

Sustainability Report

2022



1. About AG Real Estate

AG Real Estate is committed to sustainable development

AG Real Estate, a wholly owned subsidiary of AG Insurance, is an integrated property operator active in Belgium, France, Luxembourg and in certain select European markets with expertise in different lines of business: Asset & Property Management, Development & Construction Management, PPP, and real estate financing, as well as in Car Park Management through its subsidiary Interparking.

AG Real Estate has over 250 employees with varied profiles and areas of expertise. It manages a portfolio of more than €6.5 billion for its own account and on behalf of third parties.

AG Real Estate is committed to sustainable development and pursues its path towards a net-zero emissions portfolio by 2050 through the integration of Environmental, Social and Governance targets throughout its business strategy.

2. Sustainability at AG Real Estate

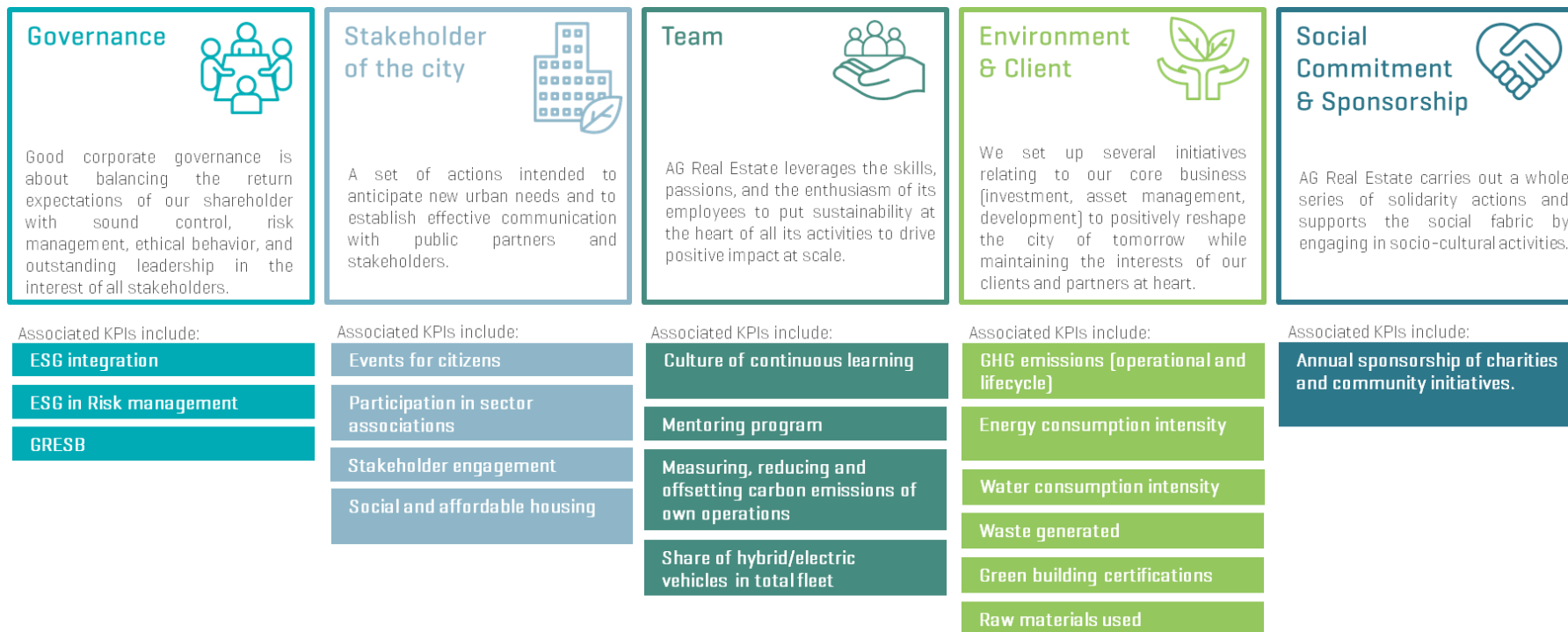
UN SDGs

AG Real Estate has taken the initiative to commit to the UN Sustainable Development Goals – a framework that provides guidelines accompanied by ambitious measures. By adhering to this framework, AG Real Estate wants to deliver a positive contribution to its environment by actively working on SDG 11 (Sustainable cities and Communities), SDG 12 (Responsible consumption and production) and SDG 13 (Climate action).



Our Five Pillar strategy

To achieve AG Real Estate's sustainability goals, we have centered the sustainability strategy around the following 5 pillars:



3. Sustainability in our real estate activity

Pillar 1: Governance

In 2022, AG Real Estate continued to invest its assets in a sustainable and responsible way. AG Real estate integrates ESG considerations in all new investment decisions. Since the end of 2021, the level of ESG integration is 100% for internally managed assets.

Pillar 2: Stakeholder of the city

AG Real Estate's commitment to communities and care infrastructure

Buildings are more than just bricks. They can be used as a home, an office, a warehouse, and much more. To improve the wellbeing of people living and working in the local communities, AG Real Estate actively supports solidarity actions and socio-cultural activities. Furthermore, the firm tries to integrate social elements into its projects.



We recently invested in healthcare infrastructure and operations with the acquisition of Anima: Founded in 2007, Anima is currently the 5th largest care home operator in Belgium. The company operates a total of 24 nursing homes across the country and employs more than 1,600 people.

Most of Anima's care homes are managed in such a way that the residents live in smaller [more familial] communities with their own living' areas, but with an efficient service & facility offering.

AG Real Estate's commitment to efficient and multimodal mobility

Over the years, Interparking has become a European leader in the urban mobility sector. As well as offering convenient and secure car parks, they are growing a range of innovative products and services that meet the needs of major European cities.

Interparking is active across nine European countries: Germany, Austria, Belgium, Spain, France, Italy, the Netherlands, Poland, and Romania.

Interparking is convinced that the key to successful green and efficient mobility is above all multimodality [multiple different modes of transport]; they therefore offer spaces located next to major public transport hubs, for example the metro, tram, bus lines, train stations or routes to airport and cruise ship terminals. Additionally, the company has taken various measures to reduce the environmental impact of its operations.



Promoting mixed-use developments in multifunctional neighborhoods

To stimulate vibrant and inclusive urban areas, AG Real Estate develops mixed-use projects that promote multifunctional neighborhoods where people live, shop, work, and play.

A good example is the involvement in the non-profit organization Up4North. Aware of the district's strategic position and its excellent accessibility by public transport, the ASBL Up4North will deploy a large-scale plan to substantially impact ensure the diversity of the city's different functions. This project aims to recreate diversity by bringing together large companies and start-ups, cultural and nonprofit organizations, residents, and visitors, as well as local, national, and international players.



By combining efforts of all the real estate partners active in the northern area, UP4North offers a global and well-thought-out vision of the future district in line with the needs of its new users. In this neighborhood we are developing the mixed-use CCN project (in joint-venture with Atenor) which will be adjacent to the Brussels North railways station.

Scholen van Morgen



Launched in 2006, 'Scholen van Morgen' [Schools of Tomorrow] is a Design, Build, Finance, Maintain (DBFM) programme that realizes new school buildings through a public-private partnership. Under AG Real Estate's leadership as programme and project manager, many bricks have been laid over the past 10 years for more school capacity. 182 projects in total, good for 250 school buildings with 710,000 m² in total floor space, will accommodate as many as 133,000 pupils. Eight schools are so-called passive schools.

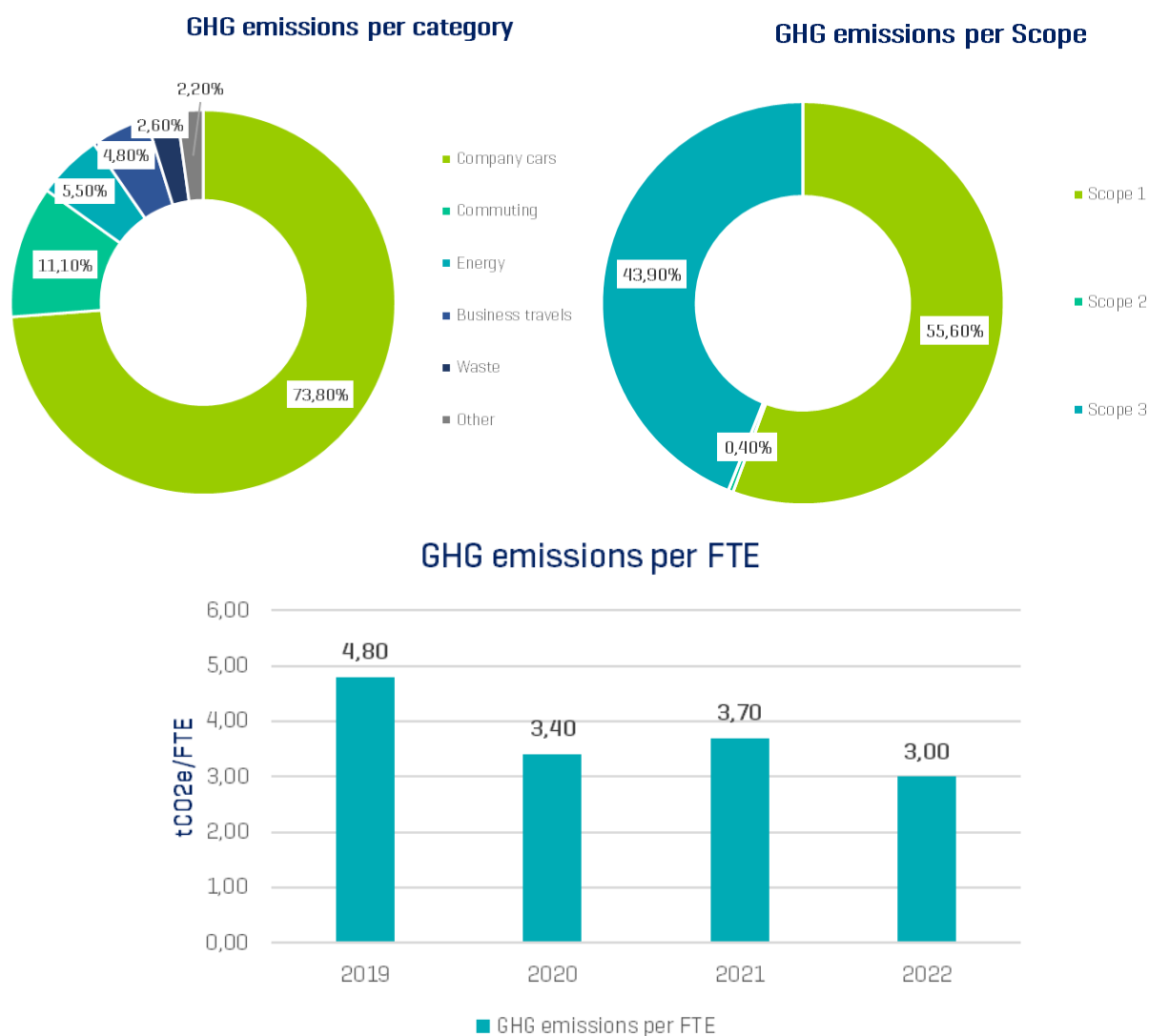
Some of the school infrastructure is also open to the local community outside school hours (such as youth, cultural and sports associations). In 2022, two schools have been delivered: Campus Blue Gate in Antwerp (10,000m²) and the Campus Cadixwijk in Antwerp (25,000m²), whereby the latter received the RES award for best (semi-) public development. The last school of the program was inaugurated in May 2023.

Pillar 3: Team

GHG emissions of HQ

AG Real Estate's operational activities emitted a total of 892 tCO₂e [FY2022], which is a decrease of 2,5% compared to FY2021 [including IT emissions].

This corresponds to 3 tCO₂e/FTE. Similar to last year, company cars and commuting accounted for the majority of the emissions. The impact of business travel, waste and capital goods has become lower Year-Over-Year.



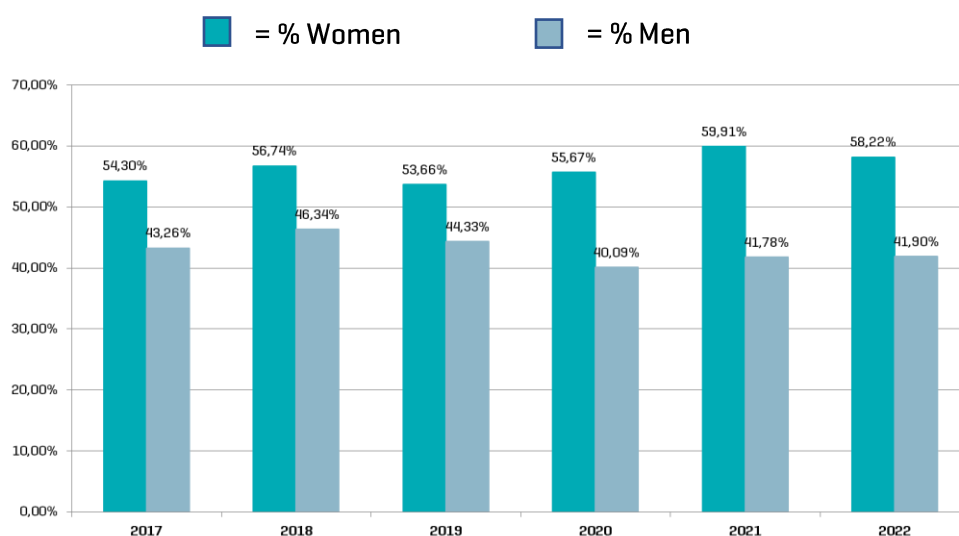
Within Impact24, the Ageas Group aims for carbon neutrality of its own measured operations. We want to lessen our impact on the environment by reducing our carbon emissions and offsetting the remaining emissions. All operational carbon emissions of 2021 have already been offset. We aim to renew this carbon neutrality for 2022 as well.

Diversity and Inclusion

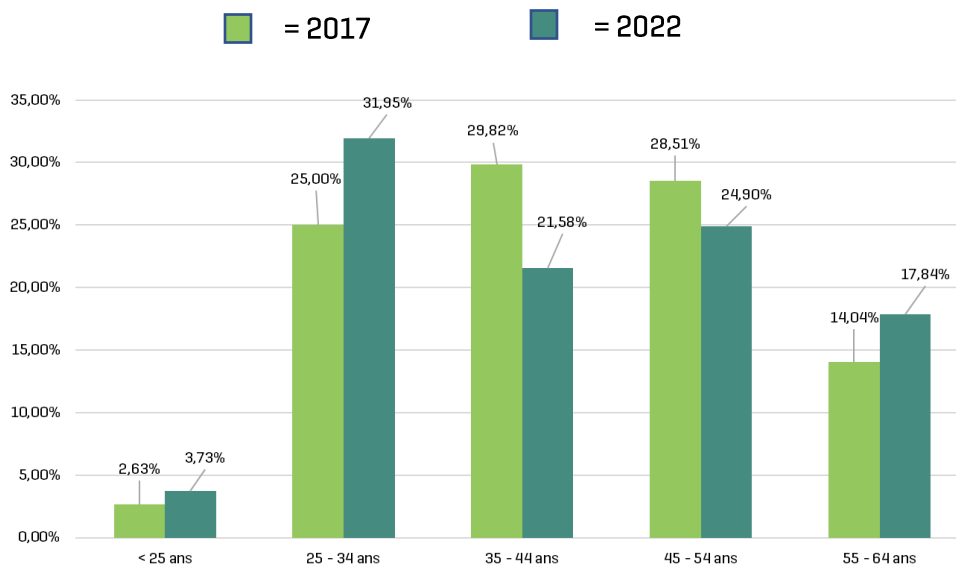
At AG Real Estate we don't tolerate any form of harassment or discrimination. We're all about treating everyone with respect, no matter their gender, race, religion, politics, orientation, or disability. To keep things in check, we rolled out a Diversity and Inclusion Policy in 2022 and keep tabs on how we're doing through the annual follow-up of several KPIs. We're all about creating a workplace where everyone can be themselves and thrive.

Since 2017, the majority of AG Real Estate's workforce consisted out of women [fluctuating between 53% and 60% of the total workforce]. In addition, the age distribution has shifted whereby the < 35 years and > 55 years segments have increased coupled with a decrease in the 35-54 years age segments.

Gender distribution employees AG Real Estate



Age distribution employees AG Real Estate



Pillar 4: Environment & client

Focus on the office portfolio in Belgium

Energy, water, and carbon footprint KPI's of AG Real Estate's Belgian office investment portfolio (30 assets) are monitored in real time confirming that what gets measured, gets done. We observe a like-for-like increase in energy and water consumption which is mainly due to the return to the office since the COVID-19 pandemic. To achieve our net-zero target by 2050 and to lower energy consumption, the performance of our buildings is optimized through investments in for example LED lighting, sensors, efficient energy systems and insulation.

Since a couple of years, we have been measuring the electricity, gas and water consumption of our Belgian office buildings. As far as energy consumption is concerned, absolute gas consumption decreased by 7.5% from 2021 to 2022. Like-for-Like gas consumption increased by 0.3%.

Gas consumption	2022	2021
Gas [normalized] – absolute	26 979 MWh	29 157 MWh
Gas [normalized] – intensity	64,9 kWh/m ²	64,7 kWh/m ²
Gas [normalized] – absolute [Lfl ¹]	26 979 MWh	26 905 MWh

Gross electricity consumption decreased by 2%, mainly due to the decrease in building surface area. However, Like-for-Like consumption [adjusted for area and temperature variations] increased by 6.16% for electricity intensity.

Electricity consumption	2022	2021
Electricity [normalized] – absolute	36 927 MWh	37 697 MWh
Electricity [normalized] – intensity	88,86 kWh/m ²	83,71 kWh/m ²
Electricity [normalized] – absolute [Lfl]	36 927 MWh	34 785 MWh

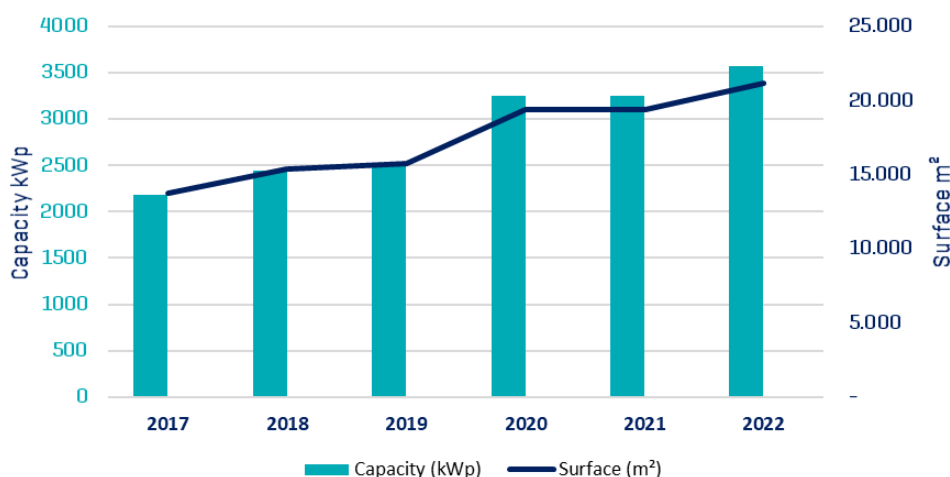
Water consumption has increased by 9,2% between the years 2021 and 2022 but remains well below consumption in previous years. Like-for-Like water consumption increased by 18,3%.

Water consumption	2022	2021
Water consumption – absolute	94 297 m ³	86 324 m ³
Water consumption – intensity	227 l/m ²	192 l/m ²
Water consumption – absolute [Lfl]	94 297 m ³	79 656 m ³

We are studying the potential to maximize on-site production of renewable energy at our existing assets. The solar panel capacity of our office properties increased by more than 64% between 2017 and 2022.

¹ Stands for 'Like-for-Like'.

Evolution of the photovoltaic capacity of AG Real Estate office buildings (Belgium)



Focus on the logistics portfolio

The Group has installed more than 342,000 m² of rooftop photovoltaic panels producing a capacity of around 71,5 MWp, notably at the Venlo logistics site in the Netherlands (96.000 m²), the Antwerp East Port in Belgium (27.000 m²) and Havlog in France (37.000m²).

Project	Solar panels (m ²)	Capacity (MWp)
Antwerp East Port (BE)	27.000 m ²	5,2 MWp
Venlo (NL)	96.000 m ²	18 MWp
Boekerman Oud Gastel (NL)	50.000 m ²	10 MWp
Amelo T-Port (NL)	61.000 m ²	15 MWp
Radiator Springs Heerlen (NL)	16.000 m ²	3,7 MWp
Sugar Fields Etten Leur (NL)	43.000 m ²	9,8 MWp
Logistic Mills South Weert (NL)	12.000 m ²	2,5 MWp
Havlog (FR)	37.000 m ²	7,3 MWp
	342.000 m²	71,5 MWp

Havlog



The French warehouse Havlog, delivered in July 2021, is the largest logistics platform in Le Havre, measuring 92,000 m² and housing 37,000 m² of photovoltaic panels on the roof. The solar power plant consists of 18,500 modules and has a power of 7.35 MWp. The expected annual production of 7,050 MWh can supply 1,559 households, or 3,430 inhabitants. Green electricity is sold to the public grid. This major project implemented on Havlog with URBASOLAR is the largest area of solar panels installed in France by AG Real Estate to date.

Focus on the development portfolio

Westland



The renovation and extension of the Westland shopping mall was completed in 2022. The mall is heated and cooled using a closed-end geothermal energy system. The system has a capacity of 720 kWp and covers around 80% of the center's heating needs and 30% of its cooling needs. More than 190 boreholes were drilled to a depth of 78 m. The renewable energy produced on-site will further increase in 2023 with the installation of solar panels [capacity of 249 kWp] on the roof by our partner Skysun. The shopping mall will obtain a BREEAM Excellent certification.

This project consists of the demolition and reconstruction of a building in our portfolio with the aim of developing 1,700 m² of retail space at the foot of the building and nearly 6,000 m² of office space in which comfort of use is paramount. Construction works have continued in 2022, with a delivery expected in Q3 2023. The project targets four certifications: BREEAM "Excellent", HQE "Excellent", Ozmoz, and Wired Certified.

My Little Nation



Part of a dynamic, vibrant, and very well-served district, My Little Nation is an exceptional site. The building's two facades, overlooking Place de la Nation and Avenue de Taillebourg, are inspired by Haussmannian architecture codes and provide continuity with the neighboring buildings. Some 600 m² of green spaces are divided into panoramic terraces, offering exceptional views, and a 360°-view rooftop.

Pillar 5: Social Commitment and Sponsorship

AG Real Estate allowed Promote Ukraine to use for free around 1200 m² of vacant space in the Arlon 53 building between Mars 2022 and January 2023. The association voices the interests of the Ukrainian civil society in Brussels by sharing news, connecting experts, informing public, coordinating events, cooperating with activists, and advocating for the Ukrainian cause to the EU policymakers. They used the space to host cultural activities for Ukrainian refugees [mainly young children]. Due to the redevelopment of the building, the association has been moved to another one of our buildings.

4. KPIs

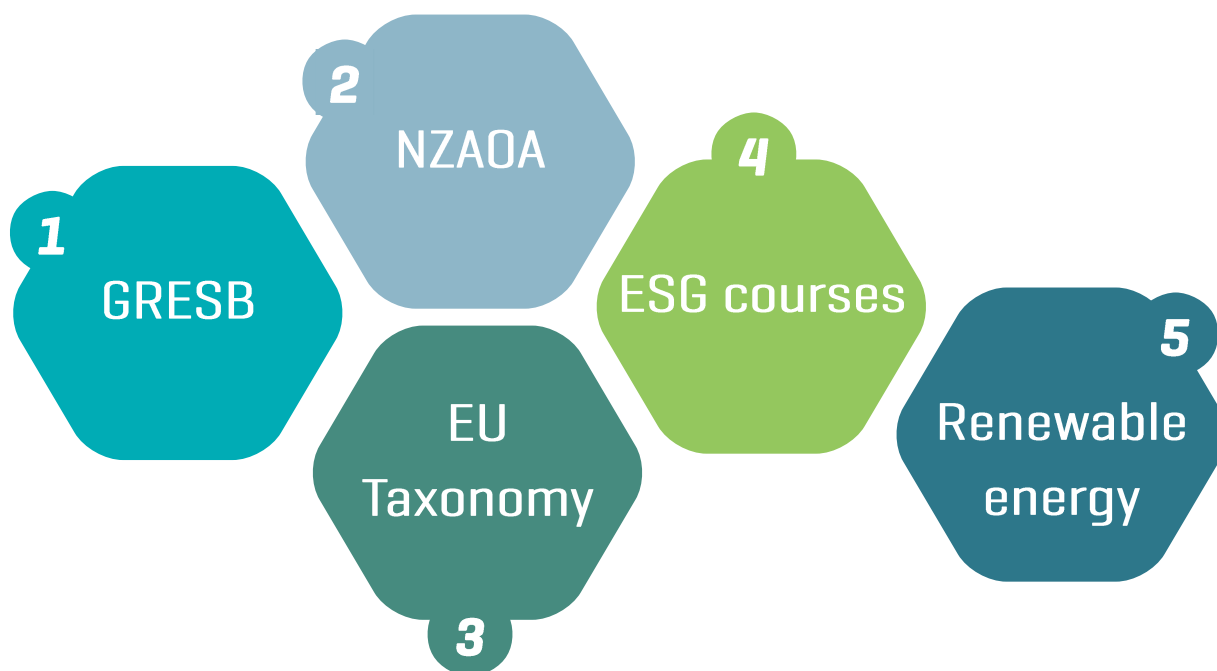
AG Real Estate's CSR Policy has been updated at the end of 2022 and contains a set of KPIs related to each strategic pillar. We have decided to include a subset of these KPIs in our 2022 annual report. As of next year, we will report on all KPIs.

Governance KPIs	2022	2021	Comment
1. Share of projects for which ESG has been integrated into the investment due diligence and decision-making process.	100%	100%	ESG has been integrated in the investment process since 2021.
2. Share of AUM for which a physical and transition risk assessment has been performed.	100% for transition risk	100% for transition risk	Transition risk has been assessed in 2021 & 2022 as part of AG's ORSA Climate risk assessment.
Team KPIs	2022	2021	Comment
1. Average annual education hours (including ESG-related education) per employee.	19,6	17,1	The average education hours per employee increased by 14,6% in 2022.
2. The number of mentors for AG Real Estate's new employees.	1 mentor / 1 new employee	1 mentor / 1 new employee	All new employees have a mentor.
3. Diversity and inclusion – Balanced succession pipeline senior management (excl. executive committee, male / female).	55/45	55/45	The composition remained stable in both 2021 & 2022.
4. The carbon emissions of AG Real Estate's own operations (expressed in tCO2/employee).	3 tCO2/employee	3,7 tCO2/employee	AG Real Estate's operational activities emitted a total of 892 tCO2e (FY2022), which is a decrease of 2,5% compared to FY2021 (including IT emissions).

Stakeholder of the city KPIs	2022	2021	Comment
1. Participation in multiple societal actions in the short term [ex. Up for North, Low line, Quartier du Fonds Européen].	Continuous	Continuous	
2. Systematic engagement with all stakeholders for new developments.	Continuous	Continuous	
Environment & Client KPIs	2022	2021	Comment
1. GHG emissions generated by AG Real Estate's assets [in absolute amounts and kgCO ₂ e/m ²].	Absolute 11.495 tCO ₂ e Intensity 27,7 kg CO ₂ e /m ² /yr	Absolute 11.737 tCO ₂ e Intensity 26,1 kg CO ₂ e /m ² /yr	Coverage: only office portfolio Belgium. The 2023 GRESB assessment will increase the coverage to [almost] the entire portfolio.
2. Energy consumption intensity including the on- or off-site produced renewable energy of all portfolio assets [expressed as kWh/m ²].	153,76 kWh/m ²	148,41 kWh/m ²	Coverage: only office portfolio Belgium. The increase is mainly due to the return to the office since the pandemic.
3. Water consumption intensity of all portfolio asset [expressed in m ³ of water per m ²]	227 l/m ²	192 l/m ²	Coverage: only office portfolio Belgium. The increase is mainly due to the return to the office since the pandemic.
4. Share of standing investments that obtained a green building certificate at the time of design, construction, and/or renovation or that obtained a valid operational green building certificate.	33%	Not tracked	Coverage: only office portfolio Belgium.

5. Our five sustainability objectives for 2023

The Management Committee of AG Real Estate defined the GRESB reporting, the NZAOA net-zero target setting, ensuring compliance with the EU Taxonomy, providing courses on ESG for our employees, and increasing the amount of renewable energy supply within AG Real Estate's investment and development projects as the main sustainability objectives for 2023.



GRESB

In the summer of 2022, AG Real Estate took the decision to participate in the GRESB reporting in 2023. GRESB is an independent organization providing validated ESG performance data and peer benchmarks for investors and managers to improve business intelligence, industry engagement and decision-making.

This reporting has three components:

- Management component - measures the entity's strategy, ESG risk management, etc.
- Performance component - measures the performance of the entity's investment portfolio [energy consumption, water, waste, etc.]
- Development component - measures the entity's efforts to take ESG issues into account in the design, construction, and renovation of buildings.

NZAOA

Ageas's strategic plan, Impact24, includes a strong focus on sustainability. As part of this plan, Ageas has committed to achieve net-zero carbon emissions in its investment portfolio by 2050 at the latest. To reach this long-term target, and as 2050 is still relatively far away, Ageas has defined an intermediate trajectory to reach its carbon reduction objectives by joining the UN-convened Net Zero Asset Owner Alliance (NZAOA). This is a member-led initiative of insurers, pension funds and foundations, committed to transitioning their investment portfolios to net-zero greenhouse gas (GHG) emissions by 2050.

In line with the approach for the entire investment portfolio, AG Real estate will also set intermediary targets to achieve a net-zero carbon real estate portfolio by 2050. The CRREM (Carbon Risk Real Estate Monitor) global pathways will be used to set these intermediary targets and to assess the transition risk of our standing real estate portfolio. The CRREM tool allows to compare the energy and carbon intensity of the portfolio to the CRREM "Paris proof" decarbonization pathway for different real estate asset classes.

EU Taxonomy

By signing the Paris Agreement in December 2015, the European Union committed itself, on behalf of its members, to limiting global warming. In March 2018 the European Commission communicated its action plan for financing sustainable growth. At the heart of this plan is the European Taxonomy. The European taxonomy provides a single, transparent classification system to identify 'sustainable' economic activities.

AG Real Estate integrates the European Taxonomy criteria as a tool to measure its environmental impact. Taxonomy alignment for real estate assets will increasingly be expected by the market as capital shifts more towards green investments, and it is part of AG Real Estate's investment criteria.

ESG Courses

AG Real Estate, which was awarded Top Employer, leverages the skills, passions, and the enthusiasm of its employees to put sustainability at the center of all its activities. This is achieved by fostering personal growth and development of our workforce through comprehensive training programs. We are currently preparing the roll-out of an educational initiative focused on ESG [expected in Q4 2023].

Alternative energy production

We intend to further increase the share of energy generated from on-site or off-site renewable sources in 2023. For several years now, AG Real Estate has been committed to installing solar panels on the roofs of its buildings to reduce their carbon footprint and to increase their self-sufficiency in electricity. Additionally, AG Real Estate also invests in geothermal energy. The inertia of rock and water is exploited to store and withdraw energy from one season to another. AG Real Estate implements this clean-energy solution, using an open-loop or closed-loop system, depending on the project concerned.