INTERNAL CHARTER OF THE COVIVIO GROUP

ON RELATED-PARTY AGREEMENTS AND ON THE PROCEDURE FOR THE REVIEW OF AGREEMENTS ON TRANSACTIONS ENTERED INTO IN THE ORDINARY COURSE OF BUSINESS AND ON ARMS' LENGTH TERMS

This Charter (the "**Charter**") was drawn up pursuant to:

(i) AMF recommendation n°2012-05 of 2 July 2012 last amended on 29 April 2021 (the "**AMF Recommendation**"), particularly its proposal n°4.1 from title IV on vote on related-party agreements, as well as

(ii) the procedure for the review of agreements on transactions entered into in the ordinary course of business and on arms' length terms introduced by law n° 2019-486 of 22 May 2019 on business growth and transformation (known as the Pacte law).

The purpose of the Charter is to re-establish the regulatory framework that applies to related-party agreements and to provide further details on the review method and procedure applied within the Covivio group (the "Group") to characterise the various agreements. The Charter applies to all of the Group companies[1]. It was approved by Covivio's Board of Directors at its meeting of 17 February 2016. It has been the subject of an update which was approved by the Board of Directors on 16 October 2018, 21 November 2019, 16 December 2020, and 19 October 2023, and published on its website.

I. SCOPE OF THE RELATED-PARTY AGREEMENT CONTROL PROCEDURE

A. Group entities concerned by the regulations

French texts are silent on the concept of a group and thus the concept remains uncertain under French law. According to case law, a group is defined as a set of entities tied together by equity links allowing for the establishment of a form of hierarchy between those entities and a quasi-family relationship. The CNCC considers that the mere existence of a group may be taken into consideration to determine whether an agreement was entered in the ordinary course of business, and on arms' length terms.

Case law[2] also provides the basis for the definition of the concept of an intra-group agreement through 3 conditions:

- the existence of a structured group implying economic and financial relationships between the relevant companies (common strategy, transaction risk-sharing objective);
- the purpose of the agreement must be justified by the group's common interest;
- the transaction must not cause disproportionate sacrifices or imbalances jeopardizing the future of the company that bears the burden of the transaction.

This concept within the Group refers to all the companies held/controlled, exclusively or jointly, by Covivio, within the meaning of article L. 233-16 of the French Commercial Code.

The rules on related-party agreements apply to all Group companies incorporated as:

- a public limited company with a board of directors (SA - *société anonyme à conseil d'administration*) (article L. 225-38 of the French Commercial Code),

[1] For the avoidance of doubt, the concept of "board of directors" and the references to the laws and regulations relating to public limited companies with a board of directors must be interpreted in light of the specific provisions and of the terms applicable to partnerships limited by shares.
[2] Cass.Crim.4 février 1985, REv.Sociétés 1985 p.648 Note B.Bouloc ; Cass. Crim. 4 sept 1996, Bull Joly 1997 p.107 note N.Rontchevsky.

- a partnership limited by shares (SCA - *société en commandite par actions*) (article L. 226-10 of the French Commercial Code),
- a European company (SE - article L. 229-7 of the French Commercial Code),
- a simplified joint stock company (SAS - *société par actions simplifiée*) (article L. 227-10 of the French Commercial Code),
- a limited liability company with one or more shareholders (SARL - *société à responsabilité limitée / EURL*) except for EURL's whose executive manager is the sole shareholder (article L. 223-19 et seq. of the French Commercial Code),
- a non-trading company (*société civile*) (article L. 612-5 of the French Commercial Code).

The control procedures for related-party agreements differ depending on the form and articles of association of the relevant companies. In addition, while other form of companies falls within the scope of the regulations on related-party agreements, there are currently no such companies within the Group. The foregoing list is thus subject to updating according to future changes within the Group.

Conversely, Group companies incorporated as partnerships (*sociétés en nom collectif*) are not subject to any rules on the approval of related-party agreements.

B. Agreement classification

1. Related-party agreements

The following agreements are subject to (i) the prior authorisation of the board of directors for SAs, and of the supervisory board for SCAs and/or (ii) the *ex post* approval by the General Meeting for other forms of companies:

a) agreements entered into between the company and, depending on its corporate form, directly or through an intermediary (as such term is defined in 1.1 below), its chairman, its executive manager, its chief executive officer, a deputy executive officer, any member of the board, any of its shareholders holding a portion of the voting rights in excess of 10% or, with regard to a shareholder company, the company that controls it within the meaning of article L. 233-3 of the French Commercial Code,

b) agreements in which any of the foregoing persons have an indirect interest (as such term is defined in 1.2 below), and

c) agreements entered into between two companies or between Covivio and a company having common corporate officers (as such term is defined in 1.3 below).

1.1. Concept of intermediary

An intermediary means any private or legal person who enters into an agreement with the company for the actual benefit of a corporate officer or shareholder, as defined above. The beneficial owner is not cited as a party to the agreement but is the true contract partner that benefits from the agreement through the intermediary of another person.

1.2. Concept of person with an indirect interest

The Group has adopted the definition set forth in proposal n°4.2 of the AMF Recommendation, which defines a person with an indirect interest in an agreement to which it is not a party as a person that, as a result of its relationships with the parties and of its power to direct their conduct, derives a profit or is capable of deriving a profit from that agreement.

The concept of indirect interest is therefore appreciated on a case-by-case basis. Accordingly, a shareholder company controlled by the shareholder that ultimately benefits from the agreement should not influence the vote on such agreement; the same applies in respect of the shareholder that controls the company that benefits from the agreement.

Lastly, shareholders acting in concert, particularly where the concert provides for a common voting policy, should not influence the vote on an agreement entered into with any of the concert parties.

This concept does not apply to SAS' or SARLs.

1.3. Concept of common corporate officers

Are also subject to the control procedure, agreements entered into between the company and:

(a) an enterprise, where the chief executive officer, any of the deputy executive officers or any of the directors of the company is the owner, unlimited partner, manager, director, supervisory board member or otherwise a corporate officer of that enterprise (article L. 225-38 al 3 of the French Commercial Code),

(b) a company whose unlimited partner, manager, director, chief executive officer, executive board member or supervisory board member is also a manager or a shareholder of the limited liability company (*société à responsabilité limitée* - article L. 223-19 al 5 of the French Commercial Code),

The regulations also apply to agreements entered into between a French company and a foreign company (Bulletin CNCC déc. 2004). The concept of common corporate officers does not apply to SAS.

2. Agreements not subject to the related-party agreement control procedure

The Group considers that the prior authorisation procedure for related-party agreements applies to any agreement between a company and any of the persons concerned by the control procedure, that is neither an unrestricted agreement nor a prohibited agreement.

As an exception, the following agreements are not subject to the related-party agreement control procedure:

2.1. Unregulated agreements

The notion of "unregulated agreements" covers, according to the doctrine, two categories of agreements:

2.1.1. Agreements on transactions entered into in the ordinary course of business and on arms' length terms

(cf. paragraph II. A below)

2.1.2. Agreements entered into with another company, where one holds 100% of the share capital of the other

This concerns agreements entered into between an SA, SCA or SE (as well as other entities whose governing texts refer to the SA regime) and another company, where one holds 100% of the share capital of the other, directly or indirectly after deducting, as the case may be, the minimum number of shares required to satisfy the legal requirements[3] .

The Charter also applies to agreements entered into between a French company and a foreign company. With regards to agreements entered into with wholly-owned subsidiaries, and in accordance with the current legal doctrine (most notably the ANSA), the subsidiary must be strictly a direct or indirect wholly-owned subsidiary, irrespective of the minimum number of shareholders imposed by local legislation, as the case may be, to the extent the exclusions provided by French law refer exclusively to French legal sources.

The provisions applicable to SAs, SCAs and SEs allow for the exclusion of agreements entered into between a company and a direct or indirect wholly-owned subsidiary, including where those companies have common corporate officers and whatever the financial conditions of the said agreement are.

2.2. Merger-absorption transactions, spin-offs or partial asset contributions governed by spin-offs legal regime

This procedure does not apply to merger-absorption transactions, spin-offs or partial asset contributions governed by the legal regime for spin-offs, between two companies having common corporate officers. Conversely, contributions that are not governed by the legal regime for spin-offs are subject to the

[3] Cf article L. 225-39 of the French Commercial Code pursuant to the entry into force on 3rd August 2014 of the order n° 2014-863.

related-party procedure at the level of the contributing company but not at the level of the company receiving the contribution whose general meeting is consulted.

2.3. Compensation and benefits granted to the corporate officers and directors in connection with their positions

The determination of the compensation of the chairman, of the chief executive officer, of the deputy executive officers in respect of their corporate duties does not fall within the scope of the procedure provided under article L. 225-38 of the French Commercial Code but falls within the competence of the Board of Directors under articles L. 225-47 L. 225-53, L. 22-10-16 and L. 22-10-17 of the French Commercial Code and, in public limited companies whose securities are admitted to trading on a regulated market, is submitted to the General Meeting for approval, within the procedure called "*say on pay*".

The following agreements are however subject to the authorisation procedure:

- agreements providing for the renewal of a director's fixed-term employment contract;
- agreements providing for substantial amendments to a director's employment contract, other than amendments applying to all employees;
- agreements providing for the subscription of a life insurance contract for the benefit of the chairman or of a director, unless the agreement is part of a collective agreement covering the same category of employees;
- agreements providing for exceptional compensation allocated by the Board for missions or mandates entrusted to the directors.

3. Prohibited agreements

"It shall be prohibited for directors other than legal entities to obtain loans from the company in any form, or overdraft facilities, on a current account or otherwise, or to obtain any pledge of security or guarantee from the company for any obligations they may contract to third parties. Any agreement to do so shall be void. The same prohibition shall apply to the chief executive officer, deputy executive officers and to the permanent representatives of legal entities discharging duties as directors. Legal persons discharging duties as directors are not covered by the prohibition in order to facilitate intra-group transactions (article L. 225-43 of the French Commercial Code). By extension, this prohibition also applies to the spouses, relatives in the ascending and descending line of the foregoing corporate officers as well as to any intermediary.

These agreements are prohibited in SAs, SARLs, SAS' et SCAs.

Any breach of this prohibition results in the voidance of the prohibited transaction. According to case law, nullity is absolute (Cass.Com 25 avril 2006) and may be sought by any interested person; there is no requirement for the company to establish a loss and the nullity may not be remedied by confirmatory act (Cass. Ch. mixte 10 juillet 1981).

The director's civil liability may be sought through an action for damages or for the reimbursement of the amounts borrowed in the case of a loan, as well as the director's criminal liability where the prohibited agreement constitutes a misappropriation of corporate assets in commercial companies.

II. PRACTICE WITH REGARDS TO AGREEMENTS WITHIN THE GROUP

A. Criteria used to define an agreement relating to a transaction entered into in the ordinary course of business and on arms' length terms

1. Transaction in the ordinary course of business

1.1. Concept of a transaction in the ordinary course of business

Transactions in the ordinary course of business are those often entered into by the company in its day-to-day business. The Group appreciates the concept of a transaction in the ordinary course of business in light of the transaction's compliance with the company's corporate purpose and of the nature of the transaction, which must be identical to other transactions previously entered into by the company.

Are taken into consideration:

(a) The company's day-to-day business; or
(b) The usual practice for companies, within or outside the Group, in a similar situation.

Repetition constitutes presumption that a transaction is in the ordinary course of business. But the common practice criterion is not the single decisive factor; the circumstances surrounding the signing of the agreement as well as its nature and legal significance or its economic consequences, even the duration of the agreement, must be taken into consideration.

1.2. Examples of agreements considered as transactions in the ordinary course of business within the Group

The following agreements are considered as transactions in the ordinary course of business under this Charter; this list not being exhaustive:

- invoicing between entities of the Group in relation to network costs (pertaining to, in particular, human resources, information services, management, communication, finance, legal, accounting, purchasing and bonus share reinvoicing);
- re-invoicing of employees and/or corporate officers for the performance of their missions in a subsidiary;
- assistance agreements in relation to financing and financial instrument re-invoicing;
- tax consolidation agreements in respect of which indemnification is to be paid by the parent company in the event that the subsidiary ceases to be included in the tax consolidation group;
- asset management, services, technical assistance, management and property/facility management agreements;
- with regard to new developments, real property development/project management/delegated project management agreements and real property management/asset development/transaction management agreements;
- invoicing in relation to asset disposals;
- acquisitions and/or disposals of shares and securities (including rights attached to the instruments), and, with regards to listed companies in particular, on the basis of a valuation certified by an independent expert;
- acquisitions and/or disposals of receivables for their current value;

  agreements for the sale or loan of shares to a corporate officer in connection with the performance of his/her position;
- business introducers' missions;
- cash management and/or loans shareholders' loans borrowing transactions, subject to no-use fees, as the case may be;
- financing transactions for amounts in excess of the lender's pro rata holding, provided that the financed party is controlled by the lender;
- non-remunerated transactions constituting an equity contribution granted to a subsidiary;
- facilities granted by an entity (lease of real property, provision of staff) provided the charges have been invoiced at their cost price plus a margin covering, inter alia, unallocated indirect expenses;
- securities, endorsements and guarantees given by an entity for the benefit of a third party (banks and suppliers) as security for the payment of debts of a Group company or any other entity, provided that such commitments are submitted to the Board for approval under article L. 225-35 of the French Commercial Code;
- commitments and guarantees in relation to a subscription to a share capital increase by a Group company;
- and more generally any agreement with low financial implications or that do not create a financial imbalance for the parties, or any agreements established to be on arms' length terms.

The foregoing list was drawn up on the basis of the agreements regularly entered into within the Group and is intended to be supplemented in due course to reflect new practices. Whether or not an agreement

is entered into in the ordinary course of business is to be assessed on a case-by-case basis, with the assistance of the Legal Corporate M&A Department, in line with the review on related-party agreements entered in the ordinary course of business published by the CNCC in February 2014, updated in February 2018, with the understanding that the arm's length terms quality of the agreements listed above will be assessed on a case-by-case basis, in accordance with paragraph 2 below.

2. Arms' length terms

Arms' lengths terms are considered as such when they are commonly used by the company in its relationships with third parties, so that the interested party does not derive an advantage from the transaction which he would not have, if he had been a supplier or customer of the company.

The Group's arms' length terms are the terms commonly used by the company in its relationships with third parties or similar to the terms used in similar transactions by other companies in the same line of business.

Accordingly, terms pertaining to, inter alia, the purpose, compensation or warranties commonly granted by the company or commonly used in the same line of business or for similar types of transaction, are arms' length terms.

Whether or not terms are arms' length is determined in light of:

(i) economic data, and therefore in light of a market price or usual market terms both inside and outside the Group;

(ii) the concept of "balance of mutual benefits", which implies taking into consideration not only the actual price but also all of the terms governing the transaction (payment terms, warranties, etc.)

Whether or not an agreement is entered into on arms' length terms will be assessed on a case-by-case basis with the help of the financial Department or the operations Department concerned.

B. Instances of assimilation to agreements relating to transactions entered into in the ordinary course of business and on arms' length terms

1. Agreements with low financial implications

The Group assimilates agreements with low financial implications to agreements relating to transactions entered into in the ordinary course of business and on arms' length terms when it is satisfied, on the one hand, that the low financial consideration paid is consistent with arms' length terms and, on the other hand, that the agreement does not have significant implications for the contract partners.

Intra-Group agreements falling within the day-to-day operations of the company are presumed to be entered on arms' length terms. This presumption relates to, inter alia, agreements of a financial nature, services agreements, staff secondment agreements, tax consolidation agreements, provided those agreements, as described above:

(a) are entered into in furtherance of a common economic, social or financial interest appreciated in light of a policy established for the Group as a whole;

(b) are not entered into for no consideration or do not upset the balance between the respective commitments of the relevant companies and;

(c) do not exceed the financial resources of the company bearing the burden of the relevant agreement.

2. Re-invoicing of employees and/or corporate officers

The Group considers that the re-invoicing of employees and/or corporate officers in respect of the discharge of their duties in a subsidiary which is not directly or indirectly wholly owned is an agreement on transactions entered into in the ordinary course of business and on arms' length terms considering the euro-for-euro reinvoicing terms (wages and social security charges). It is however subject to the procedure for related-party agreements at the level of the parent company where re-invoicing is based on a flat-rate and not on objective costs.

III. AGREEMENT REVIEW AND CONTROL PROCEDURES

A. Review procedure for agreements on transactions entered into in the ordinary course of business and on arms' length terms within the Group companies

1. Scope of the procedure

The procedure applies to Group companies whose shares are admitted to trading on a regulated market.

2. Annual review of the criteria for agreements on transactions entered into in the ordinary course of business and on arms' length terms

The Board of Directors has established an annual review procedure for agreements on transactions entered into in the ordinary course of business and on arms' length terms, to be undertaken by a committee set up within each listed Group company.

The committee meets annually, and its mission includes:

(a) Undertaking a review of the criteria used to characterise agreements on transactions entered into in the ordinary course of business and on arms' length terms defined above in order to ensure that they are still adequate and in line with market practices;
(b) Determining, in particular, whether or not the financial terms are arms' length; and
(c) Submitting the agreements that no longer satisfy the criteria to the Board for approval.

In accordance with the provisions of article L. 22-10-12 of the French Commercial Code, the persons who have a direct or indirect interest in the agreement do not take part in the review of the agreement.

The committee may seek the opinion of the board of statutory auditors in the event of doubt as to the characterisation of an agreement under review by the committee.

3. Information of the Board of Directors

The list of all agreements reviewed by each of the committees, as well as the findings of the review and, as the case may be, the proposed revision of the agreement criteria, are presented each year to the Board of Directors' meeting called to review the annual financial statements.

If the review committees consider that an agreement signed between two Group companies is a related-party agreement, it is submitted to the related-party agreement control procedure described below.

If the review committees identify a doubt as to the characterisation of an agreement, they submit it to the Board of Directors' review, provided always that the persons who have a direct or indirect interest in the agreement may not take part in the review of the agreement.

As the case may be, the Board updates this Charter.

B. Related-party agreement control procedure

1. Prior authorisation of the Board of Directors

Any signing, modification, renewal (including in the event of tacit renewal) and/or termination of related-party agreements must be presented to the Board of Directors.
Each related-party agreement is authorised pursuant to a specific decision of the Board which must justify the benefit of the relevant agreement or commitment for the company, in light of, inter alia, its financial terms (article L. 225-38 of the French Commercial Code), provided always that:

- Pursuant to the provisions of article L. 225-40 of the French Commercial Code, the persons who have a direct or indirect interest in the agreement may not take part in the discussions or vote on the requested authorisation;
- The lack of justification may lead the statutory auditors to raise the irregularity in their special report (article L. 823-12 of the French Commercial Code) and to inform the AMF (article L. 621-22 of the French Monetary and Financial Code) in the case of a listed company. Pursuant to article R. 225-30 of the French Commercial Code, the justifications are communicated to the statutory auditors and included in their report.

In accordance with proposal n°4.6 of the AMF Recommendation, the Group secures the appointment of an independent expert whenever the signing of a related-party agreement is likely to have a very substantial impact on the balance sheet or results of the company and/or the Group, provided always that this expert review, which is mentioned in the special report of the statutory auditors, must be disclosed to the public subject, as the case may be, to any information likely to adversely affect business secrecy.

Where related-party agreements are not the subject of prior authorisation, the Group also ensures, in accordance with proposal n°4.7 of the AMF Recommendation, that such agreements are ratified by the Board prior to their approval by the annual General Meeting, save in specific cases where the directors are all in a conflict on interests' situation.

2. Publication of information on related-party agreements

In companies whose securities are admitted to trading on a regulated market, information on the related-party agreements must be published on their website no later than at the time of their signing (article L. 22-10-13 of the French Commercial Code).

3. Annual review of related-party agreements by the Board of Directors

Each year, the Board of Directors is informed and undertakes a review of all agreements entered into and authorised in previous financial years the performance of which continued during the past financial year (article L. 225-40-1 of the French Commercial Code), without however requiring a new authorisation.

In this respect, it reclassifies any agreements that no longer qualify as related-party agreements.

4. Approval of related-party agreements and commitments by the General Meeting

In accordance with proposal n°4.11 of the AMF Recommendation, the Group submits any material related-party agreements and commitments authorised and entered into after the financial year-end date to the next general meeting for approval, on the condition that the statutory auditors have been afforded the opportunity to review said agreements and commitments within a timeframe that is compatible with the issuance of their report.
In addition, in accordance with proposal n°4.13 of the AMF Recommendation, it provides its shareholders with all material information on related-party agreements and commitments upon the release of its universal registration document.