in which it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety.

Such laws and regulations may also require Immobel to obtain certain permits or licenses, which it may not be able to obtain in a timely manner or at all. Immobel may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or may have owned in the past.

As a property developer, Immobel may also incur fines or other penalties for any lack of environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value.

Immobel may lose key management and personnel or fail to attract and retain skilled personnel.

Loss of its managerial staff and other key personnel or the failure to attract and retain skilled personnel could hamper Immobel's ability to successfully execute its business strategies.

Immobel believes that its performance, success, and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which Immobel operates. Immobel might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes.

The unexpected loss of the services of one or more of these key individuals and any negative market or industry perception arising from such loss could have a material adverse effect on Immobel's business, results of operations, financial condition, and prospects.

The conduct of its management (teams), in Belgium, Luxembourg, France, Germany, Spain and Poland, is therefore monitored regularly by the CEO and the Nomination Committee, one of the organs of the Board of Directors.

Immobel is subject to the risk of litigation, including potential warranty claims relating to the lease, development or sale of real estate.

In the normal course of Immobel's business, legal actions, claims against and by Immobel and its subsidiaries and arbitration proceedings involving Immobel and its subsidiaries may arise. Immobel may be subject to other litigation initiated by sellers or purchasers of properties, tenants, contractors, and subcontractors, current or former employees or other third parties.

In particular, Immobel may be subject to warranty claims due to defects in quality or title relating to the leasing and sale of its properties. This liability may apply to defects in properties that were unknown to Immobel but could have, or should have, been revealed.

Immobel may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties given by Immobel at the time of disposal.

Immobel makes sure to control these risks with a systematic policy of taking out adequate insurance cover.

Immobel is exposed to risk in terms of liquidity and financing.

Immobel is exposed to risk in terms of liquidity and financing which might result from a lack of funds in the event of non-renewal or cancellation of its existing financing contracts or its inability to attract new financing.

Immobel does not initiate the development of a project unless financing for it is assured by both internal and external sources for the estimated duration of its development.

Immobel gets its financing from several first-rate Belgian banking partners with which it has maintained longstanding good relations and mutual trust.

Immobel is exposed to risk linked to the interest rate which could materially impact its financial results.

Given its current and future indebtedness, Immobel is affected by a short or long-term change in interest rates, by the credit margins taken by the banks and by the other financing conditions.

Immobel's financing is mainly provided based on short-term interest rates (based on the Euribor rates for 1 to 12 months) except for the 2017, 2018, 2019, 2021 and 2022 bond issues, which are fixed rate. As part of a comprehensive risk management coverage programme, Immobel introduced a policy to implement, as appropriate, adequate coverage against the risks associated with the interest rates on its debt through financial instruments.

Feasibility studies for each project are based on the predictions for long-term rates.

Immobel is exposed to a currency exchange risk which could materially impact its results and financial position.

Following its entering in the Polish and English markets, Immobel is subject to currency exchange risks. There is the foreign currency transaction risk and the foreign currency translation risk.

Immobel also makes sure whenever possible to carry out all of its operations outside the Eurozone in EUR, by having purchase, lease and sales contracts drawn up for the most part in EUR.

Immobel is subject to regulatory risk.

Any development project depends on obtaining urban planning, subdivision, urban development, building and environmental permits.

A delay in granting them or failure to grant them could impact on Immobel's activities. Furthermore, the granting of a subdivision permit does not mean that it is immediately enforceable. An appeal against it is still possible.

Furthermore, Immobel must respect various urban planning regulations. Local authorities or public administrations might embark on a revision and/or modification of these regulations, which could have a material impact on Immobel's activities.

Immobel is exposed to counterparty risk.

Immobel has contractual relations with multiple parties, such as partners, investors, tenants, contractors, financial institutions, architects. The inability of such counterparty to live up to their contractual obligations could have an impact on Immobel's operational and financial position. Immobel pays great attention, through appropriate studies, to the choice of its counterparties.

Changes in direct or indirect taxation rules could impact the financial position of Immobel.

Immobel is active in Belgium, Luxembourg, France, Germany, Spain, Poland, and United Kingdom. Changes in direct or indirect fiscal legislation in any of these could impact Immobel's financial position.

Immobel is exposed to the risk associated with the preparation of financial information.

The preparation of financial information in terms of the adequacy of the systems, the reporting and compilation of financial information, considering changes in scope or changes in accounting standards is a major challenge for Immobel, the more so given the complexity of the Group and the number of its subsidiaries. Please also note in this risk the complexity of the Immobel Group is active in Belgium, Luxembourg, France, Germany, Spain and Poland. Competent teams in charge of producing it and suitable tools and systems must be able to prevent this financial information from not being produced on time or presenting deficiencies with regards to the required quality.

II. Important events after the end of the financial year (art. 3:6 § 1, 2 and art. 3:32, 2 cca)

Nihil

III. There were no events after the balance sheet date that had a significant impact on the Company's accounts. Circumstances likely to have a significant influence on the development of the Company (art. 3:6 § 1, 3° and 3:32, 3° CCA)

Major judgement & estimates

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of the Company. With respect to the geopolitical and economic turmoil on the economic circumstances and on the financial performance of the company, the Board of Directors assesses on a continuous basis the going concern assumption of the company based on a floored case which is updated on a regular basis.

Going concern

The geopolitical and economic turmoil is currently still having an impact on the activity of the company and the sector as a whole as a buffer against this market conditions the company has a cash position of EUR 276 million at the end of December 2022 to weather current market conditions.

Based on available and committed credit lines and available cash and taking the floored case into consideration, the Board of Directors is of the opinion that the company can maintain the going concern assumption.

IV. Activities in terms of research & development (art. 3:6 §1, 4° and art. 3:32, 4° cca)

In 2022 Immobel continued its comprehensive sustainability strategy based on 13 themes linked to the United Nations Sustainable Development Goals. More information can be found in the ESG report included in this annual report.

V. Use of financial instruments (art. 3:6 §1, 8° and art. 3:32, 5° cca)

The Board of Directors confirms that Immobel used financial instruments intended to cover any rise in interest rates.

VI. Justification of the independence and competence of at least one member of the Audit & Risk Committee (art. 3:6 §1, 9° and art. 3:32, 6° cca)

Except Michèle SIOEN, all Members of the Audit & Risk Committee (currently composed of Pierre NOTHOMB¹⁰, Patrick ALBRAND¹¹ Wolfgang de LIMBURG STIRUM¹² and Michele SIOEN¹³) meet the independence criteria stated in art. 7:87 CCA as well as in provision 3.5 of the Code 2020 and sit on the Board of Directors and the Audit & Risk Committee of Immobel as independent Directors. All of them hold university degrees, occupy positions as Directors in international groups and, as such, hold mandates in the Audit Committees of other companies and organisations.

VII. Additional information

In as far as it is necessary, the Board of Directors reiterates:

- that Immobel has not set up any branches (art. 3:6 §1, 5° CCA) and
- that, given the results of the Company, there has been no reason to justify the application of continuity accounting rules (art. 3:6 §1, 6° CCA).

Furthermore, the Board confirms that during the past financial year:

- it has not been decided to increase the capital of Immobel within the framework of the authorised capital (art. 7:203 CCA); and
- that Immobel has not sold any own shares during the reporting year (art. 7:220 §2 CCA) outside the vesting of shares as part of the variable remuneration in the reported year.

VIII. Application of the procedures regarding conflicts of interest / «*corporate opportunities*»

The Board of Directors reports that, during the financial year under review, the conflict-of-interest procedure prescribed by articles 7:96 and 7:97 CCA has been applied on one occasion.

The Board of Directors has applied the conflict-of-interest procedure when taking its decision to validate the remuneration package and remuneration policy on 10 March 2022.

Below you will find an extract of the minutes of the Board of Directors concerning this decision:

¹⁰ In his capacity of permanent representative of PIERRE NOTHOMB SRL.

¹¹ In his capacity of permanent representative of Skoanez SAS.

¹² In his capacity of permanent representative of LSIM SA.

¹³ In her capacity of permanent representative of M.J.S. Consulting BV.

« Before the deliberation started, A³ Management bv, represented by Marnix Galle declared that he had a potential conflict of interest, as defined under article 7:96 of the BCC, with respect to this Agenda item.

This potential conflict of interest arises because A³ Management bv, represented by Marnix Galle, is the Executive Chair / CEO of the Company and will be the beneficiary of the remuneration to be decided upon by the Board of Directors.

In accordance with article 7:96, the Statutory Auditor of the Company will be informed of the existence of the conflict of interest.

Marnix Galle left the Meeting. He did not participate to the deliberations or the resolutions.

The Chair of the Remuneration Committee commented on the reviewed remuneration proposal for the Executive Chair / CEO as prepared by the Remuneration Committee, upon suggestion of the CHRO. Given the evolution of the current market and after discussion they proposed to:

1) to increase the remuneration of the CEO as follows as from 2022 and to apply the same principles for the period April – December 2021 (as exceptional bonus), as such:

- 800,000 EUR as base salary
- 100 % STI (being 800,000 EUR)
- 50% LTI (Performance Share Plan – being up to 400,000 EUR)

2) as mentioned above, in addition thereto, the Board of Directors will propose to the Shareholders at the next Shareholder's Meeting to award a remuneration for the role of Chair of the Board of 400,000 EUR per year (in addition to the remuneration A³ Management bv receives as CEO).

The Board of Directors indicated that the enhanced package of the Executive Chair would represent a potential additional cost of 1,280,000 EUR per year for the Company. The increase aims to [further align the remuneration of the Executive Chair/CEO to relevant benchmarks and to further incentivise the CEO and therefore the Board took the view that the increased remuneration is in the corporate interest.

Given the fact that this is a material change to the current Remuneration Policy (change in pro rata portion of the variable remuneration), the Remuneration Policy must be amended and resubmitted to the Annual General Meeting for approval. The Members of the Remuneration Committee decided to propose to the Directors to amend the Remuneration Policy taken into account discussion and decisions under the concerned agenda points.

Resolution: Upon proposal of the Members of the Remuneration Committee, the non-conflicted Directors participating in the vote unanimously, decided to increase the remuneration of the CEO as follows as from 2022 and to apply the same principles for the period April – December 2021 (as an aggregate exceptional one-time specific remuneration bonus of 1,000,000 EUR), as such:

- 800,000 EUR as base salary
- 100 % STI (being 800,000 EUR)
- 50% LTI (Performance Share Plan – being up to 400,000 EUR)

(in addition to the 400,000 EUR as Chair of the Board).

Given the fact that this is a material change to the current Remuneration Policy (change in pro rata portion of the variable remuneration), the Directors also decided to amend the Remuneration Policy accordingly and propose it as such to the Shareholders during the Annual Shareholders Meeting of April 21st, 2022. »

The procedure related to “Corporate Opportunities” has neither been enforced during the reviewed financial year.

IX. Corporate governance statement (art. 3:6 §2 cca), including the remuneration report (art. 3:6 §3 cca) and the description of the internal control systems and the risk management (art. 3:32, 7° cca)

The Corporate Governance Statement is part of this Management report.

X. Take over bid

Pursuant to article 34 of the Royal Decree of 14th November 2007 concerning the obligations of issuers of financial instruments admitted for trading on a regulated market, the Board of Directors of Immobel states that the following information could have an incidence in case of takeover bid (being understood that the other elements are currently not applicable for Immobel):

- 1° the capital amounts to EUR 97,356,533.86 represented by 9,997,356 shares, without par value, each representing an equal part of the capital (art. 4 of the Articles of Association).
- 2° the Board of Directors is authorised to increase the share capital to a maximum amount of EUR 97,000,000.00 (article 11 of the Articles of Association), in view of the fact that the exercise of this power is limited in the event of a public takeover bid by article 7:202 CCA; furthermore the Board is authorised, for a period of 3 years from the publication in the Belgian official journal thereof to acquire and dispose of shares of the company when this acquisition or disposal is necessary to avoid serious and imminent damage (art. 12 of the Articles of Association);
- 3° regarding the appointment and replacement of members of the Board of Directors, the Articles of Association specify that the Board of Directors consists of at least 4 members, appointed by the General Assembly, on the proposal of the Nomination Committee, and for a period of at most 4 years;
- 4° for amendments to the Articles of Association, there is no regulation other than that determined by the Code of Companies and Associations.

XI. Management & audit of the Company – Executive Committee

C. Board of Directors

It will be proposed to you at the Ordinary General Meeting of 20 April 2023, to decide on the renewal of the mandate of the company PIERRE NOTHOMB SRL for a period of 4 years expiring after the Ordinary General Meeting to be held in 2027.

It will be proposed to you at the Ordinary General Meeting of 20 April 2023 to confirm the mandate of PIERRE NOTHOMB SRL, as independent Director within the meaning of the articles 7:97 § 3 and 7:87, § 1 of the Belgian Companies & Associations Code, who declared to meet the independence criteria.

D. Statutory Auditor

At the Ordinary General Meeting of April 15th, 2021, KPMG Reviseurs d'Entreprises/ Bedrijfsrevisoren BV, represented by Filip DE BOCK, was appointed as Statutory Auditor, for a period of 3 years expiring at the Ordinary General Meeting to be held in 2024, for a fee of EUR 105.000 per year (excluding fees and disbursements, indexed annually).

E. Executive Committee

Duncan Ownen (Managing Directors of Immobel Capital Partners) has joined the Executive Committee on 1 January 2022. In addition, Stephanie De Wilde (Chief Legal Officer) has joined the Executive Committee on 8 September 2022. Fabien Acerbis (Managing Director Immobel France) has terminated his mission for the Company on 2 December 2022.

As at 31st December 2022, the Executive Committee was composed as follows:

- Marnix GALLE*, Chair
- Olivier BASTIN, Managing Director Immobel Luxembourg
- Karel BREDA*, Chief Financial Officer
- Stephanie DE WILDE*, Chief Legal Officer,
- Duncan OWEN, Managing Director Immobel Capital Partners, and
- Adel YAHIA*, Managing Director Immobel Belgium.

* acting for a company.

* * *

We therefore ask you to approve the terms of this report and grant discharge to the Members of the Board and the Statutory Auditor.

* * *

Approved during the Meeting of the Board of Directors on March 9th, 2022.

PIERRE NOTHOMB BV
represented by Pierre Nothomb
Director

A³ MANAGEMENT BV
represented by Marnix Galle
Executive Chair of the Board



CONSOLIDATED ACCOUNTS and Condensed Statutory Accounts

CONSOLIDATED ACCOUNTS AND CONDENSED STATUTORY ACCOUNTS

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I. Consolidated financial statements

A. Consolidated statement of profit and loss and other comprehensive income (in thousand EUR) for the years ending

	NOTES	31/12/2022	31/12/2021
OPERATING INCOME		243,875	392,815
Revenues	2	227,228	379,509
Rental income	3	9,078	9,368
Other operating income	4	7,569	3,938
OPERATING EXPENSES		-293,573	-338,312
Cost of sales	5	-208,866	-311,066
Cost of commercialisation		-204	-439
Administration costs	6	-84,503	-26,807
Administration costs - Others	6	-40,714	-26,807
Administration costs - Goodwill impairment	6	-43,789	
OPERATING PROFIT		-49,698	54,502
SALE OF SUBSIDIARIES			25
Gain (loss) on sales of subsidiaries			25
JOINT VENTURES AND ASSOCIATES		67,181	44,531
Share of result of joint ventures and associates, net of tax	7	67,181	44,531
OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		17,483	99,058
Interest income		4,398	4,983
Interest expense		-4,272	-6,605
Other financial income		103	81
Other financial expenses		-4,584	-3,552
NET FINANCIAL COSTS	8	-4,355	-5,094
PROFIT BEFORE TAXES		13,128	93,964
Income taxes	9	-2,755	-1,619
PROFIT OF THE PERIOD		10,373	92,345
Share of non-controlling interests		-350	195
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		10,723	92,150
PROFIT FOR THE PERIOD		10,373	92,345
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		5,524	-820
Currency translation		1,779	-904
Cash flow hedging		3,745	84
Other comprehensive income - items that will not be reclassified subsequently to profit or loss		111	57
Actuarial gains and losses (-) on defined benefit pension plans	24	111	57
TOTAL OTHER COMPREHENSIVE INCOME		5,635	-763
COMPREHENSIVE INCOME OF THE PERIOD		16,008	91,582
Share of non-controlling interests		544	112
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		15,464	91,470
EARNINGS PER SHARE (€) (BASIC/DILUTED)	10	1.08	9.25

B. Consolidated statement of financial position (in thousands EUR)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS €)

ASSETS	NOTES	31/12/2022	31/12/2021
NON-CURRENT ASSETS		362,294	506,259
Intangible assets	11	1,357	246
Goodwill	12		43,789
Property, plant and equipment	13	4,122	2,793
Right-of-use assets	14	9,937	3,772
Investment property	15	67,686	173,999
Investments in joint ventures and associates	16	144,891	156,532
Other investments			1,015
Advances to joint ventures and associates	16	111,527	101,670
Deferred tax assets	17	21,733	21,292
Cash guarantees and deposits		1,041	1,151
CURRENT ASSETS		1,385,733	1,178,890
Inventories	18	985,726	698,623
Trade receivables	19	17,591	38,116
Contract assets	20	42,148	117,953
Income Tax receivables		988	1,369
Prepayments and other receivables	21	56,217	36,240
Advances to joint ventures and associates	16	3,450	13,163
Other current financial assets		3,687	49
Cash and cash equivalents	22	275,926	273,377
TOTAL ASSETS		1,748,027	1,685,149

EQUITY AND LIABILITIES	NOTES	31/12/2022	31/12/2021
TOTAL EQUITY	23	573,140	582,919
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		556,552	571,567
Share capital		97,257	97,257
Retained earnings		456,249	472,629
Reserves		3,046	1,681
NON-CONTROLLING INTERESTS		16,588	11,352
NON-CURRENT LIABILITIES		744,480	535,104
Employee benefit obligations	24	567	996
Deferred tax liabilities	17	21,136	26,352
Financial debts	22	722,777	507,596
Derivative financial instruments	22		160
CURRENT LIABILITIES		430,408	567,126
Provisions	25	3,829	2,328
Financial debts	22	179,723	359,094
Trade payables	26	98,384	83,546
Contract liabilities	27	51,485	21,969
Income Tax liabilities		13,057	13,770
Social debts, VAT and other tax payables		20,021	16,430
Accrued charges and other amount payable		34,339	31,165
Advances from joint venture and associates	16	29,570	38,824
TOTAL EQUITY AND LIABILITIES		1,748,027	1,685,149

C. Consolidated statement of cash flows (in thousands EUR) for the years ending

	NOTES	31/12/2022	31/12/2021 (represented *)
Operating income		243,875	392,815
Operating expenses		-293,573	-338,312
Amortisation, depreciation and impairment of assets	6	50,078	4,584
Change in provisions		1,082	214
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		1,462	59,301
Change in working capital	30	-73,183	-60,379
CASH FLOW FROM OPERATIONS BEFORE PAID TAXES		-71,721	-1,078
Paid taxes	9	-8,327	-6,251
CASH FROM OPERATING ACTIVITIES		-80,048	-7,329
Acquisitions of intangible, tangible and other investments		-4,762	-8,845
Sale of intangible, tangible and other investments		54	4,207
Repayment of capital and advances by joint ventures	16	83,680	86,557
Acquisitions, capital injections and loans to joint ventures and associates	16	-40,233	-45,612
Dividends received from joint ventures and associates	16	43,587	8,034
Interests received	8	4,398	4,983
CASH FROM INVESTING ACTIVITIES		86,724	49,324
Proceeds from financial debts	22	405,473	258,113
Repayment of financial debts	22	-369,663	-143,372
Change of ownership interests without change of control		4,365	
Paid interests	8	-19,728	-15,456
Other financing cash flows		1,513	-3,471
Proceeds from sale of treasury shares		117	16,417
Gross dividends paid		-30,409	-28,907
CASH FROM FINANCING ACTIVITIES		-8,332	83,324
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		-1,656	125,319
CHANGE OF SCOPE OR CONSOLIDATION METHOD		4,205	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		273,377	148,059
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		275,926	273,377

(*) Interest received has been transferred from the section "Cash from Operating activities" to "Cash from investment activities". Paid interest and other financing cash flow has been transferred from the section "Cash from Operating activities" to "Cash from financing activities".

D. Consolidated statement of changes in equity (in thousands EUR) for the years ending

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	TREASURY SHARES RESERVE	CURRENCY TRANSLATION RESERVE	ACCUMULATED ACTUARIAL GAINS AND LOSSES	HEDGING RESERVES	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON CONTROLLING INTERESTS	TOTAL EQUITY
2022										
Balance as at 01-01-2022	97 256	349 109	124 869	-1 204	1 326	434	- 223	571 567	11 352	582 919
Result for the period		10 723						10 723	- 350	10 373
Other comprehensive income		- 123			1 378	111	3 375	4 741	894	5 635
Comprehensive income for the period		10 600			1 378	111	3 375	15 464	544	16 008
Transactions on treasury shares		- 73		68				- 5		- 5
Dividends and other beneficiaries paid		-30 409						-30 409		-30 409
Acquisition / disposal of no controlling interests, without a change in control		- 307						- 307	310	3
Change of ownership interests without change of control									4 365	4 365
Other changes		243		- 1				242	17	259
Transactions with owners of the company		-30 546		67				-30 479	4 692	-25 787
Changes in the period		-19 946		67	1 378	111	3 375	-15 015	5 236	-9 779
Balance as at 31-12-2022	97 256	329 163	124 869	-1 137	2 704	545	3 152	556 552	16 588	573 140
2021										
Balance as at 01-01-2021	97 256	280 997	124 869	-13 164	2 147	377	- 560	491 922	2 568	494 490
Result for the period		92 150						92 150	195	92 345
Other comprehensive income					- 821	57	84	- 680	- 83	- 763
Comprehensive income for the period		92 150			- 821	57	84	91 470	112	91 582
Transactions on treasury shares		4 545		11 871				16 416		16 416
Dividends and other beneficiaries paid		-27 942						-27 942	-2 156	-30 098
Cash flow hedging							253	253		253
Scope changes		- 167						- 167	10 828	10 661
Other changes		- 474		89				- 385		- 385
Transactions with owners of the company		-24 038		11 960			253	-11 825	8 672	-3 153
Changes in the period		68 112		11 960	- 821	57	337	79 645	8 784	88 429
Balance as at 31-12-2021	97 256	349 109	124 869	-1 204	1 326	434	- 223	571 567	11 352	582 919

A gross dividend of EUR 3.05 per share (excluding treasury shares) was proposed by the Board of Directors on 9 March 2023. It will be submitted to the shareholders for approval at the general meeting. The appropriation of income has not been recognized in the financial statements as of 31 December 2022.

The share capital of Immoel SA is represented by 9.997.356 ordinary shares, including 25 434 treasury shares.

As at 31 December 2022, 1 531 treasury shares have been sold during the current year, resulting in a decrease of EUR 68 thousand in the reserve for treasury shares.

In accordance with IAS 32, these treasury shares are deducted from equity. These treasury shares have neither voting rights nor dividend rights.

On 31 December 2022 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on 29 June 2016, which was the date of the merger.

The acquisition reserve was generated by the merger between ALLFIN and IMMOBEL on 29 June 2016 and remains unchanged since then.

As per Immoel's 2021 result allocation, EUR 30 409 thousand have been paid out as dividends.

The currency translation adjustments are related to Polish entities for which the functional currency is PLN and to British entities for which the functional currency is GBP.

E. Accounting principles and methods

1) General information

Immobel ("the Company") is incorporated in Belgium and its shares are publicly traded (Euronext – IMMO). The financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and joint arrangements (referred to as "The Group"). The Group is active in the real estate development business, with activities in Belgium, France, Luxembourg, Germany, Poland, Spain and the United Kingdom.

2) Statement of compliance with IFRS

The consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. The consolidated financial statements were authorized for issue by the Company's board of directors on 9 March 2023.

3) New or Revised standards or interpretations

The consolidated statements of the Group as disclosed in this annual report take into account new standards applicable as from 1 January 2022. Following standards and amendments were applied to the Group's financial statements for the first time in 2022. These standards were either not applicable or did not have a material impact to the Group's financial statements.

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2022

Following new standards or amendments to IFRS are effective as from 1 January 2022 but are either not material or do not have a material impact on the 2022 Group's financial statements .

- Annual Improvements to IFRS Standards 2018–2020 – Amendment to IFRS 1 Initial Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture
- Reference to the Conceptual Framework – Amendments to IFRS3 Business Combinations
- Property, Plant and Equipment – Proceeds before Intended Use: Amendments to IAS 16 Property, Plant and Equipment
- Onerous Contracts – Cost of Fulfilling a Contract: Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2022

The Group has not anticipated and is not planning on early adopting the following standards and interpretations which are not yet applicable on 31 December 2022:

- Amendments to IAS 8 Definition of Accounting Estimates (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable retrospectively for annual periods beginning on or after 1 January 2024 with early application permitted. These amendments have not yet been endorsed by the EU)
- IFRS 17 Insurance Contracts (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for years beginning on or after 1 January 2024, but not yet endorsed in the EU)
- Disclosure Initiative: Accounting Policies –Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction –Amendments to IAS 12 Income Tax (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)

The process for determining the potential impact of these standards and interpretations on the Group's consolidated financial statements is ongoing. The group does not expect any significant changes resulting from the application of these standards.

4) Consolidation rules

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as interests in joint ventures and in associates accounted for using the equity method.

All intragroup balances, transactions, revenue and expenses are eliminated, except for the companies accounted for using the equity method; for which the unrealised profits and unrealised losses on transactions are eliminated to the extent of the investor's interest in the investee and only to the extent that there is no evidence of impairment.

SUBSIDIARIES

Subsidiaries are companies controlled by the Group.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date when control begins until the date when control ends.

NON CONTROLLING INTEREST

Non-controlling interests are measured initially at their proportionate share of the acquirees identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

INTERESTS IN EQUITY-ACCOUNTED INVESTEEES

The Group's interests in equity-accounted investees comprise interests in joint ventures and in associates.

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control and whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates are entities over which the Group has significant influence through its participation in their financial and operating policy decisions. They are neither subsidiaries, nor joint ventures of the Group.

Significant influence is presumed if the Group, directly or indirectly, holds 20 % or more but less than 50 % of the voting rights.

The Group's interest in a joint venture is accounted for using the equity method from the date when joint control begins until the date when it ends.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

When the share of the Group in the losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to zero, and the recognition of future losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee. In such case the negative investment in equity accounted investees is deducted from other components of the investor's interest in the equity accounted investee (borrowings to equity accounted investees). The interest in an equity-accounted investee includes, for this purpose, the carrying amount of the investment under the equity method and other long-term interests that in substance form part of the entity's net investment in the joint venture. If the negative investment in equity accounted investees exceeds the investor's interest, a liability is recognized for the net amount. The group makes this assessment on a project basis.

DIFFERENT REPORTING DATES

The financial statements of subsidiaries, joint ventures and associates with reporting dates other than 31 December (reporting date of the Company) are adjusted so as to take into account the effect of significant transactions and events

that occurred between the reporting date of the subsidiary, joint venture or associate and 31 December. The difference between 31 December and the reporting date of the subsidiary, joint venture or associate never exceeds 3 months.

BUSINESS COMBINATIONS AND GOODWILL

Immobel accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

Immobel has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit and loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

5) Preparation and presentation of the financial statements

The consolidated financial statements are presented in thousands of EUR.

They are prepared on the historical cost basis, except for some financial instruments which are measured at fair value, as explained in the accounting policies below.

5.1. Foreign currencies

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Translation differences resulting therefrom are recognised in OCI and accumulated in shareholders' equity under “translation differences”, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions are translated into the respective functional currencies of the Group Companies at the exchange rate prevailing on the transaction date. At reporting date, monetary assets and liabilities are converted at the exchange rates on the balance sheet date. Gains or losses resulting from this conversion are recorded as financial result.

5.2. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

5.3. Intangible assets

Intangible assets are recorded in the balance sheet if it is likely that the expected future economic benefits which may be allocated to assets will flow to the entity and if the cost of the assets can be measured reliably.

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Intangible assets are amortised using the straight-line method on the basis of the best estimate of their useful lives of 3 to 5 years. The amortisation period and method are reviewed at each reporting date.

5.4. Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss on goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

5.5. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses. Property, plant and equipment are depreciated prorata temporis on a straight-line basis over their useful lives. Useful lives have been determined as follows:

- buildings: 20 to 50 years,
- furniture and equipment: 3 to 10 years,
- installations, complexes, machinery and specific equipment: 5 to 20 years.

Land has an unlimited useful life and therefore it is not depreciated.

Subsequent expenses related to property, plant and equipment are only capitalised if it is likely that future economic benefits associated with the item will flow to the entity and if the cost of the item can be measured reliably.

5.6. Investment property

Investment property related to projects (land and or (part of) buildings) in Belgium and Luxembourg is property held to earn rental income or for capital appreciation, or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business. They mainly relate to buildings acquired to be redeveloped and which are leased out until the beginning of development.

Investment property is measured at cost, less accumulated depreciation and any accumulated impairment losses.

Investment property is amortized over the period between acquisition date and the date on which the redevelopment commences. Investment property is amortized to its residual value. At the date on which the redevelopment commences, the investment property is transferred to inventories at its carrying amount at that time.

5.7. Leases

AS A LESSEE

With respect to all lease arrangements in which the Group is the lessee, a lease liability (i.e. a liability to make lease payments) will be recognized, as well as a right-of-use asset (i.e. an asset representing the right to use the underlying asset over the lease term), except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group's leased assets relate mainly to buildings and transportation equipment. The right-of-use assets are presented separately in the consolidated statement of financial position, and the lease liabilities are presented as part of financial debt.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

Some lease contracts contain both lease and non-lease components. These non-lease components are usually associated with facilities management services at offices and servicing and repair contracts in respect of motor vehicles. The Group has elected to not separate its leases for offices into lease and non-lease components and instead accounts for these contracts as a single lease component. For its other leases, the lease components are split into their lease and non-lease components based on their relative stand-alone prices.

After lease commencement, the right-of-use asset is measured using the cost model.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described under section 17 hereunder.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate);
- the assessment of a purchase option (using a revised discount rate);
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate); or
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

The remeasurements are treated as adjustments to the right-of-use asset.

AS A LESSOR

The Group enters into lease agreements as a lessor with respect to its investment properties. These mainly relate to buildings acquired to be redeveloped and which are rented out until the beginning of development. These contracts are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

5.8. Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets include the investments in equity instruments at fair value through profit or loss, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, cash and cash equivalents.

Trade receivables and debt securities are initially recognized when they are originated. The purchase or sale of a non-derivative financial asset in a regular-way transaction is recognized at trade date

FINANCIAL ASSETS – DEBT INSTRUMENTS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments include

- Advances to joint ventures and associates that are measured at amortised cost
- Trade and other receivables measured at amortised cost;
- Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in liabilities. Those are measured at amortised cost.

FINANCIAL ASSETS – INVESTMENTS IN EQUITY INSTRUMENTS

On initial recognition, all equity investments are measured at fair value through profit and loss unless the entity makes an irrevocable election to measure the instrument at fair value through other comprehensive income (only possible if not held for trading). Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in the income statement.

AMORTISED COST AND EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments where the hedging instrument and the hedged item match based on an assessment of the effectiveness of the hedge.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

IMPAIRMENT OF FINANCIAL ASSETS

In relation to the impairment of financial assets and contract assets, an expected credit loss model is applied. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, the following assets are included in the scope for impairment assessment for the Group: 1) trade receivables; 2) current and non-current other receivables and loans to related parties; 3) contract assets; 4) cash and cash equivalents.

IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group

is required to measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The expected credit loss is assessed for each financial asset and contract asset on an individual basis and is generally immaterial in view of the fact that a physical asset can be considered as a collateral (guarantee) in the assessment of the expected credit loss : trade receivables generally relate to the sales of residential units under construction and advances to associates and joint ventures relate to financing projects under development and contract assets arises in in situations where revenue is recognised in advance of the next progress billing.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the amount of cash obtained, after deduction of any transaction costs. After initial recognition, they are measured at amortized cost. Any difference between the consideration received and the redemption value is recognized in income over the period of the loan using the effective interest rate.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

SHAREHOLDER'S EQUITY

Issue costs that may be directly allocated to an equity transaction are recorded as a deduction from equity. As a consequence, capital increases are recorded at the proceeds received, net of issue costs and net of tax.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented in retaining earnings.

CASH FLOWS

Cash flows are inflows and outflows of cash and cash equivalents.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Acquisitions and sales of projects through the purchase or sale of assets are considered as operating activities and are presented as part of the cash flows from operating activities, whether the project is classified in inventory.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity. The capitalization of borrowing costs has no impact on the statement of cash flows.

5.9. Inventories

Inventories are measured at cost or net realisable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and costs to sell.

The acquisition cost of purchased goods includes acquisition cost and expenses directly attributable to the purchases. For finished goods and work in progress, the cost price takes into account direct expenses and a portion of production overhead without including administrative and financial expenses.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale. The impairment in value or loss (write-down or reversals) on inventories to bring them to their net realisable value is recognised in profit or loss in 'cost of sales' in the year when the impairment in value occurs.

The interests incurred during construction are capitalised. The costs of borrowings are capitalised depending on the nature of the funding. The cost of funding defined as "project financing" are fully allocated to projects funded. The costs of "Corporate" and "Bonds" financing are partially allocated based on an allocation key taking into account the projects under development and the amounts invested. The activation of the borrowing costs stops as soon as the project is ready for its intended sale.

5.10. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be necessary to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation if necessary.

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities, which occurrence is not probably, are not recognized as a provision and are mentioned in the notes to the financial statements, provided that the risk is not remote.

Contingent assets are not recognized in the financial statements.

5.11. Employee benefits

POST-EMPLOYMENT BENEFITS

The Group operates a defined-benefit pension plan and a defined-contribution pension plan.

- « Defined-contribution » pension plan

Contributions to these pension plans are recognized as an expense in the income statement as the related service is provided..

- « Defined-benefit » pension plan

For such a plan, the cost of corresponding commitments is determined using the Projected Unit Credit Method, with present values being calculated at reporting date.

The amount recognised in the balance sheet represents the present value of the estimated amount of future benefits that employees have earned in return for their service in the current and prior periods, less the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of possible refunds to the Group or reductions in future contributions to the plan.

Actuarial gains and losses are directly recorded in the other elements of comprehensive income and accumulated in a separate reserve within equity. These accumulated actuarial gains and losses are subsequently never reclassified to profit or loss.

BONUSES

Bonuses granted to employees and senior executives are based on targets relating to key financial indicators. The estimated amount of bonuses is recognized as an expense in the year to which they relate.

5.12. Grants related to assets or investment subsidies

Received government grants related to assets or investment subsidies are recognised in the balance sheet as deferred income. They are recognised as income in equal amounts over the expected useful life of the related asset.

5.13. Operating income

Group revenue comes mainly from Real Estate Development activities.

Under IFRS 15, revenue is recognised when the customer obtains control of the goods or services sold, for an amount which reflects what the entity expects to receive for the goods or services.

The main categories of sale contracts used by the Group comprise:

SALES OF OFFICE BUILDINGS

In accordance with IFRS 15, Immobel assesses on a case-by-case basis:

- Whether the agreement, the contract or the transaction meets the definition of a contract with a customer, considering the probability of the Group recovering the consideration to which it is entitled;
- Whether, under a contract, the sale of the land, the development and the commercialisation represent distinct performance obligations;
- Whether, for each obligation, the revenue is subject to a gradual transfer of control, particularly for projects which may satisfy the third criterion defined by IFRS 15.35 ("Performance creating a specific asset and giving rise to an enforceable right to payment for performance completed to date"), and must be recognised over time.

Payment terms for office sales are negotiated and stipulated in the individual contracts.

SALES OF RESIDENTIAL PROJECTS

For "Residential" projects, the analysis has distinguished revenue from contracts for which the contractual provisions and the legal context (Breyne Act in Belgium or equivalent in Luxembourg, France and Germany) establish a gradual transfer of control of the asset to the purchaser as the construction progresses from other revenue linked to contracts with customers for which control is transferred at a point in time.

Projects involving residential units - Breyne Act contracts (Belgium, Luxembourg, France and Germany)

Legally foreseen by the legal framework in Belgium and Luxembourg, the ownership of a residential unit is gradually transferred to the purchaser during the construction period as such as the revenue is recognized over time for residential properties when the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Revenue (with no distinction between "land" and "development") is recognised over time for each residential project based on progress of works measured by incurred and budgeted costs.

In Poland revenue is recognised upon the signing of the final deed, i.e. once the unit being sold is delivered, because there is no enforceable right to payment for performance completed to date according to the regulatory framework.

OTHER SALES OF RESIDENTIAL PROJECTS

Other types of sale may occur (block sale of a project, hotel, commercial space, etc.). Such transactions are therefore subject to an analysis on a case-by-case basis using an approach similar to that described for the "Office" schemes.

LANDBANKING

For this segment, the sales revenue is recorded when the asset is transferred at the moment of the notarial deed.

The revenue from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (share deal / asset deal). Disposals of subsidiaries dedicated to a project and that do not contain a business are considered part of the normal business of the Group and are therefore recognized in sales and cost of sales (IFRS 15). Upon disposal of such a subsidiary the same accounting policies with regard to the timing of revenue recognition as described above are applied.

The method of legal ownership has no impact on the recognition of the margin but on its presentation, which will differ depending on whether it is:

- Direct property, subsidiary: the results are recorded in sales and cost of sales irrespective of the legal structure of ownership of the asset;

- Joint ventures: in accordance with IFRS 11, when a partnership gives rise to joint control over net assets, ImmoBel recognizes an investment for its interest in the joint venture and recognizes it using the equity method (IAS 28). The result of the sales of property within a joint venture is therefore presented under the heading "Share in the profit or loss of joint ventures and associates"

When the Group loses control of a subsidiary that does not contain a business as defined by IFRS 3 and retains an investment (partial sale of a company dedicated to a project), the transaction is treated as a transaction between an investor and its associate or joint venture and the gain or loss is recognised in operating result only to the extent of unrelated investors' interest in the associate or joint venture. If a downstream transaction results in a loss, then no portion of the loss is eliminated to the extent that it provides evidence of a reduction in the net realizable value or of impairment of the asset to be sold or contributed.

With respect to operating leases, rent is recognised on a straight-line basis over the term of the lease, even if payments are not made on this basis. Lease incentives granted by the Group in negotiating or renewing an operating lease are recognised as a reduction of the lease income on a straight-line basis over the term of the lease.

5.14. Impairment of non-financial assets

The carrying amount of non-current assets (other than financial assets in the scope of IFRS 9, deferred taxes and non-current assets held for sale) is reviewed at the end of each reporting period in order to determine if an indication exists that an asset has impaired. If such indication exists, the recoverable amount is determined. Regarding intangible assets with indefinite useful lives and goodwill, an impairment test needs to be performed on an annual basis and whenever an impairment indicator has been identified. An impairment loss is recognized if the carrying amount of the asset or the cash-generating unit exceeds its recoverable amount. Impairment losses are presented in the operating expenses.

When the recoverable amount cannot be individually determined for an asset, including goodwill, it is measured at the level of the cash generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is its fair value less costs of disposal or its value in use, whichever is higher. The latter is the present value of expected future cash flows from the asset or the respective cash generating unit. In order to determine the value in use, the future cash flows are discounted using a pre-tax discount rate which reflects both the current market rate and the specific risks of the asset.

A reversal of impairment loss is recognised operating revenue if the recoverable amount exceeds the net book value. However, the reversal may not lead to a higher book value than the value that would have been determined if no impairment loss had been initially recorded on this asset (cash-generating unit). No reversal of impairment loss is recognized on goodwill.

5.15. Taxes

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss unless they relate to items recognised directly under shareholders' equity or other comprehensive income, in which case they are also recognised under shareholders' equity or other comprehensive income.

Current tax is the amount of income taxes payable (or recoverable) on the profit (or loss) of the current year and comprises any adjustments to tax charges of previous years.

Deferred tax is recognised using the liability method, recognizing deferred taxes in respect of temporary differences between the book value of assets and liabilities in the consolidated accounts and their tax basis.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised on unused tax losses and on deductible temporary differences if it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are re-evaluated at each reporting date.

5.16. Discontinued operations and non-current assets held for sale

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Such component represents a separate major line of business or geographical area of operations that can be clearly distinguished, operationally and for financial reporting purposes. The net result of discontinued operations (including possible results on disposal and taxes) is presented separately from the continued operations in the income statement.

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs of disposal. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets which continue to be measured in accordance with the Group's

other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment property are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

5.17. Main judgements and main sources of uncertainties related to the estimations

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The deferred tax assets are recognised upon availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised. When a project company with tax losses carried forward contains a project with future taxable profits a deferred tax asset is recognised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Immobil's deferred tax asset positions were reviewed in order to make sure they can be recovered through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken – **see note 17**.

The projects in inventory are subject to feasibility studies used in determining the net realisable value and any required write down, and if applicable for the release of margin and the computation of the rate of completion. At each closing date, the expenses to be incurred are estimated. With regard to the inventories (projects to be developed), the assumptions used to assess the net realisable value of the projects under development are reviewed on quarterly basis by the project manager and updated based on the most recent market data (with respect to residential projects: expected sales prices and construction costs and with respect to the office project: expected exit yields, expected rental levels and construction costs). Obviously, the current macroeconomic environment with higher construction costs inflation and interest rates has been taken into account. No write-downs have been identified as at 31 December 2022 as the respective net realisable value is higher than the carrying amount for each of the projects – **see note 18**.

Investment properties are amortized using the straight-line method based on an estimate of the duration up to the beginning of the development of the project, date when they are transferred to inventories, and taking into account a residual value estimated at that date.

Investment properties are tested for impairment in function of the forecasted net residual value of the project once this asset will be developed, based on equal assumptions as net residual value of inventory. Taken into account the recent acquisitions, management does not assess a material risk on impairment – **see note 15**.

Income from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (asset deal / share deal). Disposals of controlled companies dedicated to a project are therefore considered part of the Group's normal business and are therefore recognized as revenue and cost of sales at the time of the disposal. The presentation is taking into account the specificities of the Group's sector and activity.

End December 2019, Immobil was notified with 2 decisions of the Belgian Council of State in a legacy file relating to the purchase of land plots in 2007 from the Université Libre de Bruxelles. A joint venture between Immobil and its partner, Thomas & Piron, obtained in 2014 all necessary building permits for the development of a residential project on the relevant land plot. The decision of the Council of State of end 2019, however, lead to an annulment of the building permits obtained back in 2014 due to the absence of a prior allotment permit at the time of purchase of the land from Université Libre de Bruxelles in 2007. The purchasers of the relevant apartment units were duly informed on the pending legal procedure before the Council of State at the time of purchase of their unit and their purchase deed provide for the right to apply for an annulment of the sale of their unit under certain circumstances, including in case regularisation of the relevant building permits is not realized within the contractual delay. The aforementioned situation is eligible for regularisation and, at the date hereof, Immobil and its partner Thomas & Piron are in the process of regularization and expect that the financial impact of such right to rescind will not materially impact the financial position of the joint venture partners.

5.18. Segment reporting

A segment is a distinguishable component of the Group, which generates revenues and costs.

The operating results are regularly reviewed by the Management Committee in order to monitor the performance of the various segments in terms of strategic goals, plans and budgets. In this context, the Board of Directors has opted to follow up the operating results by country.

F. Notes to the consolidated financial statements (in thousand EUR)

1) Operating segment - financial information by geographical segment

The segment reporting is presented based on the operational segments used by the Board of Directors to monitor the financial performance of the Group, being the geographical segments (by country). The choice made by the Board of Directors to focus on geographical segment rather than on other possible operating segments is motivated by local market characteristics (customers, product, regulation, culture, local network, political environment, etc.) as being the key business drivers.

The core business of the Group, real estate development, is carried out in Belgium, Luxembourg, France, Germany, Poland, Spain and the United Kingdom.

The breakdown of sales by country depends on the country where the activity is carried out.

The Group has been applying IFRS 11 since 1 January 2014, which substantially amended the reading of the Group's financial statements, but does not affect the net income and shareholders' equity. However, the Board of Directors believes that the financial information based on the proportionate consolidation of the Group's joint ventures (before IFRS 11) gives a better picture of the activities and financial statements. Therefore, the information reported to the Board of Directors and presented below includes the Group's interest in joint ventures based on the proportionate consolidation method. Using this consolidation method, intercompany transactions are eliminated at percentage of financial rights detention. Consolidation under equity method is applied for associates.

OVERVIEW OF THE CONSOLIDATED INCOME STATEMENT (INTERNAL VIEW)

INCOME STATEMENT	EUR ('000)	31/12/2022	31/12/2021
OPERATING INCOME		409,515	549,046
Revenues		377,377	526,799
Rental income		17,894	14,160
Other operating income		14,244	8,087
OPERATING EXPENSES		-386,615	-430,390
Cost of sales		-294,770	-396,929
Cost of commercialisation		-215	-439
Administration costs		-91,630	-33,022
OPERATING PROFIT		22,900	118,656
SALE OF SUBSIDIARIES			25
Gain (loss) on sales of subsidiaries			25
JOINT VENTURES AND ASSOCIATES		105	63
Share of result of joint ventures and associates, net of tax		105	63
OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		23,005	118,744
Interest income		3,330	3,835
Interest expense		-8,020	-13,299
Other financial income / expenses		-4,834	-43
NET FINANCIAL COSTS		-9,524	-9,507
PROFIT FROM OPERATIONS BEFORE TAXES		13,481	109,237
Income taxes		-3,710	-17,596
PROFIT OF THE PERIOD		9,771	91,641
Share of non-controlling interests		-952	-509
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		10,723	92,150

REVENUES AND OPERATING RESULT ARE ALLOCATED AS FOLLOWS PER GEOGRAPHICAL SEGMENT

	EUR ('000)	REVENUES	OPERATING RESULT	REVENUES	OPERATING RESULT
		31/12/2022	31/12/2022	31/12/2021	31/12/2021
Belgium		279,129	88,599	273,307	90,851
Luxembourg		30,019	1,573	119,491	22,616
France		45,432	-49,014	87,530	938
Germany		20,993	-12,155	44,637	4,724
Poland		1,224	-598	1,834	-385
Spain		580	163		
United Kingdom			-5,563		
TOTAL CONSOLIDATED		377,377	23,005	526,798	118,744

SUMMARY OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INTERNAL VIEW)

STATEMENT OF FINANCIAL POSITION	EUR ('000)	31/12/2022	31/12/2021 (represented*)
NON-CURRENT ASSETS		258,956	428,873
Intangible assets and property, plant and equipment		5,479	3,102
Goodwill			43,789
Right-of-use assets		9,937	3,772
Investment property		133,520	274,666
Investments and advances to joint ventures and associates		70,728	63,555
Deferred tax assets		27,008	25,656
Other non-current assets		12,284	14,334
CURRENT ASSETS		1,840,242	1,617,739
Inventories		1,360,703	997,103
Trade receivables		24,309	44,632
Contract assets		45,128	138,985
Tax receivables and other current assets		88,252	58,445
Advances to joint ventures and associates		6,588	9,660
Cash and cash equivalents		315,262	368,914
TOTAL ASSETS		2,099,198	2,046,612
TOTAL EQUITY	EUR ('000)	572,644	582,798
NON-CURRENT LIABILITIES		847,078	681,903
Financial debts		824,153	651,775
Deferred tax liabilities		22,358	28,972
Other non-current liabilities		567	1,155
CURRENT LIABILITIES		679,476	781,911
Financial debts		318,445	453,077
Trade payables		113,780	98,943
Contract liabilities		61,470	32,876
Tax payables and other current liabilities		168,699	175,243
Advances from joint venture and associates		17,083	21,772
TOTAL EQUITY AND LIABILITIES		2,099,198	2,046,612

(*) Some adjustments were made in the presentation of the balance sheet as at 31 December 2021 that have no impact on equity. They concern the following headings: inventories (- EUR 20,872 thousand), deferred tax liabilities (- EUR 5,218 thousand) and taxes payable and other current liabilities (- EUR 15,654 thousand).

AS AT 31 DECEMBER 2022

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		13,481	994,168		1,007,649
Luxembourg		28,017	201,771		229,788
France		44,982	237,635		282,617
Germany		2	44,369		44,371
Poland		29	82,317		82,346
Spain		383	27,163		27,546
United Kingdom		62,065	3,550		65,615
Unallocated items ¹				359,265	359,265
TOTAL ASSETS		148,959	1,590,974	359,265	2,099,198

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		973,358		973,358
Luxembourg		128,411		128,411
France		198,079		198,079
Germany		59,144		59,144
Poland		66,454		66,454
Spain		5,949		5,949
United Kingdom		52,227		52,227
Unallocated items ¹			42,932	42,932
TOTAL LIABILITIES		1,483,622	42,932	1,526,554

AS AT 31 DECEMBER 2021

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		207,677	1,029,503		1,237,180
Luxembourg		27,345	191,206		218,551
France		91,302	38,370		129,672
Germany		1	21,715		21,716
Poland		-11	26,234		26,223
Spain		5	2,880		2,885
United Kingdom					
Unallocated items ¹				410,385	410,385
TOTAL ASSETS		326,319	1,309,908	410,385	2,046,612

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		1,087,218		1,087,218
Luxembourg		130,033		130,033
France		123,693		123,693
Germany		18,476		18,476
Poland		46,773		46,773
Spain		7,754		7,754
Unallocated items ¹			49,866	49,866
TOTAL LIABILITIES		1,413,947	49,866	1,463,813

(1) Unallocated items: Assets: Deferred tax assets - Other non-current financial assets - Other non-current assets - Tax receivables - Other current financial assets - Cash and equivalents - Liabilities: Employee benefit obligations – Provisions - Deferred tax liabilities - Tax liabilities – Derivative financial instruments.

For the analysis of projects in progress by operational segment, inventories should be taken into consideration, as well as investment property, since the latter contains leased out property acquired with a view to be redeveloped.

INVENTORIES AND INVESTMENT PROPERTY EUR ('000)	Offices	Residential	Landbanking	31/12/2022
Belgium	352,681	306,298	80,192	739,171
Luxembourg	27,625	151,098		178,723
France	220,397	59,922		280,319
Germany		112,465		112,465
Poland	38,739	65,463		104,202
Spain		18,254		18,254
United Kingdom	61,089			61,089
TOTAL INVENTORIES AND INVESTMENT PROPERTY	700,531	713,500	80,192	1,494,223

INVENTORIES AND INVESTMENT PROPERTY EUR ('000)	Offices	Residential	Landbanking	31/12/2021 (represented*)
Belgium	359,350	285,751	66,698	711,799
Luxembourg	28,261	143,168		171,429
France	210,556	34,127		244,683
Germany		59,033		59,033
Poland	34,341	36,095		70,436
Spain		14,389		14,389
United Kingdom				
TOTAL INVENTORIES AND INVESTMENT PROPERTY	632,508	572,563	66,698	1,271,769

The main movements in inventories and investment property are driven by the acquisition of new projects (mainly Héros in Belgium, Issy-les-Moulineaux in France, Gutenbergstrasse in Germany and Leeds in United Kingdom), the exit of office projects (Cours Saint-Michel and The Woods in Belgium) and the ongoing development of all projects in the portfolio (with main movements coming from Granaria in Poland, Canal in Luxembourg, Eden in Germany and Rueil Malmaison in France).

(*) As previously mentioned, some presentation adjustments without any impact on equity have been made in the presentation of the balance sheet as at 31 December 2021, which includes a reclassification impacting the inventories (- EUR 20 872 thousand), and more specifically the inventories for residential projects in Spain.

RECONCILIATION TABLE

EUR ('000)	31/12/2022		
	Operating Segment	Adjustments	Published Information
Revenues	377,377	-150,149	227,228
Operating result	23,005	-5,522	17,483
Total balance sheet	2,099,198	-351,171	1,748,027

For segment information, joint ventures are consolidated using the proportional method. The adjustments result from the application of IFRS 11, resulting in the consolidation of joint ventures and associates using the equity method.

2) Revenues

The Group generates its revenues through commercial contracts for the transfer of goods and services in the following main revenue categories:

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2022
Belgium	57,409	64,256	7,758	129,423
Luxembourg	1,616	21,692		23,308
France	35	52,087		52,122
Germany		20,993		20,993
Poland	334	483		817
Spain		565		565
Total	59,394	160,076	7,758	227,228

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2021
Belgium	74,219	65,830	21,293	161,342
Luxembourg	6,376	96,498		102,874
France	1,951	66,555		68,506
Germany		44,726		44,726
Poland	541	1,520		2,061
Total	83,087	275,129	21,293	379,509

Revenues for Belgium are mainly driven by Commerce 46 and The Woods for Offices and O'Sea, Lalys and St Roch for Residential, for Luxembourg by Canal, for France by Savigny-sur-Orge and Bussy St Georges and for Germany by Eden Tower Frankfurt. Revenues from residential projects are lower mainly due to fewer projects in sales as a result of the lower permitting activity over recent years.

The breakdown of sales according to these different principles of recognition is as follows:

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2022
OFFICES	20,901	38,493	59,394
RESIDENTIAL	483	159,593	160,076
Residential unit per project - Breyne Act or equivalent		159,593	159,593
Residential unit per project - Other	483		483
Other project			
LANDBANKING	7,758		7,758
TOTAL REVENUE	29,142	198,086	227,228

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2021
OFFICES	1,931	81,156	83,087
RESIDENTIAL	92,260	182,869	275,129
Residential unit per project - Breyne Act or equivalent		182,869	182,869
Residential unit per project - Other	92,260		92,260
Other project			
LANDBANKING	21,293		21,293
TOTAL REVENUE	115,484	264,025	379,509

With respect to offices, as the share purchase agreement includes clauses that the property cannot be sold to another party and that the payment is due upon delivery, Commerce 46 is recognised over time as the Board of Directors believes both the "alternative use" and the "right to payment" criteria for this sale have been met. The sale of The Woods has been recognised at the time of the sale.

The transaction price relating to performance obligations unrealized or partially realized at 31 December 2022 amounted to EUR 89 million.

It mainly concerns the sales of residential units of which construction is in progress (for the totality of their value or the unrecognized part based on progress of completion) as well as the sales of offices of which the contract analysis deemed to assume that the recognition criteria were not met under IFRS 15.

	EUR ('000)	31/12/2022	31/12/2021
OFFICES			
Construction, commercialisation and other contractual arrangements		2,661	39,714
RESIDENTIAL			
Construction of sold units		86,254	67,641
LANDBANKING			
TOTAL		88,915	107,355

The Group's management estimates that 81 % of the price allocated to these outstanding performance obligations as at 31 December 2022 will be recognized as revenue in fiscal year 2023.

3) Rental income

Breakdown of the rental of investment properties is allocated as follows by geographical segment:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		4,562	5,205
France		2,837	2,546
Luxembourg		1,679	1,617
TOTAL RENTAL INCOME		9,078	9,368

The main contributors are the projects Isala in Belgium, Rueil Malmaison in France and Thomas in Luxembourg.

The lease periods depend on the relevant investment property agreements and have a term for the current contracts of two and a half years.

4) Other operating income

Break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Other income		7,569	3,938
TOTAL OTHER OPERATING INCOME		7,569	3,938

The increase compared to the previous financial year is mainly driven by recharging fit-out works related to new offices and other recoveries of taxes and withholdings, miscellaneous re invoicing...

5) Cost of sales

Cost of sales is allocated as follows per geographical segment:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		-103,813	-120,483
Luxembourg		-22,341	-88,263
France		-49,986	-60,276
Germany		-32,174	-39,839
Poland		-226	-2,205
Spain		-175	
United Kingdom		-151	
TOTAL COST OF SALES		-208,866	-311,066

Cost of sales for Belgium are mainly driven by Commerce 46 and The Woods for Offices and O'Sea, Lalys and St Roch for Residential, for Luxembourg by Canal, for France by Savigny-sur-Orge, Osny and Bussy St Georges and for Germany by Eden Tower Frankfurt. In Germany, the Eden Tower (Frankfurt) project – which is currently being completed – has recorded significantly higher construction costs than expected, leading to a negative impact on the net profit. Cost of sales from residential projects are lower mainly due to fewer projects in sales as a result of the lower permitting activity over recent years.

6) Administration costs

Break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Personnel expenses		-16,939	-7,768
Amortisation, depreciation and impairment of assets		-50,078	-4,584
Other operating expenses		-17,486	-14,455
TOTAL ADMINISTRATION COSTS		-84,503	-26,807

In general, Administration costs have increased as a result of Immoel Capital Partners' activities being launched in London and the impairment of the goodwill in Immoel France.

PERSONNEL EXPENSES

Break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Salaries and fees of personnel and members of the Executive Committee		-37,063	-28,488
Project monitoring costs capitalized under "inventories"		24,572	24,629
Social security charges		-3,368	-3,542
Pension costs		-80	-86
Other		-1,000	-281
TOTAL PERSONNEL EXPENSES		-16,939	-7,768

AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

Break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Goodwill impairment		-43,789	
Amortisation of intangible and tangible assets, and of investment property		-6,161	-4,693
Write down on trade receivables		-128	109
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS		-50,078	-4,584

The increase in the Depreciation and Impairment on Assets is primarily due to the amortization of goodwill related to the acquisition of Nafilyan & Partners in 2019. This is in response to the management's decision to focus more on the development of large mixed-use projects and offices in France than on small residential projects. – cfr. note 12

OTHER OPERATING EXPENSES

Break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Services and other goods		-12,716	-10,269
Other operating expenses		-3,767	-4,036
Provisions		-1,003	-150
TOTAL OTHER OPERATING EXPENSES		-17,486	-14,455

Main components of services and other goods:

	EUR ('000)	31/12/2022	31/12/2021
Service charges of the registered offices		-2,812	-3,185
Third party payment, including in particular the fees paid to third parties		-2,169	-1,884
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development		-7,735	-5,200
TOTAL SERVICES AND OTHER GOODS		-12,716	-10,269

Amount of fees allocated during the year to KPMG Company auditors B.V./S.R.L. and its network:

	EUR ('000)	31/12/2022	31/12/2021
Audit fees at consolidation level (Belgium)		-313	-265
Audit fees for the Statutory Auditor for extraordinary presentations or special assignments within the Group (Belgium)		-118	-82
- Other audit assignments		-92	-57
- Tax advice			
- Other assignments outside the ordinary auditor's remit		-26	-25
Audit fees at consolidation level (Abroad)		-227	-186
Audit fees for the Statutory Auditor for extraordinary presentations or special assignments within the Group (Abroad)			
- Other audit assignments			
- Tax advice			
- Other assignments outside the ordinary auditor's remit			
Total		-658	-533

The missions outside the audit mission were approved by the Audit & Risk Committee.

Main components of variations in provisions:

	EUR ('000)	31/12/2022	31/12/2021
Provisions related to the sales		270	17
Other provisions		733	197
TOTAL VARIATIONS IN PROVISIONS		1,003	214
Increase		1,834	724
Use and reversal		-831	-510

7) Share in the result of joint ventures and associates, net of tax

The share in the net result of joint ventures and associates breaks down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Operating result		73,549	64,561
Financial result		-5,168	-4,441
Income taxes		-1,200	-15,589
RESULT OF THE PERIOD		67,181	44,531

The result of joint ventures and associates is mainly driven by the sale of Cours Saint-Michel.

Further information relating to joint ventures and associates is provided in note 16.

8) Net financial costs

The financial result breaks down as follows:

	EUR ('000)	31/12/2022	31/12/2021
Interest expense under the effective interest method		-19,728	-15,612
Capitalised interests on projects in development		15,553	9,364
Fair value changes		-89	-358
Interest income		4,398	4,983
Other financial income and expenses		-4,489	-3,471
FINANCIAL RESULT		-4,355	-5,094

The decrease in the financial result is mainly due to a higher capitalisation of interest, mainly because of lower number of project in commercialisation, offsetting higher costs of interest, mainly because of higher debt levels .

9) Income taxes

Income taxes are as follows:

	EUR ('000)	31/12/2022	31/12/2021
Current income taxes for the current year		-5,299	-15,416
Current income taxes for the previous financial years		-1,161	505
Deferred taxes on temporary differences		3,705	13,292
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME		-2,755	-1,619
Current taxes		-6,460	-15,236
Change in tax receivables / tax payables		-1,867	8,985
PAID INCOME TAXES (STATEMENT OF CASH FLOW)		-8,327	-6,251

Recognised tax expenses are higher, mainly driven by the lower recognition of deferred tax assets partially offset by a lower net result for the period.

The reconciliation of the actual tax charge with the theoretical tax charge is summarised as follows:

	EUR ('000)	31/12/2022	31/12/2021
Result from continuing operations before taxes		13,128	93,964
Result from joint ventures and associates		-67,181	-44,531
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES		-54,053	49,433
THEORETICAL INCOME TAXE CHARGE AT :		25.00%	25.00%
		13,513	-12,358
Tax impact			
- non-taxable income		5,022	7,835
- non-deductible expenses		-13,618	-959
- use of tax losses and notional interests deduction carried forward on which no DTA was recognised in previous years		802	5,802
- tax losses of current year on which no DTA is recognised		-3,622	-2,853
- tax losses of prior years on which a DTA is recognised		990	1,194
- (un)recognized tax latencies		-2,201	1,018
- different tax rates		-1,320	612
- Income taxes for the previous financial years		-2,321	-1,910
TAX CHARGE		-2 755	-1 619
EFFECTIVE TAX RATE OF THE YEAR		-5.10%	3.28%

The change in effective tax rate is mainly due to the non-tax deductible impairment loss on goodwill in Immoel France Immoel.

10) Earnings per share

The basic result per share is obtained by dividing the result of the year by the average number of shares.

Basic earnings per share are determined using the following information:

		31/12/2022	31/12/2021
Net result of the period attributable to owners of the company	EUR ('000)	10,723	92,150
Comprehensive income of the period	EUR ('000)	15,464	91,470
Weighted average share outstanding			
Ordinary shares as at 1 January		9,997,356	9,997,356
Treasury shares as at 1 January		-26,965	-292,527
Treasury shares disposed		1,531	265,562
Ordinary shares outstanding as at 31 December		9,971,922	9,970,391
Weighted average share outstanding (basic)		9,970,986	9,965,823
Net result per share		1.075	9.247

To take into account the potential dilutive impact of performance shares traded against treasury shares, diluted earnings per share are calculated. The calculation of the diluted earnings per share is based on the following data:

		31/12/2022	31/12/2021
Net result of the period	EUR ('000)	10,723	92,150
Comprehensive income of the period	EUR ('000)	15,464	91,470
Weighted average share outstanding (basic)		9,970,986	9,965,823
Dilutive element: performance shares		1,531	3,383
Weighted average ordinary shares outstanding (diluted)		9,972,517	9,969,206
Diluted net result per share		1.075	9.247
Diluted comprehensive income per share		1.551	9.178

11) Intangible assets

Intangible assets evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		1,333	1,626
Entry in consolidation scope			
Acquisitions		1,271	6
Disposals		195	-299
ACQUISITION COST AT THE END OF THE YEAR		2,799	1,333
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-1,087	-1,044
Entry in consolidation scope			
Amortisation		-153	-216
Depreciation cancelled on disposals		-202	173
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR		-1,442	-1,087
NET CARRYING AMOUNT AS AT 31 DECEMBER		1,357	246

12) Goodwill

The goodwill recognised since 2019 resulted from the acquisition in 2019 of Nafilyan & Partners, a French-based unlisted company specialising in property development. Through the acquisition, Immobel acquired 100% of the voting shares and control of Nafilyan & Partners. The acquisition qualified as a business combination as defined by IFRS 3. The Group acquired Nafilyan & Partners to increase its residential coverage in the French market and share the know-how, expertise and potential synergies with Immobel France.

As a result of the recent change in strategy to phase out the development of small residential projects on the outskirts of Paris and focus on mixed-use projects in the centre of the French capital, management's estimates of recoverable amount were revised downwards, resulting in the carrying amount of the cash-generating unit exceeding its recoverable amount, defined as the higher of fair value less costs to sell and value in use, where value in use is the present value of future cash flows. Consequently, management impaired the total amount of goodwill related to the acquisition of Nafilyan and Partners (EUR 43.8 million).

The reconciliation of the carrying amount of the goodwill at beginning and end of the reporting period is as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		43,789	43,789
Acquisition of Immobel France			
ACQUISITION COST AT THE PERIOD END		43,789	43,789
IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD			
Impairment of the period		-43,789	
IMPAIRMENT AT THE PERIOD END		-43,789	
NET CARRYING AMOUNT AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021			43,789

The carrying amount of the goodwill has been allocated to cash-generating units as follows:

	EUR ('000)	31/12/2022	31/12/2021
France			43,789
NET CARRYING AMOUNT AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021			43,789

13) Property, plant and equipment

Property, plant and equipment evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		5,693	4,142
Entry in consolidation scope			
Acquisitions		3,045	1,666
Disposals		-1,369	-115
ACQUISITION COST AT THE END OF THE YEAR		7,369	5,693
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-2,900	-2,754
Depreciations		-450	-329
Depreciation cancelled on disposals		103	183
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR		-3,247	-2,900
NET CARRYING AMOUNT AS AT 31 DECEMBER		4,122	2,793

Property, plant and equipment consist primarily of fitting-out costs of the various registered offices. The increase compared to previous year mainly reflects the fit-out works of Immoel headquarters in Brussels.

14) Right-of-use assets

The right-of-use assets evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		6,708	7,297
Entry in consolidation scope			
Acquisitions		10,115	770
Disposals		-4,270	-1,359
ACQUISITION COST AT THE END OF THE YEAR		12,553	6,708
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-2,936	-2,907
Entry in consolidation scope			
Depreciations		-2,747	-1,388
Depreciation cancelled on disposals		3,067	1,359
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR		-2,616	-2,936
NET CARRYING AMOUNT AS AT 31 DECEMBER		9,937	3,772

Three new offices have been included as right-of-use assets.

In May 2022, Immoel headquarters moved to the Multitower building located in the city centre of Brussels.

Also under consideration are the new offices in the United Kingdom and Spain and the renewal of the office in Luxembourg.

15) Investment property

This heading includes leased out property acquired with a view to be redeveloped. Investment property evolves as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS YEAR		178,741	199,415
Entry in consolidation scope			
Disposal/exit from the consolidation scope		-2,952	-20,649
Net carrying value of investment property transferred from/to inventories		-103,462	-25
ACQUISITION COST AT THE END OF THE PERIOD		72,327	178,741
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR		-4,742	-2,266
Depreciations		-2,810	-2,747
Depreciations and impairment cancelled following disposal/exit from the consolidation scope		2,911	271
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD		-4,641	-4,742
NET CARRYING AMOUNT AS AT 31 DECEMBER		67,686	173,999

The key projects included in investment property are Rueil Malmaison and Thomas. The net carrying value of Isala has been transferred to inventories as the leasing contract came to an end and the project is ready for development.

The useful lifetime of the Investment properties is based on the contract lease duration. The average useful life is 2.5 years. Investment property comprises a number of commercial properties that are leased to third parties. At the end of rental period, the development phase of the project starts. Given the recent acquisitions of investment property at market price and the fact there are no indications of significant changes in fair value (both upward and downward), the depreciation of the investment property is in line with the remaining lease terms.

16) Investments in joint ventures and associates

The contributions of joint ventures and associates in the statement of financial position and the statement of comprehensive income is as follows:

	EUR ('000)	31/12/2022	31/12/2021
Investments in joint ventures		135,495	148,352
Investments in associates		9,396	8,179
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION		144,891	156,532
	EUR ('000)	31/12/2022	31/12/2021
Advances from joint ventures - current liabilities		-29,570	-38,824
TOTAL ADVANCES FROM JOINT VENTURES		-29,570	-38,824
Advances to joint ventures - non-current assets		110,097	100,180
Advances to joint ventures - current assets		1,430	1,490
TOTAL ADVANCES TO JOINT VENTURES		111,527	101,670
Advances to associates - non-current assets		3,450	12,964
Advances to associates - current assets		0	200
TOTAL ADVANCES TO ASSOCIATES		3,450	13,163
	EUR ('000)	31/12/2022	31/12/2021
Share in the net result of joint ventures		67,657	44,831
Share in the net result of associates		-476	-446
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		67,181	44,384

In accordance with the agreement under which the joint ventures and associates are established, the Group and the other investors have agreed to make additional contributions in proportion to their interests to make up any losses, if required, up to a maximum amount of EUR 32 538 thousand. Therefore, no commitments have been recognised in these consolidated financial statements neither in associates nor for joint ventures in which the Group has joint control.

The book value of investments in joint ventures and associates evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
VALUE AS AT 1 JANUARY		156,532	106,195
Share in result		67,181	44,531
Acquisitions and capital injections		40,233	14,096
Scope changes		15,456	1,831
Dividends received from joint ventures and associates		-43,587	-8,034
Disposals or liquidation of joint ventures and associates		-83,680	4
Repayment of capital		-8,827	-2,079
Other changes		1,583	-12
CHANGES FOR THE PERIOD		-11,641	50,337
VALUE AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021		144,891	156,532

THE BOOK VALUE OF ADVANCE FROM AND TO JOINT VENTURES AND ASSOCIATES EVOLVE AS FOLLOWS

	ASSETS - EUR ('000)		LIABILITIES - EUR ('000)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
VALUE AS AT 1 JANUARY	114,833	130,882	-38,824	-55,634
Acquisitions and capital injections	79,217	17,683	-99,848	-840
Scope changes	-12,800	-28,061	90,174	3,933
Repayment of capital	-67,291	5,062	17,005	12,839
Currency translation			2,202	
Other changes	1,018	-10,733	-279	878
CHANGES FOR THE PERIOD	144	-16,049	9,254	16,810
VALUE AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021	114,977	114,833	-29,570	-38,824

The change in book value of investments and advances in joint ventures and associates reflects the ongoing development of existing projects and the acquisition of an office park in Leeds partially offset by the distribution of a dividend by Möbius II and the sale of Cours Saint-Michel.

Among the newly incorporated companies, Houilles Jean Jacques Rousseau, Oxy living and Munroe K Luxembourg are regarded as joint ventures and Arlon 75 as an associate. The shares held in Belux Office Development Feeder CV, previously 30.46% owned and now 26.93% owned have also impacted the percentage of financial rights of the related entities.

As there have been no indicators of impairment, no impairment testing has been carried out for the equity accounted investees.

The weighted average interest rate on loans to/from joint ventures and associates is 3.6% as at 31 December 2022. The repayment schedule for loans is defined at the end date of the projects.

The table below shows the contribution of joint ventures and associates in the statement of financial position and the statement of comprehensive income.

NAME	% INTEREST		BOOK VALUE OF THE INVESTMENTS - EUR (000)		SHARE IN THE COMPREHENSIVE INCOME - EUR (000)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Bella Vita	50%	50%	76	48	28	-6
BONDY CANAL	40%	40%	-37	-37	0	
Boralina Investments, S.L.	50%	50%	86	-2,890	-24	-21
Brouckère Tower Invest	50%	50%	35,981	31,307	3,424	598
CBD International	50%	50%	2,310	122	-243	-150
Château de Beggen	50%	50%	13	16	-3	-1
Cityzen Holding	50%	50%	1,699	-21	-9	-2
Cityzen Hotel	50%	50%	3,017	711	-179	147
Cityzen Office	50%	50%	8,180	1,411	-625	-135
Cityzen Residence	50%	50%	2,756	694	-192	133
CP Development Sp. z o.o.	50%	50%	-1,424	-256	-577	-196
CSM Development	50%	50%	0	-12	-1,603	-36
CSM Properties	50%	50%	0	3,852	62,023	-48
Debrouckère Development	50%	50%	452	497	-45	-52
Debrouckère Land (ex-Mobius I)	50%	50%	83	90	-7	-12
Debrouckère Leisure	50%	50%	2,253	2,283	-30	-27
Debrouckère Office	50%	50%	3,736	3,740	-4	-30
Gateway	50%	50%		319	-3	-3
Goodways SA	50%	50%	3,168	3,234	-67	-3
HOUILLES JJ ROUSSEAU	50%	0%	0		0	
Ilot Ecluse	50%	50%	150	163	-13	-2
Immo Marial SàRL	50%	50%	0		-121	-66
Immo PA 33 1	50%	50%	1,350	1,314	36	43
Immo PA 44 1	50%	50%	504	682	-177	-1
Immo PA 44 2	50%	50%	1,430	2,423	-993	39
Key West Development	50%	50%	292	387	-95	-84
Les Deux Princes Develop.	50%	50%	170	-2,439	3,109	16
M1	33%	33%	2,034	7,270	1,426	4,992
M7	33%	33%	-12	42	-4	1
Mobius II	50%	33%	686	47,376	19	39,255
Munroe K Luxembourg SA	50%	50%	8,085		-311	
NP_AUBER	50%	50%		-136	-10	-47
NP_AUBER_VH	50%	50%		140	-34	159
NP_AUBERVIL	50%	50%	1,022	324	698	340
NP_BESSANC2	50%	50%		497	86	348
NP_BESSANCOU	50%	50%		102	-56	-169
NP_CHARENT1	50%	50%	0	33	-263	-1
NP_CRETEIL	50%	33%	-1	-1	-3	0
NP_EPINAY	33%	33%		121	-34	170
NP_VAIRES	33%	33%		245	-131	130
ODD Construct	50%	50%	1,292	1,164	128	482
Oxy Living	50%	50%	1,047		-3	
PA_VILLA	51%	50%	107	-40	147	0
Plateau d'Erpent	50%	50%	2,290	1,823	467	986
RAC3	40%	50%	3,536	3,403	133	139
RAC4	40%	40%	1,317	1,321	-3	-11
RAC4 Develop	40%	40%	1,544	1,567	-23	-20
RAC5	40%	40%	5,858	5,651	207	200
RAC6	40%	40%	4,223	2,182	2,040	15
Surf Club Hospitality Group SL	50%	40%	5,485	123	-15	-15
Surf Club Marbella Beach, S.L.	50%	50%	21,312	21,772	-83	132
TRELAMET	40%	40%	94	48	46	7
ULB Holding	60%	60%	-5,782	-11,173	-210	-210
Unipark	50%	50%	4,108	4,066	42	3
Universalis Park 2	50%	50%	0	-1,122	-133	505
Universalis Park 3	50%	50%	0	-2,487	-280	-238
Universalis Park 3AB	50%	50%	1,988	1,974	14	7
Universalis Park 3C	50%	50%	418	417	1	-1
Urban Living Belgium	30%	30%	8,600	14,013	189	-2,431
TOTAL JOINT VENTURES			135,495	148,352	67,657	44,831
277 SH	10%	0%	4,423	4,445	-22	
Arlon 75	20%	0%	1,364		-5	
Beiestack SA	20%	22%	1,308	1,498	-16	-73
Belux Office Development Feeder CV	26%	30%	64	57	-6	-83
DHR Clos du Château	33%	33%	23	26	-3	-83
Immobel Belux Office Development Fund SC	19%	22%	1,213	1,152	-399	-206
MONTLHERY 2 BIS	20%	20%	0	0	-25	
RICHELIEU	10%	10%	1,001	1,001		
TOTAL ASSOCIATES			9,396	8,179	-476	-446
TOTAL JOINT VENTURES AND ASSOCIATES			144,891	156,532	67,181	44,384

The table below shows the advances from and to the joint ventures and associates in the statement of financial position.

NAME	ADVANCES FROM JOINT VENTURES AND ASSOCIATES - EUR (000) CURRENT LIABILITIES		ADVANCES TO JOINT VENTURES AND ASSOCIATES - EUR (000) NON-CURRENT ASSETS		ADVANCES TO JOINT VENTURES AND ASSOCIATES - EUR (000) CURRENT ASSETS	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Bella Vita						
BONDY CANAL				3,582		
Boralina Investments, S.L.						
Brouckère Tower Invest		3,000				
CBD International			24,388	20,296		
Château de Beggen						
Cityzen Holding		0	522	8,278		
Cityzen Hotel		500	2,612			1,985
Cityzen Office	1,575	1,375	3,543			900
Cityzen Residence		400	2,633			1,968
CP Development Sp. z o.o.						
CSM Development	50		57		844	1,721
CSM Properties				145		
Debrouckère Development			2,957	1,332	63	297
Debrouckère Land (ex-Mobius I)	494	-602	349		486	
Debrouckère Leisure		325	2,260	573		
Debrouckère Office	-2,881	-2,838	138		180	
Gateway						
Goodways SA	125	30	3,256	3,088	30	
HOUILLES JJ ROUSSEAU						
Ilôt Ecluse						46
Immo Marial SaRL					2,514	
Immo PA 33 1	-1,601	-1,534				
Immo PA 44 1	-419	-400			-50	
Immo PA 44 2	-1,185	-1,132			-150	
Key West Development		75	6,644	5,731		
Les Deux Princes Develop.	-1,001	-1,636			-300	
M1	-6,061	-6,522				
M7						
Mobius II		-11,008		10,994		
Munroe K Luxembourg SA			14,752		226	
NP_AUBER			251	251		
NP_AUBER_VH			158	158		
NP_AUBERVIL			2,945	2,945		
NP_BESSANC2			1,329	1,329		
NP_BESSANCOU			60	60		
NP_CHARENT1			475	475		
NP_CRETEIL			405	405		
NP_EPINAY			1,176	1,176		
NP_VAIRES		0				
ODD Construct			584	571		
Oxy Living						
PA_VILLA			31	47		
Plateau d'Erpent			47	7	1,701	1,701
RAC3	-2,990	-2,477				
RAC4	-2,165	-2,172	200			
RAC4 Developt	320		57		507	267
RAC5	-6,107	-5,817				
RAC6	-1,337	-2,087	1,320		-3,983	
Surf Club Hospitality Group SL						
Surf Club Marbella Beach, S.L.						3,000
TRELAMET						
Unipark		-4,082			206	16
ULB Holding	-4,141				0	99
Universalis Park 2			5,869	6,919		
Universalis Park 3			9,305	10,731		
Universalis Park 3AB	-1,901	-1,880			0	1
Universalis Park 3C	-346	-342				
Urban Living Belgium	0		21,773	21,087	1,178	963
TOTAL JOINT VENTURES	-29,570	-38,824	110,097	100,180	3,450	12,964
277 SH				60		
Arlon 75						
Beiestack SA						
Belux Office Development Feeder CV						
DHR Clos du Château						
Immobel Belux Office Development Fund SC					0	200
MONTHLERY 2 BIS						
RICHELIEU			1,430	1,430		
TOTAL ASSOCIATES			1,430	1,490	0	200
TOTAL JOINT VENTURES AND ASSOCIATES	-29,570	-38,824	111,527	101,670	3,450	13,163

The tables below present condensed financial information of joint ventures and associates of the Group by entity. The amounts reported are the amounts determined in accordance with IFRS, before elimination of intragroup transactions.

	TURNOVER	FIGURES AT 100%				TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
		COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
AS AT 31 DECEMBER 2022							
Bella Vita	0	56	155	2	152	76	0
BONDY CANAL	0	- 1	8 058	8 048	9	- 37	0
Boralina Investments, S.L.	0	- 48	55 585	78	55 507	86	0
Brouckère Tower Invest	659	6 848	231 577	159 615	71 962	35 981	0
CBD International	0	- 486	60 999	65 404	-4 405	2 310	24 388
Château de Beggen	0	- 6	42	15	27	13	0
Cityzen Holding	0	- 18	35 022	1 048	33 975	1 699	522
Cityzen Hotel	0	- 358	23 532	17 499	6 033	3 017	2 612
Cityzen Office	0	-1 251	65 036	48 676	16 360	8 180	3 543
Cityzen Residence	0	- 383	22 762	17 250	5 512	2 756	2 633
CP Development Sp. z o.o.	1 482	-1 154	84 158	87 006	-2 847	-1 424	0
CSM Development	0	-3 205	1 168	4 397	-3 229	0	901
CSM Properties	0	-6 040	0	0	0	0	0
Debrouckère Development	0	- 89	10 246	9 342	904	452	3 020
Debrouckère Land (ex-Mobius I)	0	- 14	23 994	23 829	165	83	835
Debrouckère Leisure	0	- 59	9 240	4 733	4 507	2 253	2 260
Debrouckère Office	0	- 9	15 306	7 835	7 471	3 736	318
Garden Point	0	0	0	0	0	0	0
Gateway	0	- 7	0	0	0	0	0
Goodways SA	0	- 133	22 683	19 039	3 644	3 168	3 286
HOUILLES JJ ROUSSEAU	0	0	1	0	1	0	0
Ilot Ecluse	0	- 26	302	2	300	150	0
Immo PA 33 1	0	71	3 216	516	2 700	1 350	0
Immo PA 44 1	1 348	- 354	1 060	52	1 009		- 50
Immo PA 44 2	4 043	-1 986	3 027	166	2 861	1 430	- 150
Immobel Marial SàRL	0	- 241	5 052	5 410	- 358	0	2 514
Key West Development	0	- 191	14 022	13 439	584	292	6 644
Les Deux Princes Develop.	- 824	6 218	4 557	4 216	341	170	- 300
M1	19 267	4 278	23 690	17 589	6 101	2 034	0
M7	0	- 12	194	230	- 35	- 12	0
Mobius II	0	39	-36 261	-37 632	1 372	686	0
Munroe K Luxembourg SA	0	- 622	126 857	110 688	16 169	8 085	14 978
NP AUBER	0	- 138	425	708	- 282	0	251
NP AUBER_VH	0	- 35	733	739	- 6	0	158
NP AUBERVIL	21 499	1 393	15 394	13 355	2 039	1 022	2 945
NP_BESSANC2	3 461	351	2 661	2 387	274	0	1 329
NP_BESSANCOU	0	99	603	211	392	0	60
NP_CHARENT1	929	- 516	1 764	2 215	- 451	0	475
NP_CRETEIL	0	- 6	- 2	0	- 2	- 1	405
NP_EPINAY	-6 518	- 116	1 857	1 802	54	0	1 176
NP_VAIRES	0	- 134	1 535	1 560	- 25	0	0
ODD Construct	6 400	257	5 246	2 661	2 585	1 292	584
Oxy Living	0	- 6	2 439	344	2 095	1 047	0
PA_VILLA	0	288	820	610	209	107	31
Plateau d'Erpent	853	933	10 890	6 310	4 580	2 290	1 748
RAC3	1	333	8 851	11	8 840	3 536	0
RAC4	0	- 8	31 588	28 295	3 294	1 317	200
RAC4 Developt	0	- 57	6 142	2 282	3 859	1 544	564
RAC5	0	516	15 275	631	14 644	5 858	0
RAC6	33 386	5 100	12 228	1 672	10 556	4 223	-2 663
Surf Club Hospitality Group SL	0	- 31	11 014	44	10 970	5 485	0
Surf Club Marbella Beach, S.L.	0	- 166	46 428	3 803	42 624	21 312	0
TRELAMET	0	115	289	55	234	94	0
ULB Holding	0	- 350	18 260	19 391	-1 132	-5 782	0
Unipark	0	84	10 309	2 093	8 216	4 108	206
Universalis Park 2	0	- 266	24 954	27 464	-2 510	0	5 869
Universalis Park 3	0	- 559	35 178	40 712	-5 534	0	9 305
Universalis Park 3AB	0	27	4 176	201	3 975	1 988	0
Universalis Park 3C	0	2	1 009	173	836	418	0
Urban Living Belgium	30 885	602	202 633	197 023	5 609	8 600	22 951
TOTAL JOINT VENTURES	116 870	8 531	1287 980	945 246	342 734	135 495	113 547
277 SH	0	- 217	113 600	69 369	44 230	4 423	0
Arlon 75	0	- 26	32 782	26 008	6 774	1 364	0
Beiestack SA	0	- 82	21 157	14 660	6 497	1 308	0
Belux Office Development Feeder CV	0	- 21	31 416	2	31 414	64	0
DHR Clos du Château	0	- 10	85	16	69	23	0
Immobel Belux Office Development Fund SCSP	0	-1 993	36 291	786	35 505	1 213	0
MONTHLERY 2 BIS	0	- 123	1 055	1 179	- 123	0	0
RICHELIEU	0	0	64 724	54 714	10 010	1 001	1 430
TOTAL ASSOCIATES	0	-2 472	301 110	166 734	134 376	9 396	1 430
TOTAL JOINT VENTURES AND ASSOCIATES	116 870	6 059	1589 090	1111 980	477 110	144 891	114 977

The tables below present condensed financial information of all joint ventures and associates of the Group as well as a breakdown of the inventories, investment properties and the financial debts. Figures are presented at 100%.

AS AT 31 DECEMBER 2022

Main components of assets and liabilities:			Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Investment property	143 336		Cityzen Hotel	20 732	13 940
Other fixed assets	183 059		Cityzen Office	59 863	40 120
Inventories	952 986		Cityzen Residence	20 415	13 940
Cash and cash equivalents	98 127		RAC4	23 287	28 000
Receivables and other assets	211 582		Universalis Park 2	23 412	12 700
Non-current financial debts		343 130	Universalis Park 3	34 358	15 930
Current Financial debts		277 443	Urban Living Belgium	144 734	74 352
Deferred tax liabilities		5 071	Debrouckère Land (ex-Mobius I)	23 973	21 150
Shareholder's loans		157 052	CP Development Sp. z o.o.	77 964	25 975
Other Liabilities		329 284	Brouckère Tower Invest	205 395	142 336
TOTAL	1 589 090	1 111 980	Beiestack SA	20 196	
			Others	441 991	232 130
			TOTAL	1 096 322	620 573

AS AT 31 DECEMBER 2021

Main components of assets and liabilities:			Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Investment property	212 506		Cityzen Office	56 600	40 120
Other fixed assets	128 129		CSM Properties	100 870	94 750
Inventories	830 299		RAC4	22 399	28 000
Cash and cash equivalents	200 467		Universalis Park 2	22 786	12 700
Receivables and other assets	274 751		Universalis Park 3	33 444	15 930
Non-current financial debts		347 494	Urban Living Belgium	130 164	73 242
Current Financial debts		224 764	Debrouckère Land (ex-Mobius I)	22 180	21 150
Deferred tax liabilities		17 338	CP Development Sp. z o.o.	69 700	25 956
Shareholder's loans		254 853	Brouckère Tower Invest	197 695	123 120
Other Liabilities		341 169	Beiestack SA	20 988	12 268
TOTAL	1 646 152	1 185 619	Surf Club Marbella Beach, S.L.	62 784	
			Others	303 196	137 290
			TOTAL	1 042 805	572 258

In case of financial debts towards credit institutions, the shareholder loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

	EUR ('000)	31/12/2022	31/12/2021
Amount of debts guaranteed by securities		175,951	265,072
Book value of Group's assets pledged for debt securities		299,004	352,449

For the main debts towards credit institutions mentioned above, the company Immoel SA has engaged itself to provide the necessary financial means in order to bring the different projects to a good end ("cash deficiency" and "cost overrun" engagements). There are no significant restrictions which limit the Group's ability to access the assets of joint ventures and associates, nor specific risks or commitments other than those relating to bank loans.

17) Deferred tax

Deferred tax assets or liabilities are recorded in the balance sheet on deductible or taxable temporary differences, tax losses and tax credits carried forward. Changes in deferred tax assets and liabilities are recognised in the statement of profit and loss unless they relate to items directly recognised in other comprehensive income.

Immobel has reviewed the recoverability of the deferred tax assets on:

- The availability of sufficient taxable temporary differences
 - The probability that the entity will have sufficient taxable profits in the future, in the same period as the reversal of the deductible temporary difference or in the periods into which a tax loss can be carried back or forward
 - The availability of tax planning opportunities that allow the recovery of deferred tax assets
- Deferred tax assets and liabilities relate to the following temporary differences:

EUR ('000)	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Tax losses	34,501	35,086		
Timing difference on projects valuation	2,151	2,891	36,164	43,165
Financial debts				
Fair value of financial instruments			-61	2
Other items	55	60	7	-70
Netting (net tax position per entity)	-14,974	-16,745	-14,974	-16,745
TOTAL	21,733	21,292	21,136	26,352

VALUE AS AT 1 JANUARY	21,292	26,352
Scope changes	7	-1,078
Deferred tax recognised in the consolidated statement of comprehensive income	434	-4,138
VALUE AS AT 31 DECEMBER	21,733	21,136

Immobel France remains the main contributor to the deferred tax assets with a number of projects still in development that will still generate sufficient profit to recover the tax losses. In view of the decision taken by management to focus on large mixed use and office projects, management challenged the existing deferred tax assets and assessed that it is still recoverable.

Immobel and Infinito contribute for the most part to the deferred tax liabilities.

In Poland, tax losses may be carried forward for only 5 consecutive tax years, subject to the restriction that not more than 50% of the amount of the tax loss from a given past year can be utilized in any single subsequent tax year.

TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	EUR ('000)
	7,362
Expiring at the end of 2022	565
Expiring at the end of 2023	220
Expiring at the end of 2024	1,681
Expiring at the end of 2025	1,007
Expiring at the end of 2026	3,889

18) Inventories

Inventories consist of buildings and land acquired for development and resale.

Allocation of inventories by geographical segment is as follows:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		436,740	292,874
Luxembourg		152,357	143,801
France		218,021	167,192
Germany		112,465	59,033
Poland		64,229	34,735
Spain		1,914	988
TOTAL INVENTORIES		985,726	698,623

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	31/12/2022
Belgium	144,431	212,117	80,192	436,740
Luxembourg	1,335	151,022		152,357
France	159,962	58,059		218,021
Germany		112,465		112,465
Poland		64,229		64,229
Spain		1,914		1,914
Total	305,728	599,806	80,192	985,726

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	31/12/2021
Belgium	29,187	196,989	66,698	292,874
Luxembourg	581	143,220		143,801
France	136,134	31,058		167,192
Germany		59,033		59,033
Poland		34,735		34,735
Spain		988		988
Total	165,902	466,023	66,698	698,623

Inventories increased driven mainly by the development of the Granaria project in Poland, the acquisition of Héros in Belgium and Gutenbergstrasse in Germany and the capitalisation of project management fees and borrowing costs in all countries, partially offset by the sale of The Woods project in Belgium. The net carrying value of Isala has been transferred from Investment properties.

The main projects in inventories include Isala, O'Sea and Lebeau Sablon in Belgium, Polvermillen and Cat Club in Luxembourg, Saint-Antoine, Tati in France, Eden and Gutenbergstrasse in Germany and Granaria Gdansk in Poland.

The weighted average interest rate on borrowing costs capitalized on Project Financing Credits and on Bonds was 3.6% in 2022 and 2.3 % in 2021.

The inventories break down as follows:

	EUR ('000)	31/12/2022	31/12/2021
INVENTORIES AS AT 1 JANUARY		698,623	683,121
Net book value of investment property transferred from/to inventories		103,462	25
Purchases of the year		37,857	72,716
Developments		340,856	246,743
Disposals of the year		-208,866	-311,066
Borrowing costs		15,553	9,364
Scope changes		-1,759	-1,588
Write-off			-692
CHANGES FOR THE PERIOD		287,103	15,502
INVENTORIES AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021		985,726	698,623

Management has considered an increase in construction costs (partially) compensated by higher sales prices (pass-through of cost increase) in its net realisable value assessment and estimates that current book value of inventory can be recoverable by future sales.

Break down of the movements by geographical area :	EUR ('000)	Purchases/Developments	Disposals	Borrowing costs	Scope changes	Net book value of investment property transferred from/to inventories	Net
Belgium		186,430	-160,678	14,652		103,462	143,866
Luxembourg		26,631	-19,204	1,129			8,556
France		69,562	-16,974		-1,759		50,829
Germany		61,372	-7,417	-523			53,432
Poland		33,792	-4,593	295			29,494
Spain		926					926
United Kingdom							
Total		378,713	-208,866	15,553	-1,759	103,462	287,103

	EUR ('000)	31/12/2022	31/12/2021
Within 12 months		175,902	173,046
Beyond 12 months		809,824	525,577
Breakdown of the stock by type:			
Without permit		617,759	488,527
Permit obtained but not yet in development			
In development		367,967	210,096

The book value of the Group's assets pledged for debt securities related to investment property and inventory as a whole was EUR 893 million compared to EUR 759 million at the end of 2021, representing an increase of EUR 134 million.

19) Trade receivables

Trade receivables refer to the following operational segments:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		7,737	13,405
Luxembourg		1,050	4,554
France		5,133	15,590
Germany		3,072	2,204
Poland		179	211
Spain		420	2,152
United Kingdom			
TOTAL TRADE RECEIVABLES		17,591	38,116

	EUR ('000)	31/12/2022	31/12/2021
The analysis of the delay of payment arises as follows:			
Due < 3 months		1,609	11,622
Due > 3 months < 6 months		710	829
Due > 6 months < 12 months		333	2,021
Due > 1 year		1,230	1,482

The decrease in trade receivables reflects the lower operating activities in 2022.

CREDIT RISK

Trade receivables mainly relate to receivables either for equity accounted investees or for customers. The credit risk for both types of receivables is considered as immaterial. Receivables towards equity accounted investees are typically backed by an asset under development. Receivables for customers are typically backed by the asset sold which serves as collateral.

Impairments recorded on trade receivables evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
BALANCE AT 1 JANUARY		627	542
Additions		81	85
Discounts			
MOVEMENTS OF THE PERIOD		81	85
BALANCE AT 31 DECEMBER 2022 / 31 DECEMBER 2021		708	627

20) Contract assets

Contract assets, arising from the application of IFRS 15, refer to the following operational segments:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		5,493	78,552
Luxembourg		1,867	1,403
France		25,755	25,367
Germany		9,033	12,631
TOTAL CONTRACT ASSETS		42,148	117,953

	EUR ('000)	31/12/2022	31/12/2021
BALANCE AT 1 JANUARY		117,953	57,251
Additions		4,952	60,702
Discounts		-80,757	
MOVEMENTS OF THE PERIOD		-75,805	60,702
BALANCE AT 31 DECEMBER 2022 / 31 DECEMBER 2021		42,148	117,953

Contract assets include the amounts to which the entity is entitled in exchange for goods or services that it already has provided for a customer, but for which payment is not yet due or is subject to fulfilment of a specific condition provided for in the contract. When an amount becomes due, it is transferred to the receivables account. A trade receivable is recognised as soon as the entity has an unconditional right to collect a payment. This unconditional right exists from the moment in time when the payment becomes due.

Trade receivables, other receivables and contract assets are similarly subject to an impairment test in accordance with the provisions of IFRS 9 on expected credit losses. This test does not show any significant potential impact since these contract assets (and their related receivables) are generally covered by the underlying assets represented by the building to be transferred.

As at 31 December 2022, consideration of the office project “Commerce 46” during the progress of completion is the main contributory factor to the change in contract assets as well as the residential projects “La Garenne” in France and “Eden” in Germany.

21) Prepayments and other receivables

The components of this item are:

	EUR ('000)	31/12/2022	31/12/2021
Other receivables		51,304	27,815
of which : advances and guarantees paid			
taxes (other than income taxes) and VAT receivable		33,567	20,247
prepayments and dividends receivable		17,737	7,568
Deferred charges and accrued income on projects in development		4,913	8,425
deferred charges		4,550	7,686
accrued income		363	739
TOTAL OTHER CURRENT ASSETS		56,217	36,240

Those receivables are mainly related to VAT receivables on projects in Savigny sur Orge in France and to a prepayment for the acquisition of a project in Gasperich in Luxembourg.

22) Information related to the net financial debt

The Group's net financial debt is the balance between the cash and cash equivalents and the financial debts (current and non-current). It amounts to EUR -625 274 thousand as at 31 December 2022 compared to EUR -593 313 thousand as at 31 December 2021.

	EUR ('000)	31/12/2022	31/12/2021
Cash and cash equivalents		275,926	273,377
Non current financial debts		722,777	507,596
Current financial debts		179,723	359,094
NET FINANCIAL DEBT		-626,574	-593,313

The Group's debt ratio¹ is 52,9% (58,9% in internal view) as at 31 December 2022, compared to 52,9% (58,2% in internal view) as at 31 December 2021. The capital management policy is to remain under a ratio of 65% in internal view.

The increase in non-current financial debts and the decrease in current financial debts are mainly driven by the reimbursement of a 5-year EUR 100 million bond and the issuance of a new 4-year EUR 125 million bond in the first half of 2022.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to EUR 275 926 thousand compared to EUR 273 377 thousand at the end of 2021, representing an increase of EUR 2 549 thousand. The breakdown of cash and cash equivalents is as follows:

	EUR ('000)	31/12/2022	31/12/2021
Term deposits with an initial duration of maximum 3 months		137,804	
Cash at bank and in hand		138,122	273,364
Cash pledged			13
AVAILABLE CASH AND CASH EQUIVALENTS		275,926	273,377

The explanation of the change in available cash is given in the consolidated cash flow statement. Cash and cash equivalents are fully available, either for distribution to the shareholders or to finance projects owned by the different companies.

All bank accounts are held by investment grade banks (minimum Baa3/BBB- rating).

FINANCIAL DEBTS

Financial debts increase with EUR 35 810 thousand, from EUR 866 690 thousand at 31 December 2021 to EUR 902 500 thousand at 31 December 2022. The components of financial debts are as follows:

¹ Debt ratio is calculated by dividing net financial debt by the sum of net financial debt and equity group share with goodwill subtracted from the equity group share

	EUR ('000)	31/12/2022	31/12/2021
Bond issues:			
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR			49,903
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR		50,000	50,000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR		75,000	75,000
Bond issue maturity 12-05-2028 at 3.00% - nominal amount 125 MEUR		125,000	125,000
Bond issue maturity 29-06-2026 at 4,75% - nominal amount 125 MEUR		125,000	
Lease contracts		8,536	2,130
Credit institutions		339,241	205,563
NON CURRENT FINANCIAL DEBTS		722,777	507,596
Bond issues:			
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR			100,000
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR		50,000	
Credit institutions		119,843	253,257
Lease contracts		2,316	1,630
Bonds - not yet due interest		7,564	4,206
CURRENT FINANCIAL DEBTS		179,723	359,094
TOTAL FINANCIAL DEBTS		902,500	866,690
Financial debts at fixed rates		425,000	399,903
Financial debts at variable rates		469,936	462,581
Not yet due interest		7,564	4,206
Amount of debts guaranteed by securities		409,558	438,301
Book value of Group's assets pledged for debt securities		893,009	759,011

In 2022, a new bond has been issued maturing in 2026. The bond does not have any additional or specific covenants compared to earlier bonds issued by the company. There are no embedded derivatives, nor with the bonds issued earlier by the company.

Financial debts evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
FINANCIAL DEBTS AS AT 1 JANUARY		866,690	751,949
Liabilities related to lease contracts		-8,536	-2,130
Contracted debts		397,909	249,033
Repaid debts		-353,659	-128,872
Change in the fair value recognized in the statement of comprehensive income			
Scope changes			
Movements bonds - not yet due interest		-7,468	-12,565
Not yet due interest on other loans		7,564	9,080
Amortization of deferred debt issue expenses			195
CHANGES FOR THE PERIOD		35,810	114,741
FINANCIAL DEBTS AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021		902,500	866,690

All the financial debts are denominated in EUR.

Except for the bonds, the institutional credit loans contracted to finance the Group and the Group's projects, are provided based on a short-term rate, the 1 to 12 month EURIBOR, increased by margin.

At 31 December 2022, IMMOBEL is entitled to use EUR 672 million of confirmed project finance lines of which EUR 411 million were used. These credit lines (Project Financing Credits) are specific for the development of certain projects.

At 31 December 2022, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 893 million.

The table below summarises the maturity of the financial liabilities of the Group:

DUE IN THE PERIOD - EUR ('000)	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds	50,000		50,000	125,000	75,000	125,000	425,000
Project Financing Credits	95,398	101,163	196,882	15,695			409,138
Corporate Credit lines	2,000	2,500	23,000				27,500
Commercial paper	22,445						22,445
Lease contracts	3,236	1,774	1,626	1,058	778	2,382	10,853
Interests not yet due and amortized costs	7,564						7,564
TOTAL AMOUNT OF DEBTS	180,643	105,437	271,508	141,753	75,778	127,382	902,500

The table below summarises the maturity of interests on the financial liabilities of the Group:

DUE IN THE PERIOD - EUR (000)	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds	14,879	13,688	13,318	8,896	4,379	1,346	56,506
Project Financing Credits	15,972	9,906	4,697	354			30,929
Corporate Credit lines	138	138	11				287
Commercial paper	219						219
Lease contracts	64	59	54	22	14	43	256
TOTAL AMOUNT OF DEBTS	31,272	23,791	18,080	9,272	4,393	1,389	88,197

INTEREST RATE RISK

To hedge its variable interest rate exposure, the Group uses various type of financial instruments.

- In April 2020, the Group entered into an agreement to cap the interest rate at 0,5% on a part of the financial debt related to a notional amount of about EUR 450 million up to 1 July 2023.
- In May 2021, the Group entered into another agreement to cap the interest rate at 1,5% on a part of the financial debt related to a notional amount of EUR 225 million for the period from July 3rd 2023 up to 1 July 2024.
- The Group and/or its subsidiaries entered into interest rate swaps converting its exposure from floating to fixed interest rate as per the table below. These interest rate swaps replace EURIBOR floating rates with fixed interest rates on the outstanding amount. Each of these derivatives are qualified as cash flow hedges and recorded at fair value in the consolidated balance sheet in other assets and/or other liabilities.

Interest rate swaps - EUR (000) Company	OUTSTANDING AMOUNT	FIXED INTEREST RATE	START DATE	END DATE
Immobel S.A.	27,500	0,05%	01/01/2020	31/01/2025
Infinito S.A.	19,550	0,09%	02/07/2021	30/04/2024
Infinito S.A.	5,000	0,09%	02/07/2021	30/04/2024
Infinito Holding S.R.L.	19,550	0,09%	02/07/2021	30/04/2024
Infinito Holding S.R.L.	5,000	0,09%	02/07/2021	30/04/2024

An increase of 1% interest rate would result in an annual increase of the interest charge on debt of EUR 1 857 thousand.

INFORMATION ON FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table list the different classes of financial assets and liabilities with their carrying amounts in the balance sheet and their respective fair value and analysed by their measurement category.

The fair value of financial instruments is determined as follows:

- If their maturity is short-term (e.g.: trade receivables and payables), the fair value is assumed to be close to the carrying amount,
- For fixed rate debts, based on discounted future cash flows estimated based on market rates at closing,
- For variable rate debts, the fair value is assumed to be close to the carrying amount,
- For derivative financial instruments, the fair value is determined on the basis of discounted future cash flows estimated based on curves of forward interest rates. This value is mentioned by the counterparty financial institution.
- For quoted bonds, on the basis of the quotation at the closing (level 1).

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- Level 1: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in active markets for identical assets and liabilities,
- Level 2: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments,
- Level 3: the fair values of the remaining financial assets and financial liabilities are derived from valuation techniques which include inputs which are not based on observable market data.

EUR ('000)	Amounts recognized in accordance with IFRS 9				
	Level of the fair value	Carrying amount 31/12/2022	Amortized cost	Fair value through profit or loss	Cash flow hedging 31/12/2022
ASSETS					
Cash and cash equivalents		275,926	275,926		275,926
Other non-current assets	Level 2	1,041	1,041		1,041
Trade receivables	Level 2	17,591	17,591		17,591
Other operating receivables	Level 2	57,205	57,205		57,205
Other current financial assets	Level 1	3,450	3,450		3,450
Advances to joint ventures and associates	Level 2	114,977	114,977		114,977
TOTAL		470,190	470,190		3,745
LIABILITIES					
Interest-bearing debt	Level 1	425,000	425,000		405,127
Interest-bearing debt	Level 2	477,500	477,500		477,500
Trade payables	Level 2	98,384	98,384		98,384
Other operating payables	Level 2	67,417	67,417		67,417
Advances from joint ventures and associates	Level 2	29,570	29,570		29,570
TOTAL		1,097,871	1,097,871		1,077,998

EUR ('000)	Amounts recognized in accordance with IFRS 9 (represented)				
	Level of the fair value	Carrying amount 31/12/2021	Amortized cost	Fair value through profit or loss	Cash flow hedging 31/12/2021
ASSETS					
Cash and cash equivalents		273,377	273,377		273,377
Other non-current financial assets	Level 2	1,015		1,015	1,015
Other non-current assets	Level 2	1,151	1,151		1,151
Trade receivables	Level 2	38,116	38,116		38,116
Other operating receivables	Level 2	37,609	37,609		37,609
Other current financial assets	Level 1	49	49		49
Advances to joint ventures and associates	Level 2	114,833	114,833		114,833
TOTAL		466,150	465,135	1,015	466,150
LIABILITIES					
Interest-bearing debt	Level 1	399,903	399,903		410,892
Interest-bearing debt	Level 2	466,787	466,787		466,787
Trade payables	Level 2	83,546	83,546		83,546
Other operating payables	Level 2	61,365	61,365		61,365
Derivative financial instruments	Level 2	160		160	160
TOTAL		1,011,761	1,011,601	160	1,022,590

The Group did not make any changes to its financial risk management policy in 2022.

LIQUIDITY RISK

Immobel uses largely centralised structures for pooling cash and cash equivalents at Group level. The central liquidity position is calculated monthly using a bottom-up method over a rolling twelve-month period. The liquidity planning is supplemented by monthly stress tests.

FINANCIAL COMMITMENTS

The Group is subject, for bonds and credit lines mentioned hereabove, to a number of financial commitments.

These covenants are taking into account the equity, the net financial debt and its relation with the equity and the inventories. At 31 December 2022, as for the previous years, the Group was in conformity with all these financial commitments and no effect of a covenant breach on classification has to be considered. Immobel has sufficient headroom before being in breach.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group has limited exposure to foreign exchange rate risks on its activities. The functional currency of projects currently being developed in Poland and of the activities in the UK are converted respectively from PLN to EUR (except for the Central Point managed in EUR) and from GBP to EUR, with an impact on other comprehensive income.

23) Equity

	2022	2021
Number of shares at 31 December	9,997,356	9,997,356
Number of shares fully paid at 31 December	9,997,356	9,997,356
Treasury shares at 31 December	25,434	26,965
Nominal value per share	10	10
Number of shares at 1 January	9,997,356	9,997,356
Number of treasury shares at 1 January	-26,965	-292,527
Treasury shares granted to a member of the executive committee		
Treasury shares sold	1,531	265,562
Number of shares (excluding treasury shares) at 31 December	9,971,922	9,970,391

RISK MANAGEMENT RELATED TO THE CAPITAL

The capital structure of the Group consists of current and non-current liabilities less the cash and cash equivalents reported in the balance sheet and in equity. Immobel manages its capital with the aim of ensuring that all Group companies continue to operate on a going concern basis while keeping the cost of capital as low as possible. The capital structure is reviewed on a regular basis taking into account the underlying financial and operational risks of the company.

24) Pensions and similar obligations

The pensions and similar obligations cover the obligations of the Group as far as the Group insurance is concerned. The amount recognised in the balance sheet represents the present value of obligations in terms of defined benefit pension plans less the fair value of plan assets.

	EUR ('000)	31/12/2022	31/12/2021
STATEMENT OF FINANCIAL POSITION			
Provisions			398
Present value of the defined benefit obligations		1,662	1,996
Fair value of plan assets at the end of the period		-1,095	-1,398
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION		567	996
STATEMENT OF COMPREHENSIVE INCOME			
Current service cost		-159	-164
Past service cost or settlement			
Interest cost on the defined benefit obligation		-16	-6
Interest income on plan assets		11	4
Administration costs		-3	-5
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS		-167	-171
Actuarial (gains) / losses on defined benefit obligation arising from			
- changes in financial assumptions		582	131
- return on plan assets (excluding interest income)		-351	-73
- experience adjustments		-121	
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME		110	58
DEFINED BENEFIT COSTS		-57	-113
	EUR ('000)	31/12/2022	31/12/2021
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY		1,996	1,963
Current service cost		159	164
Interest cost		16	6
Contributions from plan participants		4	12
Actuarial (gains) losses		-461	-131
Benefits paid		-52	-18
Past service cost, settlement or business combination			
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER		1,662	1,996
	EUR ('000)	31/12/2022	31/12/2021
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY		1,398	1,360
Interest income		11	4
Contributions from employer		88	118
Contributions from plan participants		4	12
Benefits paid		-52	-18
Return on plan assets (excluding interest income)		-351	-73
Administrative costs		-3	-5
Settlement or business combination			
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER		1,095	1,398
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2022 / 2021		67	95
ACTUARIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS			
Discount rate		3.75%	0.83%
Future salary increases		3.56%	3.08%
Inflation rate		2.20%	1.71%
Mortality table		MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)	MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)
SENSITIVITY ANALYSIS OF THE DBO 31/12/2021			
Discount rate		3.25%	3.75%
Amount of the DBO		1 766	1 662

The Belgian defined benefit pension plan and defined contribution pension plans with guaranteed return are funded through Group insurance contracts. The plans are funded through employer and employee contributions. The underlying assets of the insurance contracts are primarily invested in bonds. The defined benefit plan is closed for new employees. The plan participants are entitled to a lump sum on retirement. Active members also receive a benefit on death-in-service.

The French retirement indemnity plan offers a lump sum on retirement as defined by the collective labour agreement of the real estate industry. The plan is unfunded and open to new employees.

25) Provisions

The components of provisions are as follows:

	EUR ('000)	31/12/2022	31/12/2021
Provisions related to the sales		1,823	1,201
Other provisions		2,006	1,127
TOTAL PROVISIONS		3,829	2,328

	EUR ('000)	Related to sales	Other	31/12/2022
PROVISIONS AS AT 1 JANUARY		1,201	1,127	2,328
Scope changes		351	147	498
Increase		340	1,583	1,923
Use/Reversal		-69	-851	-920
CHANGES FOR THE YEAR		622	879	1,501
PROVISIONS AS AT 31 DECEMBER		1,823	2,006	3,829

Allocation by operational segment is as follows:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		105	139
Luxembourg		500	500
France		3,224	1,689
TOTAL PROVISIONS		3,829	2,328

The provisions are made up based on the risks related to the litigations, in particular when the recognition conditions of those liabilities are met.

These provisions made correspond to the best estimate of outgoing resources considered as likely by the Board of Directors. The Group has no indication on the final amount of disbursement or the timing of the disbursement, it depends on court decisions.

Risks related to sales and litigation in progress are the subject of provisions when the conditions for recognition of these liabilities are met. The provisions related to sales are generally related to guarantees of rents, good execution of work,...

No provision has been recorded for the other litigations that mainly concern:

- problems of decennial guarantee for which the Group has recourse on the contractor who is generally covered by an insurance of "decennial liability coverage" for this purpose,
- pure administrative recourses concerning planning and environmental permits introduced by third parties at the Council of State without any financial consequence for the Group.

26) Trade payables

This account is allocated by operational segment as follows:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		41,955	41,548
Luxembourg		3,889	10,920
France		27,534	7,006
Germany		16,044	7,980
Poland		2,202	12,065
Spain		4,175	4,027
United Kingdom		2,585	
TOTAL TRADE PAYABLES		98,384	83,546

The trade payables are mainly related to the projects O'Sea in Belgium, Issy-les -Moulineaux in France, Eden in Germany, Canal in Luxembourg and Granaria in Poland.

27) Contract liabilities

The contract liabilities, arising from the application of IFRS 15, relate to following operational segment:

	EUR ('000)	31/12/2022	31/12/2021
Belgium		10,254	10,427
Luxembourg		7,778	
France		4,987	11,542
Poland		28,466	
TOTAL CONTRACT LIABILITIES		51,485	21,969

The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time. The amount of EUR 21 969 thousand included in contract liabilities at 31 December 2021 has been recognised as revenue in 2022.

The increase in contract liabilities is mainly due to the project Granaria in Poland.

Contract liabilities include amounts received by the entity as compensation for goods or services that have not yet been provided for the customer. Contract liabilities are settled by "future" recognition of the revenue when the IFRS 15 criteria for revenue recognition have been met.

All amounts reflected in contract liabilities relate to residential activities for which revenue is recognised over time.

Because payment terms are based on predefined milestones and revenue recognition is based on progress of works measured by incurred and budgeted costs minor discrepancies might occur between both, resulting either in contract assets or contract liabilities.

28) Social debts, VAT, accrued charges and other amount payable

The components of this account are:

	EUR ('000)	31/12/2022	31/12/2021
Payroll related liabilities		3,015	4,244
Taxes (other than income taxes) and VAT payable		17,005	12,186
Accrued charges		13,026	8,568
Dividends payable		163	3,339
Other		2,732	3,303
Other liability with business partners		18,419	15,955
TOTAL OTHER CURRENT LIABILITIES		54,360	47,595

Other current liabilities mainly consist of taxes (other than income taxes) as well as accrued charges and deferred income in Belgium and France.

29) Main contingent assets and liabilities

	EUR ('000)	31/12/2022	31/12/2021
Guarantees from third parties on behalf of the Group with respect to:			
- inventories		480,376	281,015
- other assets			
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP		480,376	281,015
These guarantees consist of:			
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)		26,493	33,012
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)		300	63,207
- guarantees "Good end of execution" (guarantees given in connection with the execution of works) and "other" (successful completion of payment, rental,...)		453,583	184,796
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP		480,376	281,015
Mortgage power - Amount of inscription		83,899	58,852
MORTGAGE POWER - AMOUNT OF INSCRIPTION		83,899	58,852
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole		893,009	759,011
BOOK VALUE OF PLEDGED GROUP'S ASSETS		893,009	759,011
Amount of debts guaranteed by above securities			
- Non current debts		299,465	205,563
- Current debts		110,093	232,739
TOTAL AMOUNT OF DEBTS GUARANTEED		409,558	438,301

30) Change in working capital

The change in working capital by nature is established as follows:

	EUR ('000)	31/12/2022	31/12/2021
Inventories, including the acquisition and sales of subsidiaries holding a dedicated project		-183,641	-15,012
Amounts receivable within one year		96,330	-63,254
Deferred charges and accrued income		-19,977	-17,327
Trade debts		44,353	15,527
Amounts payable regarding taxes and social security		3,591	-3,324
Accrued charges and deferred income		-9,254	22,465
Other payable with business partners		-4,585	546
CHANGE IN WORKING CAPITAL		-73,183	-60,379

Changes in drivers for working capital are addressed in the respective notes earlier in this report.

The net book value of Isala, having been transferred from investment properties to inventories for an amount of EUR 103 462 thousand, is not included in the change in working capital.

31) Commitments

At 31 December 2022, Immoebel acknowledges a capital commitment for an amount of EUR 179 785 thousand for projects in Brussels and Luxembourg.

32) Information on related parties

RELATIONSHIPS WITH SHAREHOLDERS – MAIN SHAREHOLDERS

	31/12/2022	31/12/2021
A3 Capital NV & A3 Management BVBA	58.99%	58.99%
IMMOBEL (Treasury shares)	0.25%	0.26%
Number of representative capital shares	9,997,356	9,997,356

RELATIONSHIPS WITH SENIOR (NON) EXECUTIVES

These are the remuneration of members of the (non) Executive Committee and of the Board of Directors.

At 31 December 2022	EUR ('000)	Executive Chairman/ CEO	Executive Committee	Non Executive Committee
Basic remuneration		1,200	2,529	256
Variable remuneration STI		120	1,297	None
Variable remuneration LTI		None	1,500	None
Individual pension commitment		None	None	None
Other		None	None	None

At 31 December 2021	EUR ('000)	Executive Chairman/ CEO	Executive Committee	Non Executive Committee
Basic remuneration		640	1,700	250
Variable remuneration STI		364	2,479	None
Variable remuneration LTI		28	109	None
Individual pension commitment		None	None	None
Other		1,000	None	None

RELATIONSHIPS WITH JOINT VENTURES AND ASSOCIATES

The relationships with joint ventures and associates consist mainly of loans or advances, whose amounts are recorded in the balance sheet in the following accounts:

	EUR ('000)	31/12/2022	31/12/2021
Investments in joint ventures and associates - shareholder's loans		111,527	101,670
Advances to joint ventures and associates		3,450	13,163
Advances from joint ventures and associates		-29,570	-38,824
Financial lease		-1,299	
Operating income		4,474	9,282
Operating expense		-4,941	-5,162
Interest income		3,679	4,247
Interest expense		-1,008	-1,260

Those relationships are conducted in accordance with formal terms and conditions agreed with the Group and its partner. The interest rate applicable to these loans and advances is EURIBOR + margin, defined based on internal transfer pricing principles.

See note 16 for further information on joint ventures and associates.

33) Events subsequent to reporting date

Given the challenges related to the current economic context, the company has decided to close its dedicated platform in London (Immobel Capital Partners) early 2023 and further pursue this activity from Brussels.

In France the company is limiting its exposure to small residential projects located in the outskirts of Paris and its suburban areas in order to focus on (high-margin) mixed developments located in the centre of Paris.

34) Companies owned by the Immoel Group

Companies forming part of the Group as at 31 December 2022:

SUBSIDIARIES – FULLY CONSOLIDATED

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
AIC IMMO OSNY	915 079 438	Paris	60
BEYAERT NV	837807014	Brussels	100
BOITEUX RESIDENTIAL NV	837797314	Brussels	100
BRUSSELS EAST REAL ESTATE SA	478 120 522	Brussels	100
BRUSSELS HOLDING BV	0783276582	Brussels	100
BULL'S EYE PROPERTY LUX SA	B 138 135	Luxembourg	100
CANAL DEVELOPEMENT SARL	B 250 642	Luxembourg	100
CHAMBON NV	837 807 509	Brussels	100
COLONEL STONE	0749467827	Brussels	100
COMPAGNIE IMMOBILIÈRE DE WALLONIE (CIW) SA	401 541 990	Brussels	100
COMPAGNIE IMMOBILIÈRE LUXEMBOURGEOISE SA	B 29 696	Luxembourg	100
COSIMO S.A.	426 370 527	Brussels	100
EDEN TOWER FRANKFURT GMBH	B235375	Frankfurt	100
EMPEREUR FROISSART NV	871 449 879	Brussels	100
ENTREPRISE ET GESTION IMMOBILIÈRES (EGIMO) SA	403 360 741	Brussels	100
ESPACE NIVELLES SA	472 279 241	Brussels	100
FLINT CONSTRUCT NV	506 899 135	Brussels	65
FLINT LAND NV	506 823 614	Brussels	65
FONCIÈRE JENNIFER SA	464 582 884	Brussels	100
FONCIÈRE MONTOYER SA	826 862 642	Brussels	100
FROUNERBOND DEVELOPPEMENT S.À R.L.	B251782	Luxembourg	100
GASPERICH DEVELOPPEMENT SARL	B263526	Luxembourg	100
GRANARIA DEVELOPMENT GDANSK BIS SP. Z.O.O.	0000 48 02 78	Warsaw	90
GRANARIA DEVELOPMENT GDANSK SP. Z.O.O.	0000 51 06 69	Warsaw	90
HERMES BROWN II NV	890 572 539	Brussels	100
HOLLERICH DEVELOPPEMENT S.À R.L.L	B269856	Luxembourg	100
HOTEL GRANARIA DEVELOPMENT SP. Z.O.O.	0000 51 06 64	Warsaw	90
ILOT SAINT ROCH SA	675 860 861	Brussels	100
IMMO DEVAUX I NV	694 904 337	Brussels	100
IMMO DEVAUX II NV	694 897 013	Brussels	100
IMMOBEL BIDCO LTD	140 582	Jersey	100
IMMOBEL CAPITAL PARTNERS LTD	13 833 428	London	90
IMMOBEL FRANCE GESTION SARL	809 724 974	Paris	100
IMMOBEL FRANCE TERTIAIRE SAS	833 654 221	Paris	100
IMMOBEL GERMANY 1 GMBH	HRB 110201	Köln	100
IMMOBEL GERMANY 2 GMBH	HRB 110165	Köln	100
IMMOBEL GERMANY GMBH	5050 817 557	Köln	100
IMMOBEL GERMANY SARL	B231 412	Luxembourg	100
IMMOBEL GP (SCOTLAND) LTD	SC720941	Edinburgh	90
IMMOBEL GP LLP LTD	OC440559	London	90,1

IMMOBEL GP SARL	B 247 503	Luxemburg	100
IMMOBEL GREEN OFFICE IMPACT I LP	LP022346	London	100
IMMOBEL GUTENBERG BERLIN 1 GMBH	HRB 106676	Koln	100
IMMOBEL GUTENBERG BERLIN 2 GMBH	HRB 106697	Koln	100
IMMOBEL GUTENBERG BERLIN 3 GMBH	HRB 106882	Koln	100
IMMOBEL GUTENBERG BERLIN 4 GMBH	HRB 106679	Koln	100
IMMOBEL GUTENBERG BERLIN INVESTMENT GMBH	HRB 90319	Koln	100
IMMOBEL HOLDCO SPAIN S.L.	B 881 229 62	Madrid	100
IMMOBEL HOLDING LUXEMBOURG SARL	B 138 090	Luxemburg	100
IMMOBEL LUX SA	B 130 313	Luxemburg	100
IMMOBEL PM SPAIN S.L.	B 882 567 06	Madrid	100
IMMOBEL POLAND SP. Z.O.O.	0000 37 22 17	Warsaw	100
IMMOBEL PROJECT MANAGEMENT SA	475 729 174	Brussels	100
IMMOBEL R.E.M. FUND SARL	B 228 335	Luxemburg	100
IMMOBEL REAL ESTATE FUND SC	B 228 393	Luxemburg	100
IMMOBEL URBAN LIVING	695 672 419	Brussels	100
IMMO-PUYHOEK SA	847 201 958	Brussels	100
IMZ NV	444 236 838	Brussels	100
INDUSTRIE 52 BV	759 472 584	Brussels	76,05
INFINITO HOLDING S.R.L.	765 474 411	Brussels	76,05
INFINITO S.A.	403 062 219	Brussels	76,05
INFINITY LIVING SA	B 211 415	Luxemburg	100
LAKE FRONT SA	562 818 447	Brussels	100
LEBEAU DEVELOPMENT	711 809 556	Brussels	100
LEBEAU SABLON SA	551 947 123	Brussels	100
LES JARDINS DU NORD SA	444 857 737	Brussels	96,2
LOTINVEST DEVELOPMENT SA	417 100 196	Brussels	100
MICHAEL OSTLUND PROPERTY SA	436 089 927	Brussels	100
MILAWEY INVESTMENTS SP. ZO.O.	0000 63 51 51	Warsaw	100
MÖBIUS CONSTRUCT SA	681 630 183	Brussels	100
MONTAGNE RESIDENTIAL SA	837 806 420	Brussels	100
NENNIG DEVELOPPEMENT SARL	B 250.824	Luxemburg	100
NORTH LIVING BV	786 740 670	Brussels	100
NORTH OFFICES BV	786 726 616	Brussels	100
NORTH PUBLIC BV	786 727 705	Brussels	100
NORTH RETAIL BV	786 740 472	Brussels	100
NORTH STUDENT HOUSING BV	786 726 814	Brussels	100
NP SHOWROOM SNC	837 908 086	Paris	100
OFFICE FUND CARRY SRL	759 610 562	Brussels	100
OFFICE FUND GP SRL	759 610 463	Brussels	100
OKRAGLAK DEVELOPMENT SP. Z.O.O.	0000 26 74 81	Warsaw	100
POLVERMILLEN SARL	B 207 813	Luxemburg	100
PORCELYNEGOED NV	429 538 269	Brussels	100
PRINCE ROYAL CONSTRUCT SA	633 872 927	Brussels	100
QUOMAGO SA	425 480 206	Brussels	100
SAS PARIS LANNELONGUE	851 891 721	Paris	100
SAS RUEIL COLMAR	852 152 412	Paris	100
SAS SAINT ANTOINE COUR BERARD	851 891 721	Paris	100
SCCV BUTTES CHAUMONT	882 258 510	Paris	100

SCCV IMMO AVON 1	911 119 386	Paris	100
SCCV IMMO BOUGIVAL 1	883460420	Paris	100
SCCV IMMO MONTEVRAIN 1	884552308	Paris	100
SCCV IMMO TREMBLAY 1	883461238	Paris	100
SCCV NP ASNIERES SUR SEINE 1	813 388 188	Paris	100
SCCV NP AUBERGENVILLE 1	837 935 857	Paris	100
SCCV NP AULNAY SOUS BOIS 1	811 446 699	Paris	100
SCCV NP BEZONS 1	820 345 718	Paris	100
SCCV NP BEZONS 2	829 707 348	Paris	100
SCCV NP BOIS D'ARCY 1	829 739 515	Paris	100
SCCV NP BONDOUFLE 1	815 057 435	Paris	100
SCCV NP BUSSY SAINT GEORGES 1	812 264 448	Paris	100
SCCV NP CHATENAY-MALABRY 1	837 914 126	Paris	100
SCCV NP CHELLES 1	824 117 196	Paris	100
SCCV NP CHILLY-MAZARIN 1	838 112 332	Paris	100
SCCV NP CROISSY SUR SEINE 1	817 842 487	Paris	100
SCCV NP CROISSY SUR SEINE 2	822 760 732	Paris	100
SCCV NP CROISSY SUR SEINE 3	822 760 625	Paris	100
SCCV NP CROISSY SUR SEINE 4	832 311 047	Paris	100
SCCV NP DOURDAN 1	820 366 227	Paris	100
SCCV NP DRANCY 1	829 982 180	Paris	100
SCCV NP EAUBONNE 1	850 406 562	Paris	100
SCCV NP FONTENAY AUX ROSES 1	838 330 397	Paris	100
SCCV NP FRANCONVILLE 1	828 852 038	Paris	90
SCCV NP GARGENVILLE 1	837 914 456	Paris	100
SCCV NP ISSY LES MOULINEAUX 1	820 102 770	Paris	85
SCCV NP LA GARENNE-COLOMBES 1	842 234 064	Paris	100
SCCV NP LE PLESSIS TREVISE 1	829 675 545	Paris	100
SCCV NP LE VESINET 1	848 225 884	Paris	51
SCCV NP LIVRY-GARGAN 1	844 512 632	Paris	100
SCCV NP LONGPONT-SUR-ORGE 1	820 373 462	Paris	100
SCCV NP LOUVECIENNES 1	827 572 173	Paris	100
SCCV NP MEUDON 1	829 707 421	Paris	100
SCCV NP MOISSY-CRAMAYEL 1	838 348 738	Paris	100
SCCV NP MONTESSON 1	851 834 119	Paris	51
SCCV NP MONTLHERY 1	823 496 559	Paris	100
SCCV NP MONTLHERY 2	837 935 881	Paris	100
SCCV NP MONTMAGNY 1	838 080 091	Paris	100
SCCV NP NEUILLY SUR MARNE 1	819 611 013	Paris	100
SCCV NP PARIS 1	829 707 157	Paris	100
SCCV NP PARIS 2	842 239 816	Paris	100
SCCV NP RAMBOUILLET 1	833 416 365	Paris	100
SCCV NP ROMAINVILLE 1	829 706 589	Paris	100
SCCV NP SAINT ARNOULT EN YVELINES 1	828 405 837	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 1	829 739 739	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 2	844 464 768	Paris	100
SCCV NP VAUJOURS 1	829 678 960	Paris	100
SCCV NP VILLE D'AVRAY 1	829 743 087	Paris	100

SCCV NP VILLEJUIF 1	829 674 134	Paris	100
SCCV NP VILLEMOMBLE 1	847 809 068	Paris	100
SCCV NP VILLEPINTE 1	810 518 530	Paris	100
SCCV NP VILLIERS SUR MARNE 1	820 147 072	Paris	100
SCCV SCI COMBS LES NOTES FLORALES	820 955 888	Paris	60
SCI LE COEUR DES REMPARTS DE SAINT-ARNOULT-EN-YVELINES	831 266 820	Paris	100
SNC HEMACLE	904 024 999	Paris	100
SNC IMMO ILM 2	913 859 013	Paris	100
SNC IMMO MDB	882328339	Paris	100
SQUARE DES HÉROS S.A.	843 656 906	Brussels	100
SSCV IMMO OTHIS 1	899269773	Paris	100
SSCV IMMO SAVIGNY SUR ORGE 1	809 724 974	Paris	100
T ZOUT CONSTRUCT SA	656 754 831	Brussels	100
THOMAS SA	B 33 819	Luxemburg	100
VAARTKOM SA	656 758 393	Brussels	100
VAL D'OR CONSTRUCT SA	656 752 257	Brussels	100
VELDIMMO SA	430 622 986	Brussels	100
VESALIUS CONSTRUCT NV	543 851 185	Brussels	100
ZIELNA DEVELOPMENT SP. Z.O.O.	0000 52 76 58	Warsaw	100

JOINT VENTURES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
IMMOBEL CARRY LP (UK)	SL035501	London	90
IMMOBEL FRANCE SAS	800 676 850	Paris	100
SCCV NP AUBER RE	813 595 956	Paris	100
SCCV NP AUBER VICTOR HUGO	833 883 762	Paris	100
SCCV NP BESSANCOURT 1	808 351 969	Paris	100
SCCV NP BESSANCOURT 2	843 586 397	Paris	100
SCCV NP EPINAY SUR ORGE 1	838 577 419	Paris	100
SCCV NP VAIRES SUR MARNE 1	813 440 864	Paris	100
BELLA VITA SA	890 019 738	Brussels	50
BORALINA INVESTMENTS SL	B 884 669 33	Madrid	50
BROUCKERE TOWER INVEST NV	874 491 622	Brussels	50
CBD INTERNATIONAL SP. Z.O.O.	0000 22 82 37	Warsaw	50
CHÂTEAU DE BEGGEN SA	B 133 856	Luxemburg	50
CITYZEN HOLDING SA	721 884 985	Brussels	50
CITYZEN HOTEL SA	721 520 444	Brussels	50
CITYZEN OFFICE SA	721 520 840	Brussels	50
CITYZEN RESIDENCE SA	721 520 642	Brussels	50
CP DEVELOPMENT SP. Z O.O.	0000 63 51 51	Warsaw	50
CSM DEVELOPMENT NV	692 645 524	Brussels	50
CSM PROPERTIES NV	692 645 425	Brussels	50
DEBROUCKERE DEVELOPMENT SA	700 731 661	Brussels	50
DEBROUCKERE LAND NV	662 473 277	Brussels	50
DEBROUCKERE LEISURE NV	750 734 567	Brussels	50
DEBROUCKERE OFFICE NV	750 735 557	Brussels	50
GATEWAY SA	501 968 664	Brussels	50

GOODWAYS SA	405 773 467	Brussels	50
ILOT ECLUSE SA	441 544 592	Gilly	50
IMMO PA 33 1 SA	845 710 336	Brussels	50
IMMO PA 44 1 SA	845 708 257	Brussels	50
IMMO PA 44 2 SA	845 709 049	Brussels	50
KEY WEST DEVELOPMENT SA	738 738 439	Brussels	50
LES 2 PRINCES DEVELOPMENT SA	849 400 294	Brussels	50
M1 SA	B 197 932	Strassen	33,33
M7 SA	B 197 934	Strassen	33,33
MÖBIUS II SA	662 474 069	Brussels	50
MUNROE K LUXEMBOURG SA	B117323	Luxembourg	50
ODD CONSTRUCT SA	682 966 706	Knokke-Heist	50
OXY LIVING SA	786 923 287	Brussels	50
PLATEAU D'ERPENT	696 967 368	Namur	50
RAC 3 SA	819 588 830	Antwerp	40
RAC 4 DEVELOPMENT SA	673 640 551	Brussels	40
RAC 4 SA	819 593 481	Brussels	40
RAC5 SA	665 775 534	Antwerp	40
RAC6 SA	738 392 110	Brussels	40
SAS BONDY CANAL	904 820 461	Paris	40
SAS TRELAMET	652 013 772	Paris	40
SCCV HOUILLES JJ ROUSSEAU	913 859 013	Paris	50
SCCV NP AUBERVILLIERS 1	824 416 002	Paris	50,1
SCCV NP CHARENTON LE PONT 1	833 414 675	Paris	50,98
SCCV NP CRETEIL 1	824 393 300	Paris	50,1
SCCV PA VILLA COLOMBA	838 112 449	Paris	51
SCHOETTERMARIAL SARL	B 245 380	Luxembourg	50
SURF CLUB HOSPITALITY GROUP SL	B 935 517 86	Madrid	50
SURF CLUB MARBELLA BEACH SL	B 875 448 21	Madrid	50
UNIPARK SA	686 566 889	Brussels	50
UNIVERSALIS PARK 2 SA	665 921 529	Brussels	50
UNIVERSALIS PARK 3 SA	665 921 133	Brussels	50
UNIVERSALIS PARK 3AB SA	665 922 420	Brussels	50
UNIVERSALIS PARK 3C SA	665 921 430	Brussels	50
URBAN LIVING BELGIUM HOLDING NV	831 672 258	Antwerp	60
URBAN LIVING BELGIUM NV	831 672 258	Antwerp	30

ASSOCIATES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
ARLON 75 BV	780 650 258	Brussels	20,13
BEIESTACK S.A.	B 183 641	Luxembourg	20,13
BELUX OFFICE DEVELOPMENT FEEDER CV	759 908 985	Brussels	26,93
DHR CLOS DU CHÂTEAU SA	895 524 784	Brussels	33,33
IMMOBEL BELUX OFFICE DEVELOPMENT FUND SCSP	B249896	Luxembourg	20
SCCV 73 RICHELIEU	894 876 655	Paris	10
SCCV MONTLHERY ROUTE D'ORLEANS	904 647 823	Paris	20
SCCV 277 SH	901 400 531	Paris	10

There are no significant restrictions that limit the Group's ability to access assets and settle the liabilities of subsidiaries.

In case of financial debts towards credit institutions, the shareholder's loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

G. Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the Consolidated Financial Statements of Immobel SA and its subsidiaries as of 31st December 2021 have been prepared in accordance with the International Financial Reporting Standards (“IFRS”), and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies of the Immobel Group as well as the subsidiaries included in the consolidation;
- the Director’s Report on the financial year ended at 31 December 2022 gives a fair overview of the development, the results and of the position of the Immobel Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the Immobel Group.

On behalf of the Board of Directors:

Marnix Galle²
Chairman of the Board of Directors

² Vaste vertegenwoordiger van de vennootschap A³ Management bvba

H. Auditor's report

Statutory auditor's report to the general meeting of Immobel NV on the consolidated financial statements as of and for the year ended December 31, 2022

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN DUTCH

In the context of the statutory audit of the consolidated financial statements of Immobel NV ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended December 31, 2022, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of April 15, 2021, in accordance with the proposal of the supervisory board issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended December 31, 2023. We have performed the statutory audit of the consolidated financial statements of the Group for two consecutive financial years.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended December 31, 2022, prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to 1.748.027 KEUR and the consolidated statement of profit and loss shows a profit for the year of 10.373 KEUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet.

Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Project development revenue (including revenue recognised by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E.5.13) 'Operating income' and E.5.17) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment – financial information by geographical segment' and F.2) 'Revenue' of the consolidated financial statements.

Description

As disclosed in note F.1), revenue ('project development revenue') amounts to 377.377 KEUR in 2022, of which 150.149 KEUR attributable to joint ventures and associates accounted for under the equity method (revenue which is not included in the consolidated statement of profit and loss).

The Group contracts in a variety of ways. Each project has a different risk and revenue profile based on its individual contractual and delivery characteristics. We determined the recognition and measurement of revenue from the sale of project developments, for which revenue is recognized over time, as a key audit matter due to its size to the consolidated statement of profit or loss, complexity of contract terms, judgement involved to recognize revenue in accordance with the relevant accounting standards and the high degree of management judgement involved in determining the percentage of completion of the projects.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management and related revenue recognition process and tested the design and implementation of relevant controls.
- We assessed the Group's determination of transfer of control by analyzing the contractual terms of sale against the criteria in the relevant accounting standards.
- We discussed the most recent project feasibility analyses including stage of completion with the relevant project manager and/or project controller. We assessed the reasonableness of the key estimates and judgements made by management and challenged them based on comparison with the prior period feasibility study for those projects and comparable transactions.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We recalculated the margin recognized over the period considering the actual recognized cost incurred and the project's expected profit margin.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to revenue.

Recoverability of project development inventories (including inventories held by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E. 5.9) 'Inventories' and E.5.17) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment – financial information by geographical segment', F.18) 'Inventories' and F.16) 'Investments in joint ventures and associates' of the consolidated financial statements.

Description

As disclosed in note F.1), inventories ('project development inventories') amount to 1.360.703 KEUR as at 31 December 2022, of which 374.977 KEUR attributable to project development inventories held by joint ventures and associates accounted for under the equity method (which is not included in the consolidated statement of financial position). Inventories are measured at the lower of cost and net realizable value at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write-down is necessary when the net realizable value at balance sheet date is lower than the carrying value. The determination of the net realizable value used to assess the recoverability of project development inventories involves management judgment as this assessment includes assumptions about future events which inherently are subject to the risk of change and uncertainty.

Due to the high degree of management judgement required, we determined the assessment of the net realizable value of project development inventories, and specifically those projects for which the permitting, construction or commercialization process has been significantly delayed, as a key audit matter.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size to the consolidated statement of financial positions and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management process and tested the design and implementation of internal controls.
- We enquired with management and the relevant project managers and/or controllers to obtain an understanding of the progress of development, the risks associated to the project (such as permitting, construction and commercialization) and the projected performance and assessed management's basis of estimates of the net realizable value.
- We inspected updated project feasibility analyses and assessed the assumptions used in forecasting the selling price and costs to complete by comparison to similar transactions;
- For those selected projects where sales have been recognized, we analysed the realized margins for impairment indicators in the respective remaining property development inventory balance.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We tested the reasonableness of the capitalized interest cost and project management fees allocated to the development projects.
- We assessed whether the carrying value was the lower of the estimated net realizable value and cost.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to project development inventories.

Board of directors' responsibilities for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements and the other information included in the annual report.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements and the other information included in the annual report, and to report on these matters.

Aspects concerning the board of directors' annual report on the consolidated financial statements and other information included in the annual report

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements and other information included in the annual report:

- Message from the executive chair
- Key figures 2022
- Shareholder information
- Activity report

contain material misstatements, or information that is incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

European Single Electronic Format (ESEF)

In accordance with the draft standard on the audit of compliance of the Financial Statements with the European Single Electronic Format (hereafter "ESEF"), we have audited as well whether the

ESEF-format is in accordance with the regulatory technical standards as laid down in the EU Delegated Regulation nr. 2019/815 of 17 December 2018 (hereafter “Delegated Regulation”).

The Board of Directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereafter “digital consolidated financial statements”) included in the annual financial report.

It is our responsibility to obtain sufficient and appropriate information to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

At the date of this report, we have not yet received the annual financial report and the digital consolidated financial statements prepared by the Board of Directors. We have reminded the Board of Directors of their legal responsibility to provide the documents to the statutory auditor and the shareholders within the deadlines stipulated in the Belgian Companies’ and Associations’ Code. As a result, we were unable to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

Other aspect

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, March 17, 2023

KPMG Bedrijfsrevisoren - Réviseurs d’Entreprises
Statutory Auditor
represented by

Filip De Bock
Bedrijfsrevisor / Réviseur d’Entreprises

II. Statutory condensed financial statements

The financial statements of the parent company, Immobel SA, are presented below in a condensed form.

In accordance with Belgian company law, the Directors' Report and Financial Statements of the parent company, Immobel SA, together with the Statutory Auditor's Report, have been filed at the National Bank of Belgium.

They are available on request from:

Immobel SA
Rue de la Régence 58
BE-1000 Brussels
Belgium
www.immobelgroup.com

The statutory auditor issued an unqualified report on the financial statements of Immobel SA.

A. Statement of financial position (in thousand EUR)

ASSETS	31/12/2022	31/12/2021
FIXED ASSETS	824,784	462,911
Start-Up costs	136	194
Intangible fixed assets	1,152	164
Tangible fixed assets	3,736	2,403
Financial fixed assets	819,760	460,150
CURRENT ASSETS	256,995	582,548
Amounts receivable after one year		
Stocks and contracts in progress	42,285	43,851
Amounts receivable within one year	35,690	368,590
Treasury shares	1,137	1,205
Cash equivalents	175,411	162,940
Deferred charges and accrued income	2,472	5,962
TOTAL ASSETS	1,081,779	1,045,459

LIABILITIES	31/12/2022	31/12/2021
SHAREHOLDERS' EQUITY	331,941	317,010
Capital	97,357	97,357
Reserves	107,076	107,076
Accumulated profits	127,508	112,577
PROVISIONS AND DEFERRED TAXES	514	296
Provisions for liabilities and charges	514	296
DEBTS	749,324	728,152
Amounts payable after one year	479,427	374,947
Amounts payable within one year	261,034	348,740
Accrued charges and deferred income	8,863	4,465
TOTAL LIABILITIES	1,081,779	1,045,459

B. Statement of comprehensive income (in thousand EUR)

	31/12/2022	31/12/2021
Operating income	28,495	27,283
Operating charges	-33,183	-21,177
OPERATING RESULT	-4,688	6,106
Financial income	118,251	35,660
Financial charges	-67,555	-15,532
FINANCIAL RESULT	50,696	20,128
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	46,008	26,234
Taxes	-664	-375
PROFIT OF THE FINANCIAL YEAR	45,344	25,859
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	45,344	25,859

C. Appropriation account (in thousand EUR)

	31/12/2022	31/12/2021
PROFIT TO BE APPROPRIATED	157,922	143,917
Profit for the financial year available for appropriation	45,344	25,859
Profit carried forward	112,577	118,058
APPROPRIATION TO EQUITY		
To other reserves		
RESULT TO BE CARRIED FORWARD	127,508	112,577
Profit to be carried forward	127,508	112,577
PROFIT AVAILABLE FOR DISTRIBUTION	30,414	31,340
Dividends	30,414	30,409
Other beneficiaries		931

D. Summary of accounting policies

Property, plant and equipment are recorded as assets net of accumulated depreciation, at either their cost price or contribution value (value at which they were brought into the business), including ancillary costs and non-deductible VAT. Depreciation is calculated by the straight-line method. The main depreciation rates are the following:

- | | |
|----------------------------------|------|
| • Buildings | 3 % |
| • Buildings improvements | 5 % |
| • Office furniture and equipment | 10 % |
| • Computer equipment | 33 % |
| • Vehicles | 20 % |

Financial Fixed Assets are entered either at their purchase price, after taking into account any amounts still not paid up and any write-offs made. They are written down if they suffer a capital loss or a justifiable long-term loss in value.

Amounts Receivable within one year and **those receivable after one year** are recorded at their nominal value. Write-downs are applied in case of permanent impairment or if the repayment value at the closing date is less than the book value.

Stocks are recorded at their purchase price or contribution value, including, in addition to the purchase price, the ancillary costs, duties and taxes relating to them. The infrastructure costs are recorded at their cost price. Realisation of stocks is recorded at the weighted average price. Work in progress is valued at cost price. **Profits** are, in principle, recorded on the basis of the percentage of completion of the work. Write-downs are applied as appropriate, according to the selling price or the market value.

The **sales** and the **purchases** of properties are recorded at the signature of the notarial act in so far as the eventual conditions precedents are lifted and a clause of deferred property transfer is foreseen in the compromise under private signature

Short term investments are recorded as assets at their purchase price (ancillary costs excluded) or contribution value. Their values are adjusted, provided that the depreciation is lasting.

Cash at bank and in hand are recorded at their nominal value. Values are adjusted if the estimated value at the end of the financial year is lower than the book value.

At the close of each financial year, the Board of Directors, acting with prudence, sincerity and in good faith, examines the **provisions** to be set aside to cover the major repairs or major maintenance and the risks arising from completion of orders placed or received, advances made, technical guarantees after sale or delivery and current litigations.

Amounts Payable are recorded at their nominal value.

LEXICON

Alternative performance measures

Immobel assesses its financial performance using alternative performance measures. We believe that these measurements are useful for understanding changes and trends in our historical results of operations, as they allow performance to be compared on a consistent basis.

- **DEBT RATIO:** Net debt / (net debt+equity-goodwill)
- **EBITDA:** Earnings Before Interest, Depreciation and Amortization refers to the operating result (including share of result of associates and joint ventures, net of tax) before amortization, depreciation, and impairment of assets (as included in Administration Costs).
- **GROSS MARGIN:** (operating income-cost of sales)/ operating income
- **INVENTORY:** Inventory refers to Investment property, investments in joint ventures and associates, advances to joint ventures and associates, Inventories and Contract assets.
- **NET DEBT:** Net debt refers to the outstanding non-current and current financial debt offset by the cash and cash equivalents. Long-term & short-term financial debt + controlling interest – cash & cash equivalents
- **OPERATING CASH FLOW EXCLUDING INVESTMENTS:** Cash margin + project management fees – overhead costs
- **PORTFOLIO GROSS DEVELOPMENT VALUE (PORTFOLIO GDV):** Sales value or gross development value: total expected future turnover (Group share) of all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of closing).
- **PROJECT GROSS DEVELOPMENT VALUE (PROJECT GDV):** Sales value or gross development value: total expected turnover (Group share) of a project
- **ROE (RETURN ON EQUITY):** ROE refers to the net profit group share divided by the equity group share at the beginning of the year. Underlying ROE refers to the return on equity before impairment loss.
- **UNDERLYING NET PROFIT GROUP SHARE:** Net profit group share before impairment loss.

GENERAL information

COMPANY NAME

Immobel

REGISTERED OFFICE

Boulevard Anspach 1 - 1000 Brussels - Belgium
RPM/RPR (Legal Entities Register) -
VAT BE 0405.966.675

FORM OF THE COMPANY

Belgian registered joint stock company, constituted on 9 July 1863, authorised by the Royal Decree of 23 July 1863.

TERM

Indefinite

DISCLOSURE OF SHAREHOLDINGS

(Article 10 of the Articles of Association – excerpt)

In addition to the transparency declaration thresholds provided for in the Belgian legislation, the disclosure obligation provided for in this legislation is also applicable as soon as the number of voting rights held by a person acting alone or by persons acting in concert reaches, exceeds or falls

below a threshold of 3% of the total existing voting rights. Any obligation imposed by the current legislation on holders of 5% (or any multiple of 5%) of the total existing voting securities is also applicable to the additional 3% thresholds.

WEBSITE

www.immobelgroup.com

FINANCIAL CALENDAR

Publication of 2022 annual accounts: 9 March 2023
Annual General Meeting 2023: 20 April 2023
Publication of 2023 half-year results: 14 September 2023

FINANCIAL SERVICES

BNP Paribas Fortis
KBC Bank
ING Belgique
Banque Degroof Petercam

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GENERAL INFORMATION

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This report is available in English, Dutch and French.