universal registration document

EDITION 2022

COVIVIO

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COVIVIO

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2022 Universal Registration Document

including the Annual Financial Report

This Universal Registration Document is a translation into English of the Universal Registration Document of Covivio issued in French and it is available on Covivio's website www.covivio.fr.

This Universal Registration Document in French was filed on 16 March 2023 with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) in its capacity competent authority under regulation (EU) No. 2017/1129, without prior approval in accordance with Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of securities public offering the admission of securities to trading regulated market if it is supplemented by note relating to securities and, if applicable, summary and all amendments to the Universal Registration Document. The Universal Registration Document is approved by the AMF in accordance with regulation (EU) No. 2017/1129.

Covivio

Société Anonyme with a Board of Directors with a capital of €284,174,598
18 Avenue François Mitterrand 57000 Metz
RCS Metz 364 800 060

Work, travel, live in Europe for a living real estate

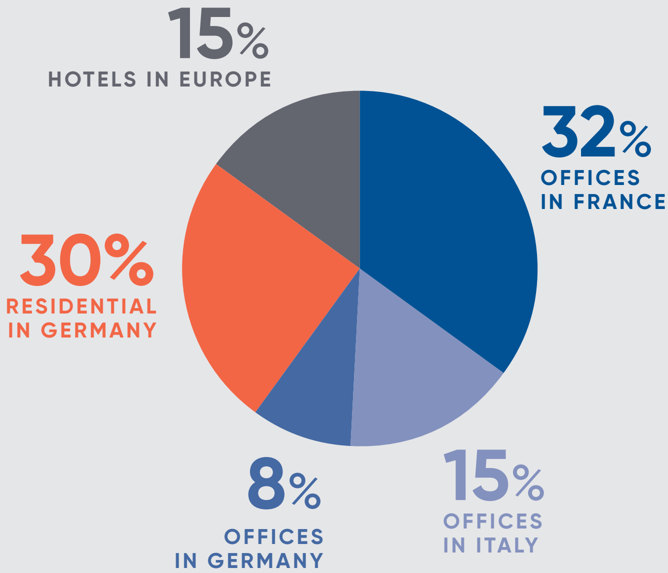
With a €26 billion portfolio, Covivio acts on a European scale and is designing the city of tomorrow. As a real estate preferred player, Covivio, together with the users, is inventing variable-use spaces to support businesses, hotel brands and cities as they strive to attract customers, transform themselves and perform responsibly.

To co-create and co-manage living and sustainable real estate, Covivio mobilises all its expertise throughout the real estate chain, mixing uses and products – office, residential, hotel – while always prioritising the needs of its customers.

This vision is reflected in an ever-more focused portfolio in major European cities, where economic agents and residents want to be and to meet. As well as through an approach that favours the reconstruction of the city within the city, in order to propose more efficient, sustainable, mixed-use, innovative projects that limit urban sprawl.

80%
of our portfolio is located in central locations, compared to 55% in 2015, thanks to our active policy of asset management and development in Europe.

A DIVERSIFIED PORTFOLIO THAT COMBINES USES



GLOBAL BREAKDOWN OF COVIVIO'S PORTFOLIO

Germany: **42%**

France: **37%**

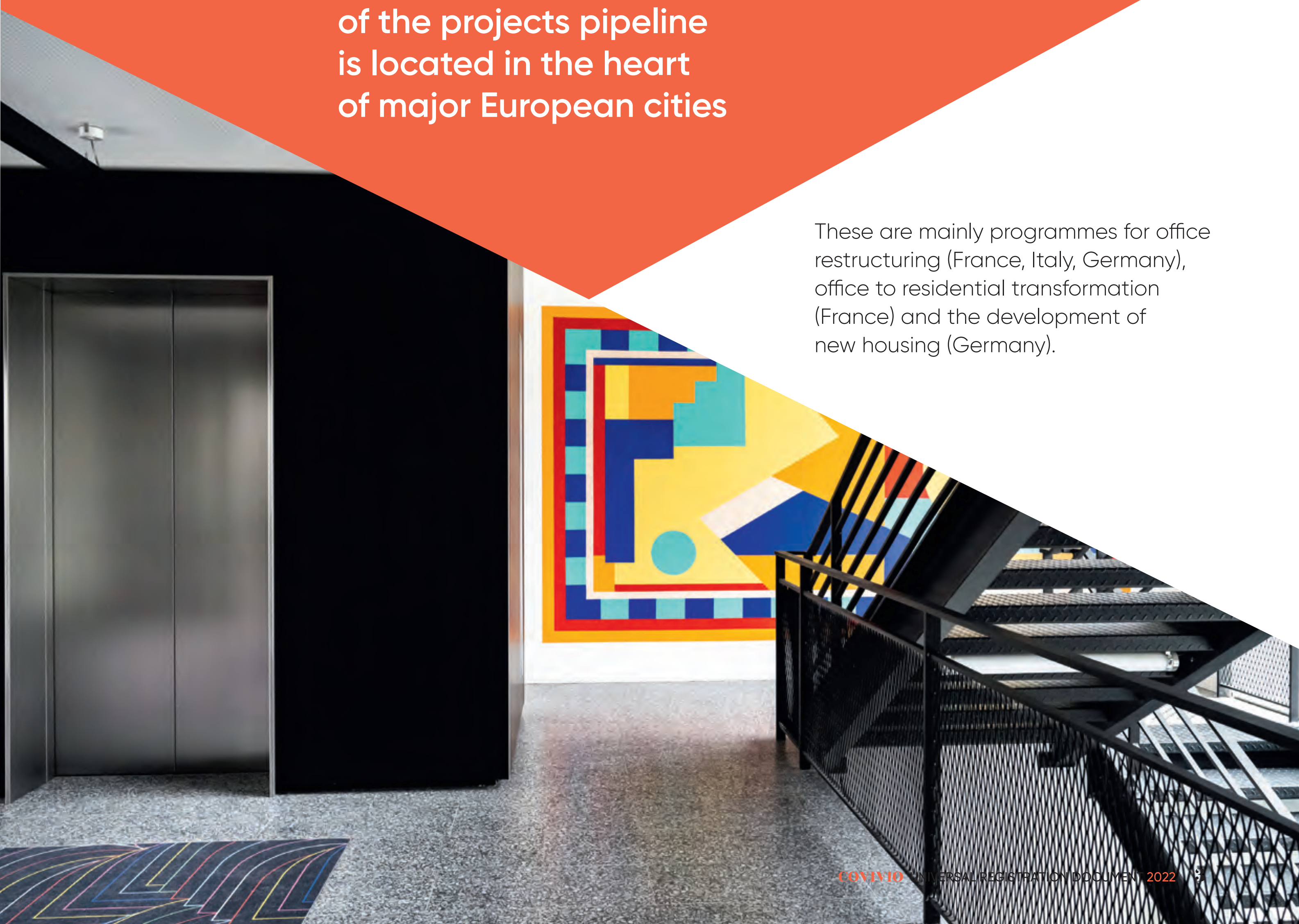
Italy: **15%**

Other: **6%**

80%

of the projects pipeline is located in the heart of major European cities

These are mainly programmes for office restructuring (France, Italy, Germany), office to residential transformation (France) and the development of new housing (Germany).



Mobilise the portfolio through development

In Paris, Berlin, Milan, as well as Bordeaux and Dusseldorf, Covivio creates, transforms and energises cities while meeting the climate challenge. Connectivity, flexibility, well-being, diversity, greening: all aspects developed by Covivio for its projects. These are all assets that define the attractive cities of tomorrow.

In 2022, Covivio delivered three office buildings in France: Stream Building in Paris's 17th arrondissement, So Pop in Saint-Ouen/Paris and 21 Goujon in Paris's 8th arrondissement. In Italy, Wellio Duomo opened its doors in April 2022: already fully occupied, it takes its place as the second Milan site of the Group's network of flexible offices. On the residential side, more than 271 housing units were delivered in Germany and several flagship projects to transform offices into housing were finalized in France, such as Gambetta in Le Raincy, with nearly 100 housing units.

€2.0 billion
of committed offices pipeline at end-2022

Disposals

€687 million
in disposals, mainly of non-core office buildings in France and Italy

The vast majority of Covivio's new projects concern existing assets or land already owned by the Group. A large part of this development pipeline is financed by equity through disposals made by Covivio, which sells between 5% and 10% of its portfolio each year.

This virtuous circle which confirms the attractiveness of the products designed by Covivio enables the Group to renew its portfolio and thus continuously improve its quality.

Customers are at the heart of our attention

8.8/10
booking users satisfied with the location of the hotels owned by Covivio

Office, residential or hotel: the search for a rewarding and quality experience is everywhere, which is why Covivio brings together its expertise to rethink its buildings and user journeys. In order to maximise the potential and comfort of our spaces and ensure the well-being and satisfaction of our customers, we involve them from the design stage of projects and regularly interview them to collect their feedback.

For example, in Germany, where Covivio was awarded "Fairest Landlord" by Focus Money magazine for the 5th consecutive year in 2022, thus attesting to the quality of its customer relations policy.

At the same time, in offices, the survey conducted among 641 end-users in France and Italy with the Opinionway institute revealed an overall satisfaction rate of 7.8/10 with regard to their working environment. Covivio intends to periodically repeat this study and include the scope of its offices portfolio in Germany in the next survey.

PROJECTS APPROVED BY CUSTOMERS

Grand Prix SIMI 2022

So Pop won the Grand Prix SIMI 2022 in the "New office buildings over 10,000 m²" category

Over 272,000 m²

of new office leases signed and/or renewed in 2022

In a fast-changing economic context, Covivio has been present alongside its office, residential and hotel customers, supporting them in their strategies and meeting their needs.

In offices in particular, the year was active, with high-quality signatures. In Italy, Covivio pre-let the entire 13,600 m² of the Corte Italia office building in Milan, scheduled for delivery in 2024. In Berlin Germany, Deutsche Bahn will lease the 5,100 m² Beagle building in July 2023 for a fixed term of 15 years.

In France, Covivio let all of the 8,600 m² of the 21 Goujon building located in Paris's 8th arrondissement, as well as all of Stream Building's 9,200 m² office space. The Zoku hotel chain will also open there first 5,500 m² hotel in Paris. In Vélizy-Meudon, Covivio will develop its 3rd building in the area on behalf of Thales, covering more than 38,000 m², while extending the term of existing leases (88,000 m²) for 12 and 15 years.

Concrete CSR commitments for a strengthened impact

Sustainable development, an integral part of Covivio's DNA, has been the subject of a detailed action plan for more than ten years. The latter covers all of the Group's activities in Europe and has been enhanced over the years. Faced with increasingly crucial economic, social, societal and environmental challenges, Covivio has accelerated its transition to further integrate climate issues into each of its business lines.

Ahead of its targets, the Group aims to reduce its greenhouse gas emissions by 40% by 2030 vs. 2010. At the same time, Covivio published its 1st Climate report, in accordance with the recommendations issued by the group of climate experts constituting the Task Force on Climate-related Financial Disclosures (TCFD).

In 2022, Covivio has also taken an additional step in aligning its financial and extra-financial objectives by greening all its bond debt. The success of this transaction was based in particular on the confidence of investors in the Group's strategy and on the recognition of extra-financial rating agencies. Covivio thus retains its GRESB 5-Star status, at level Prime for ISS-ESG and AAA for MSCI, placing it among the leaders in its sector.

93%
of the portfolio certified at end-2022, on track to reach the target of 100% by 2025

97%
of the portfolio is within a five-minute walk of public transport

Covivio, an open company that listens to its stakeholders

As a committed company aware of its challenges, Covivio is engaging in an open and transparent dialogue with all its stakeholders. Every two years, Covivio carries out an internal survey to assess the state of mind of its teams. In 2021, of the 1,000 employees surveyed in Europe, 93% believe that Covivio has made the right decisions to overcome the crisis, 83% are satisfied with their job and 79% are proud to work for Covivio, a strong sign of the teams' commitment and confidence in Covivio's management and strategy. The next barometer will be carried out in March 2023.

In this complex period, Covivio continued to invest in the development of its human capital through numerous training courses and specific support programmes.

To remain attentive to its stakeholders and strengthen the impact of its actions, the CSR Committee validates and monitors the Group's CSR strategy by providing additional insight to the Board of Directors: a complementary tool, and strongly connected to its governance, to boost Covivio's commitment on these essential topics.

Lastly, in line with the implementation of the objectives associated with its Purpose, the Group continued its discussions and actions with the Stakeholders Committee and the Covivio Foundation with the aim of monitoring the underlying trends impacting our activities and increasing its social and societal actions.

50%
women
and
50%
men
permanent employees in Europe

3.6%
of the payroll was invested in training in France

19 Projects
and associations supported by the Covivio Foundation in France, Germany and Italy

Anticipating the expectations of impact finance

Covivio's CSR policy is based on 4 focuses that cover all areas of ESG (Environment / Social-Societal / Governance). The resulting action plan is presented, with a progress report, in Chapter 3.2.6.

E — INTEGRATING THE CHANGES THAT AFFECT SUSTAINABLE BUILDINGS AND HEALTH

- Improving the portfolio's environmental performance
- Combatting asset obsolescence and ensuring their resilience
- Accelerating the transition to a circular and low-carbon economy
- Turn each site into a biodiversity driver

S — PROMOTING THE EMERGENCE OF A MORE INCLUSIVE AND SUSTAINABLE CITY

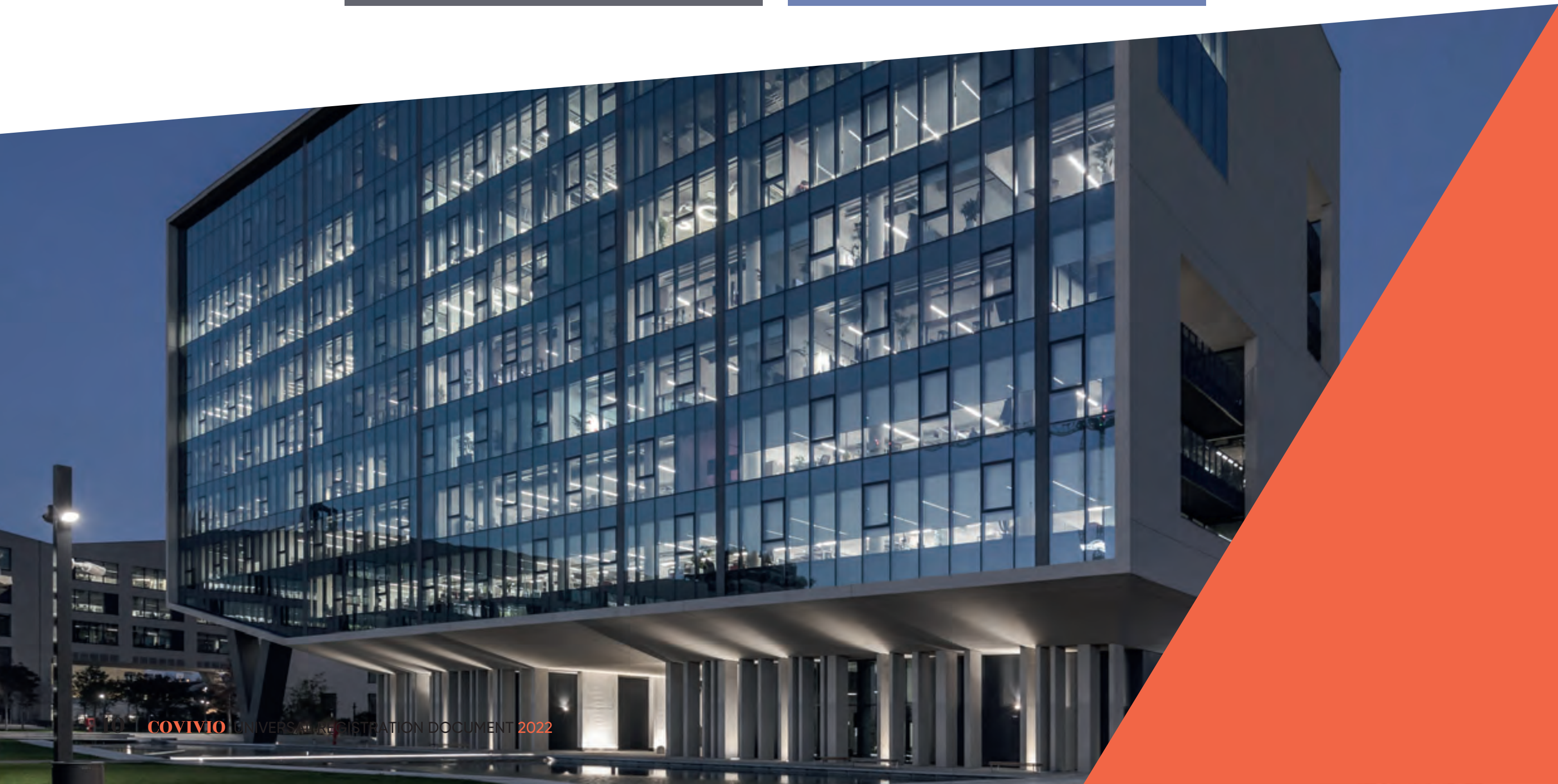
- Designing spaces and services that anticipate customer needs
- Combatting the artificialisation of soils
- Developing a responsible European procurement policy
- Promoting equal opportunities, in particular via the Covivio Foundation

G — GUARANTEE ETHICAL PRACTICES

- Disseminating best practices, in particular via the Ethics Charter
- Continuously strengthening internal control and audit procedures
- Ensuring long-term relationships with shareholders
- Leading a diversified and independent Board of Directors

S — DEVELOP, DIVERSIFY AND RETAIN HUMAN CAPITAL

- Committing to health, safety and well-being at work
- Developing employee skills through training
- Encouraging internal mobility
- Guaranteeing parity



Grand Hotel Palazzo dei Dogi
© Covivio / DR

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Activity in 2022

1.1 Growth in 2022 earnings driven by record rental performance

"With record revenue growth and a 5% increase in earnings, 93% of its assets certified and a high customer satisfaction, Covivio reaped the benefits of its strategy in 2022. We look ahead with confidence in our ability to adapt and prepare for the future. The adjustments announced end-2022 in response to the new environment have been implemented, with €200 million in sales negotiated at the end of the year. Thus, we will keep on benefitting from the soundness of Covivio's business model, focusing on diversification, centrality, sustainable real estate and client centricity."

Christophe Kullmann, Covivio Chief Executive Officer

12.7% like-for-like revenue growth

- Revenues of €968 million on a consolidated basis and €633 million in Group Share, up 12.7% like-for-like.
- Offices: like-for-like rental growth of 5.2% driven by lettings and indexation.
- Germany Residential: further sustained growth of 3.1% like-for-like.
- Hotels: revenues exceeded 2019 levels in the second half (up 64.3% like-for-like over the year).

Strengthening of balance sheet quality

- €485 million in new preliminary sales agreements signed above 2021 appraisal values and €711 million in sales realized.
- €220 million reduction in net debt, loan-to-value (LTV) ratio of 39.5%.
- €1.1 billion in new financing in 2022, predominantly Green financing, including €0.9 billion in the second half.

ESG strategy: new progress across all areas

- 93% of the portfolio has received environmental certification and 63% of the office portfolio is certified HQE/BREEAM Very Good or higher.
- Strategy favoured by our clients: high satisfaction ratings across all asset classes.
- Proposal to submit a "say on climate" resolution to a vote at next 2023 AGM.

5% growth in recurring net income in 2022

- Recurring net income (adjusted EPRA Earnings): €430 million (€4.58 per share), up 5%.
- Portfolio value at €26 billion (€17 billion Group Share), stable on a like-for-like basis.
- 10% increase (€107.8 per share) in net disposal value (EPRA NDV) through the fair value adjustment of debt hedging instruments and fixed-rate debt. Net tangible assets (EPRA NTA) are stable (€106.4 per share).

2023 outlook

- Further solid operating momentum in 2023, expected to offset the increase in financing costs and the impact of market trends in non-core offices.
- Implementation of strategic adjustments announced in December 2022 and focused on balance sheet strengthening: €1.5 billion disposal target by end-2024 (of which €200 million negotiated in recent weeks) and refocus of the development pipeline.
- Proposal of a maintained dividend, at €3.75 per share, with the option of payment in shares, benefitting from the support of the main shareholders (51% of capital), already committed to opt for the payment in shares.
- 2023 adjusted EPRA Earnings guidance of around €410 million, flat restated from the deleveraging effect.

1.1.1 Covivio: a diversified and continuously improving portfolio

Covivio has a **€26 billion (€17 billion Group Share) portfolio of diversified assets in Europe**, in sectors where it is a leading player:

- **55% of the portfolio comprises offices** in France, Italy and Germany. Core assets in city centers count for 65% of this portfolio (mainly in Paris, Milan, Berlin) *vs.* 26% of core assets outside city centers & 8% of non-core assets
- **Germany Residential represents 30% of the portfolio.** It is located in the city centres of Berlin, Dresden, Leipzig and Hamburg and in major cities in North Rhine-Westphalia
- **hotels (15% of the portfolio),** located in major European tourist destinations (Paris, Berlin, Rome, Madrid, Barcelona, London, etc.), are let or managed directly by major operators such as Accor, IHG, B&B, NH Hotels, etc.

42% of properties by value are located in Germany, 37% in France and 15% in Italy.

This portfolio is managed according to **three strategic pillars**:

1. location in the heart of major European cities, in particular Paris, Berlin and Milan. As a result, 80% of assets are located in central locations[1] and 97% of assets are within a five-minute walk of public transport
2. new building design combining energy performance, well-being and adaptation to changing trends. Projects under renovation or construction already 67% pre-let
3. fostering a customer culture with a user-centric strategy. Covivio supports its clients in their real estate strategies over the long term, by co-designing their projects and forging sustainable partnerships (firm average lease maturity of 7 years). This is reflected in a strong advisory approach, an ambitious service policy and ever more flexibility, with, for example, hybrid offers combining commercial leases and flexible contracts.

(1) Offices: city centers of large European cities (Paris, Berlin, Milan, etc); Hotels: top touristic destinations; Housing: Berlin, Dresde, Leipzig, Hamburg and large cities of NRW.

1.1.2 Markets: healthy letting trends and a wait-and-see approach in the investment market

Offices: a two-speed market

The recovery in rental demand was confirmed in Covivio's main office markets in 2022. In Greater Paris, take-up totalled 2.1 million m², a year-on-year increase of 10%. In Milan, a new record of 487,000 m² (up 41% vs 2021) was set. A recovery, albeit more muted, also occurred in Germany's six leading cities, with take-up of 3.2 million m², an increase of 4%.

Meanwhile, demand continued to polarise towards the most central locations and prime assets. In Greater Paris, new and refurbished buildings accounted for 82% of demand for surface areas above 5,000 m², while take-up in Paris now accounts for 47% of total demand (vs 40% over the last five years). The vacancy rate in Paris CBD was down 70bp at 2.4%, compared with an average increase of 50bp to 7.9% in Greater Paris.

In Milan, the best properties (grade A) accounted for 82% of demand and the city centre has a vacancy rate of 5.5%, compared with 11.6% in the wider metropolitan area. In Berlin, the vacancy rate remained low at 3.2%. This strength is reflected in rental growth, mainly for new assets in prime locations (up 5% in Paris CBD, up 11% in Milan, up 3% in Berlin).

At the same time, demand has polarised towards central locations (city centre, locations close to public transport) and prime assets. As a result, inner-city Paris saw its take-up increase by 46% compared to 2020. In Milan, the CBD and the centre saw a year-on-year increase of 69%. This dynamic is reflected in changes to rental income, with growth concentrated on prime assets in the best locations (up 3% in Paris and 8% in Berlin and Milan).

Germany Residential: a mounting housing shortage

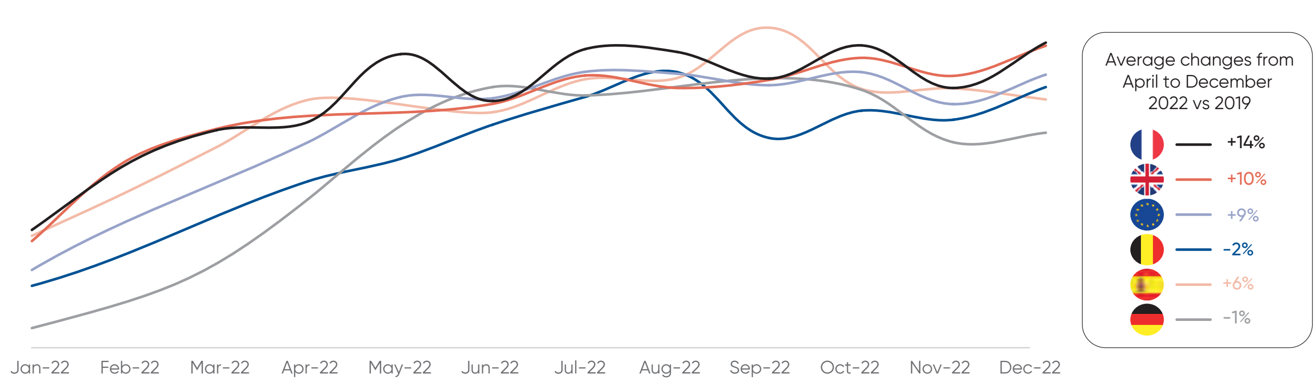
Germany's structural housing shortage, estimated at around 700,000 units[1], increased further in 2022. Sustained migratory flows have increased demand, while new construction projects have decreased in the face of rising construction costs and labour shortages. Once again, the government's target of 400,000 new housing units per year will not be met. As a result, in Berlin, the housing shortage is at an all-time high, while market rents are on the rise again, up 6% year-on-year. Despite the slowdown in transaction volumes in the second half, average prices were up 10% year-on-year at €4,900 per m² in Berlin.

Hotels: stronger-than-expected recovery in 2022

The recovery gathered pace quickly in Europe from March 2022 and the lifting of health restrictions, confirming the industry's great resilience. RevPAR (Revenue Per Available Room) exceeded its 2019 levels by an average of 11% from the second half (down 1% *vs* 2019 on a full year basis).

Higher RevPAR was attributable to the considerable pricing power of the hotel business, with average prices up 12% in Europe *vs* 2019. Furthermore, occupancy rates are gradually approaching 2019 levels (3.4 percentage points below on average in December, but 0.2 percentage points above for France), reflecting the return of both leisure and business customers.

Change in RevPAR[2] in Europe by country in 2022 compared to 2019 (%)



(1) *Pestel-Institute Hannover.*
(2) *Revenue Per Available Room*

Investment market: wait-and-see approach at the end of the year, but persistently strong appetite for Core assets

2022 was a very volatile year for the investment market: after a particularly dynamic first half, the market slowed from the start of summer, and especially in the fourth quarter. Commercial real estate investments totalled €247 billion in Europe, down 15% year-on-year, including a 58% drop in the fourth quarter. In French offices, investors preferred regional areas (up 12% year-on-year, up 25% in Q4) and small surface areas (up 20% for transactions between €5 million and €20 million).

The start of 2023 has confirmed the considerable interest in high-quality, well-located assets, with high prices per m², while repricing is more pronounced in peripheral areas. In Greater Paris, for instance, nearly €2.5 billion in office transactions were recorded, mainly in Paris. Equity investors and end users were the most active.

In Germany Residential, after an outstanding year in 2021, institutional market volumes fell by 50%[(1)] to €12.2 billion. The market for retail and private investors, supported by the housing shortage and the low risk profile of this asset class, is holding up better, with a 9% drop in property lending year-on-year[(2)] (to €257 billion in 2022).

Lastly, in hotels, investments in Europe totalled €14.3 billion in 2022, down 16% year-on-year. The United Kingdom (24% of amounts), Spain (18%, *vs* 6% in 2019) and France (14%) continued to attract investors, whereas Germany experienced a sharper slowdown (12%, *vs* 20% in 2019).

1.1.3 Record operating performance in 2022

12.7% growth in rental income on a like-for-like basis

In 2022, **the Group's rental income totalled €968 million (€633 million Group Share), up 5% year-on-year and 12.7% on a like-for-like basis.** This performance was driven by the recovery in variable revenues in hotels (up 6.5%), as well as by indexation in offices and asset management work (up 6.2%).

2022, (in €m)	Revenues 2021 Group Share	Revenues 2022 100%	Revenues 2022 Group Share	Like-for-like change Group Share	Occupancy rate (%)	Firm lease duration (in years)
France Offices	189.5	202.1	175.6	+5.3%	94.4%	4.7
Italy Offices	115.5	140.8	109.5	+4.2%	98.4%	7.1
German Offices	44.8	51.4	45.7	+7.7%	85.1%	4.5
Total Offices	**349.9**	**394.3**	**330.9**	**+5.2%**	**94.4%**	**5.4**
German Residential	**168.4**	**272.9**	**176.6**	**+3.1%**	**99.2%**	**n.a.**
Hotels in Europe	**80.4**	**296.6**	**123.7**	**+64.3%**	**100.0%**	**12.7**
Non-strategic (retail)	5.3	4.2	1.9	+5.8%	100.0%	7.9
TOTAL	**604.0**	**968.1**	**633.0**	**+12.7%**	**96.6%**	**7.0**

Offices: another year of significant lettings

Covivio is reaping the benefits of its strategy based on centrality, new offices and customer culture with new lettings totalling 134,400 m² in 2022.

Nearly 88,000 m² of that volume concerned buildings under development, for which tenants have made firm undertakings for average terms of over 10 years. Covivio is set to develop Thalès' third building **in Vélizy-Meudon**, with a surface area of over 38,000 m². In Paris, the Jean Goujon building (Paris 8th, 8,600 m²) has been fully pre-let at rents well above the initial targets and close to the highest market rents, while the Stream Building (Paris 17th, 15,600 m² of which 9,200 m² of office space) was also fully let prior to delivery.

In Milan, the Corte Italia development project, due for delivery in 2024, has been fully pre-let to a major Italian group, once again at record market conditions.

46,400 m² were also let on the operating portfolio, contributing to improve the occupancy rate to 94.4% (up 2.2 percentage points year-on-year). In La Défense, rental agreements covering nearly 6,000 m² have been signed on the CB21 tower, lifting its occupancy rate from 83% at the end of 2021 to 93% at the end of 2022 (97% with the agreements signed at the beginning of 2023). Occupancy rates also improved by 24 percentage points (to 80%) for the 32B building in Boulogne and by 21 percentage points (to 85%) for the Belaïa building at Paris-Orly airport.

Covivio also renewed over 138,000 m² of leases with terms extended by an average of 5 years and rents raised by an average of 2%. The biggest renewal was for Thales Campus in Vélizy-Meudon, which, in addition to the construction of a new building, has signed an extension of the leases on the neighbouring assets under operation until 2034 and 2037.

At current scope, rental income from offices was impacted by the disposals in 2021 and 2022 (-€23 million), and by the release of buildings (-€22 million). Half of these deliveries relate to assets in Paris CBD and will be redeveloped with high rental growth, such as Anjou, Madrid or Monceau. The other half relate to non-core assets in periphery of Paris (Fontenay-sous-Bois or Rueil-Malmaison) or Milan (Rozzano), some of which needing a conversion into housing.

At constant scope, rental income was up 5.2%, driven by the numerous lettings and a higher contribution from indexation (2.6 points).

(1) *Excluding the Vonovia-Deutsche Wohnen merger in the amount of €27.6 billion in 2021*
(2) *Bundesbank*

Hotels: stronger-than-expected recovery and further asset management operations

Hotel revenues in Europe continued to benefit from the strong recovery in the market, with like-for-like growth of 64% over the year. This performance is largely attributable to doubled variable rents (20% of the hotel portfolio, mainly let to AccorInvest) and the strong 477% rebound in income from Hotel Operating properties (23% of the hotel portfolio).

On assets under fixed leases (46% of the hotel portfolio), rents increased by 9% on a like-for-like basis, mainly driven by indexation (up 3.6%), the benefits of asset management transactions (up 3.2%) and the increase in step-up rents.

In this context, Covivio continued its asset and brand management strategy to optimise its profitability and guarantee a hotel offer increasingly aligned with user expectations. Covivio accordingly signed an agreement with B&B Hotels to switch to fixed rent for the 30 hotels in France previously operated by Accor under variable-rent leases. This transaction, which came with a significant increase in rent compared with 2019 levels, allows Covivio to provide support to Europe's third-largest economy hotel brand in a new phase of its development in Europe.

In 2022, Covivio also redesigned one of its Madrid assets, previously let to an independent operator. The new tenant, Radisson Red, has signed a firm 20-year lease, allowing for a 50% improvement in revenues.

Lastly, on the assets held as operating properties, Capex programmes were completed on the Méridien hotel in Nice, the Westin Grand hotel in Berlin and 2 assets in Bruges, enabling over 20% yield on cost on average.

Sustained rental growth in Germany Residential

The persistent housing shortage in Germany together with an active asset management strategy resulted in a 3.1% increase in rents on a like-for-like basis across all geographies: North Rhine-Westphalia (up 3.4%), Dresden and Leipzig (up 3.2%), Berlin (up 3.0%) and Hamburg (up 2.7%). Almost half of this rental growth stemmed from indexation. Revenues also benefited from modernization programmes (investment of €44 million Group Share), allowing an increase in rent based on an average yield of over 5%. Lastly, reletting came with an average increase of 15% in rents, contributing 0.8 percentage points to growth.

The occupancy rate, which was already high at the end of 2021, increased by a further 10bp to 99.2% (it has been above 98% since 2015).

1.1.4 Strengthening of balance sheet quality in 2022

€485 million in new disposal commitments, at prices 2.3% above appraisal values

In 2022, Covivio continued its portfolio rotation strategy, signing €687 million in disposal commitments at 100% (€485 million Group Share), with a margin of 2.3% on end-2021 appraisal values.

Most of these disposals (80%) concerned office assets (€390 million signed). Despite the lull in the investment market at the end of the year, the Group initiated and secured disposals totalling €200 million in the final quarter of 2022, with an average margin of 3% on 2021 appraisal values. These most recent disposals mainly concerned moderately sized core city centre assets in Paris and regional cities (Metz, Toulouse, Bordeaux).

In Germany Residential, Covivio continued its steady sales, with disposals totalling €67 million over the year (€44 million Group Share), with a margin of 31% above the latest appraisal values. These sales break down into €12 million in block sales (mainly in Leipzig) with a margin of 12% above appraisal values, €27 million in unit sales in Berlin with a margin of 42% above appraisal values, and a plot of land sold for €5 million, 41% above the appraisal value.

Lastly, Covivio sold €81 million in hotels (€24 million Group Share) with an average margin of 9% above end-2021 appraisal values. Covivio also sold €27 million in non-core assets.

In conjunction with its active disposal policy (€711 million completed in 2022, taking into account the finalisation of agreements from 2021), the Group also reduced its Capex this year to a total of €381 million Group Share. Added to this are €120 million in acquisitions linked to the completion of agreements signed in 2020 and 2021.

€1.1 billion refinanced on attractive terms in 2022

In 2022, Covivio financed or refinanced over €1.1 billion in debt at 100% (€800 million Group Share), including €875 million in the second half. €550 million was raised in the form of green corporate loans, undrawn and with a maturity of five years with conditions close to previous ones. Mortgage financing and refinancing amounted to €570 million, with an average maturity of nine years and an average cost of 2.6%.

In addition, Covivio significantly increased the share of its green debt from 14% at the end of 2021 to 38% at the end of 2022. Note that all Covivio bonds are now green bonds (€2.8 billion).

Healthy and robust balance sheet

Rated BBB+ with a stable outlook by S&P (rating confirmed in April 2022), Covivio posted a sound balance sheet at the end of 2022.

Disposals during the year contributed to a €220 million year-on-year reduction in net debt to €7.6 billion. This deleveraging, together with the resilience of appraisal values, kept the LTV ratio at 39.5%, in line with the Group's policy (LTV ratio < 40%). EPRA LTV ratio stands at 42.6%.

The Group's debt has an average maturity of 4.8 years. It is hedged in the proportion of 87%, with an average maturity of hedging instruments of 6.3 years.

As such, despite a spike in market interest rates, the average rate of Covivio's debt remained under control at 1.24% *vs* 1.20% at the end of 2021. The interest coverage ratio (ICR) was 6.9x, up 0.2 points compared with 2021.

Covivio has built its financing policy on diversification (both geographically and by asset class) and granularity. At the end of 2022, 49% of its debt was comprised of mortgages, 42% of bonds, 9% of commercial paper (€743 million, more than covered by €1.5 billion of undrawn credit lines and cash and cash equivalents).

In 2024 and 2025, approximately 33% (€887 million) of maturities relate to undrawn credit lines, mainly in France and Germany, which are in the process of being renewed and greened. Only 17% (€454 million) related to two bonds maturing at the end of 2024 and in 2025. The remaining 50% (€1.3 billion) is comprised of bank mortgages that are well-diversified in terms of asset class and geography: 40% in Germany Offices, 36% in Germany Residential, 15% in hotels, 5% in Italy Offices and 4% in France Offices. No single item of debt maturing before 2025 exceeds €350 million.

Resilience of portfolio values, stable year-on-year

The Group's portfolio is valued at €26 billion at 100% (€17 billion Group Share). On a like-for-like basis, asset value is stable, the decline in the second half (down 2.5% like for like) being offset by the good performance in the first half (up 2.6%). This resilience illustrates the quality of the portfolio: the centrality of assets, development and asset management work have made it possible to offset the impact of the downturn in the property market on asset values, particularly in peripheral areas.

Offices
55%
€9.5 bn

-2.4%
Like-for-like

City-centers *65% of offices portfolio*	**-0.8%**
Core outside city-centers *26%*	**-3.1%**
Non-core *8%*	**-11.4%**

Residential
30%
€5.2 bn

+3.7%
Like-for-like

Berlin	**+3.1%** / €3,482/m²
NRW	**+5.7%** / €2,055/m²
Dresden & Leipzig	**+2.9%** / €2,486/m²
Hamburg	**+1.7%** / €4,116/m²

Hotels
15%
€2.6 bn

+2.3%
Like-for-like

Leases ex-UK *66% of Hotels portfolios*	**+2.5%**
UK portfolio *11%*	**-2.9%**
Operating properties *23%*	**+4.7%**

In offices, asset values were down 2.4% on a like-for-like basis, with substantial disparities between the resilience of city centre assets (65% of the portfolio), down a slight 0.8%, and the more pronounced fall of 11.4% in the non-core category (8% of the office portfolio) in periphery, directly impacted by structural changes in ways of working. Assets delivered in 2022 or under development saw their values increase by 1.6% over the year.

Germany Residential saw a 3.7% increase on a like-for-like basis (up 5.9% in the first half and down 1.9% in the second). This resilience reflects the structural shortage of housing and unit values well above block values (over 40%). The average property value is €2,866 per m², with €3,482 per m² in Berlin and €2,055 per m² in North Rhine-Westphalia.

In hotels, portfolio values increased by 2.3% on a like-for-like basis over the year, with resilience in the second half (-0.4%): the recovery in operating performance enabled assets to rebound in all geographies except the United Kingdom.

1.1.5 ESG strategy: new progress across all areas

An ever-increasing proportion of certified assets, at 93%

Covivio has continued to its portfolio greening strategy: the proportion of assets with HQE, BREEAM, LEED or equivalent certification, in operation and/or under construction, now stands at 93% (up 2 percentage points *vs* 2021).

In addition, in the office segment alone, the share of buildings with the highest levels of certification (Very Good and above) stands at 63%, up 6 percentage points year-on-year and 41 percentage points compared to 2015.

This greening strategy actively contributes to achieving the Group's ESG targets, in particular the will to reduce its greenhouse gas emissions by 40% by 2030 *vs* 2010 (which encompasses scopes 1, 2 and 3, covers the full range of activities in Europe and the entire life cycle of the assets: materials, construction, remodelling and operation).

To achieve this trajectory, Covivio has identified €254 million in Capex to be invested across its portfolio by 2030, i.e. €32 million per year. Already largely integrated into annual work plans, this Capex will improve building quality while reducing energy consumption, thereby delivering an expected average yield of around 6%.

Covivio will submit its climate plan to a vote at next 2023 General Meeting, through a "say on climate" resolution.

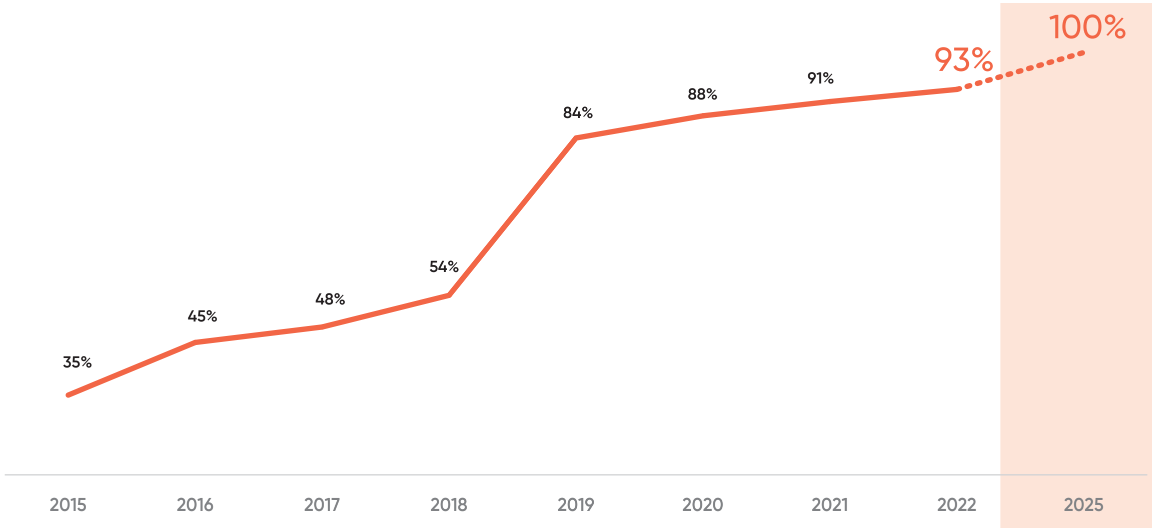
The customer at the heart of our strategy

Keen to uphold its customer culture and continuously improve its offers, Covivio regularly conducts independent satisfaction surveys. The 2022 results are very positive. For example, in offices, the survey of 641 end users in France and Italy, conducted by Opinionway, revealed an overall satisfaction rating of 7.8/10 regarding their working environment[1].

For the fifth consecutive year, Covivio was awarded the "Fairest landlord" label for its residential properties in Germany by Focus Money magazine. Covivio is also one of the top-rated landlords by Google (score of 3.5/5, a 0.5-point increase year-on-year), and by Immoscout24, the leading agency for apartment rentals and sales (Covivio ranked number one in the sector, with a score of 4.3/5).

Lastly, the portfolio's hotels received a very good rating of 8.8/10 for location on Booking.com.

Share of Certified Portfolio[2]



Governance: continuity in change

Following Jean Laurent's resignation in July 2022 for health reasons, the Covivio Board of Directors unanimously appointed Jean-Luc Biamonti, a member of the Board of Directors since 2011, as Chairman.

The Board of Directors also co-opted Delfin as a Director, represented by Giovanni Giallombardo, following the death of Leonardo Del Vecchio in June 2022. Lastly, Daniela Schwarzer joined the Board of Directors in April 2022, as an independent member, to bring her expertise, in particular her in-depth knowledge of the German economic and social context. Mrs. Schwarzer is the executive Director of the Open Society Foundations in Europe and Asia, the largest private donor in the world for NGOs and associations, working to defend human rights, justice and democracy.

These major changes have not affected the shareholder structure or governance of the Group, which maintains high standards in terms of skills, independence, gender balance and remuneration modes.

In January 2023, Covivio's management and teams learned, with great sadness and deep emotion, the death of Jean Laurent, Honorary President of Covivio. Jean Laurent had taken over the presidency of Covivio in 2010. An animator at heart, deeply human, and a great defender of the collective, he strongly contributed to make Covivio a European leader in the real estate sector, and a company at the forefront of environmental and societal challenges. His memory will remain strongly associated with Covivio.

1.1.6 Growth in 2022 financial results

Recurring net income up 5% at €430 million

The decline in rental income in offices, related to portfolio rotation and the release of assets in peripheral areas, was more than offset by the substantial recovery in hotels and another robust performance by Germany Residential. Income also benefited from stable operating costs and a reduction in the cost of financial debt. Recurring net income (Adjusted EPRA Earnings) increased by 4.8% year-on-year to €430 million and by 5.3% to €4.58 on a per-share basis.

Covivio's net income stood at €621 million.

EPRA NTA stable year-on-year at €106.4 per share (EPRA NDV up 10% at €107.8 per share)

The resilience of asset values is reflected in the change in net tangible asset value (EPRA NTA), stable at €10 billion, or €106.4 per share. Net disposal value (EPRA NDV) increased by 10% to €10.2 billion, or €107.8 per share, benefiting from the positive impact of the revaluation of interest rate hedging instruments and fixed-rate debt. Lastly, net reconstitution value (EPRA NRV) amounted to €11.0 billion, or €117.0 per share, stable year-on-year.

(1) Survey realized in December 2022 among 31 multitenant buildings owned by Covivio.
(2) Share of portfolio with environmental certification

1.1.7 2023 outlook

Implementation of strategic adjustments announced in December 2022 to maintain a sound balance sheet

Disposal target of €1.5 billion by 2024

Covivio has set itself the goal of completing €1.5 billion in sales by the end of 2024. Since November 2022, the Group has signed €200 million in disposal agreements, 3% above end-2021 appraisal values. The diversity of the portfolio, both geographically and by asset class and building size, makes it possible to address a broad spectrum of potential investors, from institutional investors to end users, retail investors and hotel operators. In offices, recent sales have demonstrated the appeal of Covivio assets for equity investors. In Germany Residential, the granularity of assets (unit size of €7 million) and the high proportion of housing already under co-ownership (66% of the Berlin portfolio) are serious advantages. In hotels, Covivio aims to sell hotels with fixed indexed or variable revenue, given the increasing appetite for this asset class with high yield and which proved its rebound capacity following the crisis.

Refocus of the development pipeline

In this context, and assuming that the Hotels recovery continues, Covivio has set itself an adjusted EPRA Earnings target for 2022 of €4.5 per share.

Together with this disposal plan, the Group also announced a refocus of its development pipeline, allowing for €100 m of Capex savings per year.

In offices, Covivio reduced its committed pipeline by €500 million in the space of six months, to a total cost price of €2 billion, of which €1.2 billion has already been spent. The balance of the Capex, €200 million per year, will be spent by 2026. 80% of these office and mixed-use projects are located in the city centres of Paris, Berlin and Milan, and 67% of them are already pre-let.

For offices located in more peripheral areas lacking available housing, Covivio is continuing to develop its pipeline of office-to-residential conversion projects for sale. These operations limit the need for Capex while optimising the return. Margin target on committed operations (€260 million total cost), already pre-sold at about 60%, reaches 9%.

In Germany Residential, over 80% of the projects in Covivio's pipeline are located in Berlin, the city with the biggest housing shortage in Germany. The Group has adapted its strategy by favouring build-to-sell projects, thereby limiting financing requirements while creating value in the form of the development margin. This increases the weight of build-to-sell projects from 35% to 65% of the pipeline.

Proposal to maintain the dividend at €3.75 per share, with the option of payment in shares

Covivio will propose to the General Meeting of 20th April 2023 a dividend of €3.75 per share, which is stable compared with 2021 and represents a payout ratio of 82% (*vs* 86% in 2021).

There will also be an option to receive the dividend in shares, which will help reduce net debt by up to €350 million. All the institutional shareholders on the Covivio Board of Directors (representing 51% of the capital) have already agreed to opt for dividend payment in shares, i.e. a minimum capital increase of €175 million.

Diversified business model offering new opportunities

In offices, 92% of the portfolio is highly resilient and has growth potential:

- 65% of the office portfolio consists of core assets in city centers, where rental reversion is estimated at between +10% (Berlin and Milan) and +20% (Paris)
- 26% of the office portfolio consists of core assets in established business districts. With average occupancy rates of 91%, these assets are mainly leased to large groups with which Covivio has built up long-term partnerships (Telecom Italia, Thales, Dassault Systèmes, etc.). Their firm residual term of six years on average will allow them to benefit from the acceleration of indexation, while pursuing asset management initiatives, such as Thalès extension in 2022
- 8% of the office portfolio is comprised of non-core assets with an average lease term of less than three years. These buildings will require asset management work or conversion to residential use.

In **Germany Residential,** the decline in the number of new buildings and building permits, at a time when the population is growing in major cities, has reinforced what were already strong fundamentals. In Berlin in particular, the updating of market indices (*Mietspiegel*) in 2023 should strengthen the letting dynamic, with an increase already running at 3% year-on-year. The Group can also rely on rents 20% to 25% below regulated rents. Moreover, the average property value of €3,482 per m^2 in Berlin conceals a high value reserve, as 66% of the assets are divided into co-ownerships and the average selling price on the market is €4,900.

In **hotels,** the recovery continued at the start of the year, with the favourable comparison base in the first quarter, the drop in supply with the reduction in Airbnb accommodation in major cities (down 14% over two years in Paris) and the major events on the calendar (Rugby World Cup 2023 in France, Olympic Games 2024 in Paris) are all supporting activity. On fixed rents, beyond indexation, the recovery is creating new asset management opportunities. After an already active year in this sense in 2022, Covivio recently signed a new 15-year lease on three hotels in Spain, with an increase of around 30% in rents.

2023 recurring net income guidance

In this context, Covivio has set a target of **€410 million in adjusted EPRA Earnings for 2023, flat restated from the deleveraging effect.**

The Group is looking ahead to its medium-term perspectives with confidence, supported by the quality of its portfolio and the relevance of its three strategic pillars (centrality, new buildings, client centricity).

1

1.2 Business analysis

1.2.1 Revenues: €968 million and €633 million Group Share in 2022

	100%			Group share				
(In € million)	2021	2022	Change (%)	2021	2022	Change (%)	Change (%) LfL[1]	% of revenue
Offices in Europe	**422.4**	**394.3**	**-6.6%**	**349.9**	**330.9**	**-5.4%**	**+5.2%**	**52%**
France Offices	**218.7**	**202.1**	**-7.6%**	**189.5**	**175.6**	**-7.4%**	**+5.3%**	**28%**
Paris	80.9	72.6	-10.3%	76.3	69.4	-9.0%	+6.0%	11%
Greater Paris (excl. Paris)	100.8	96.7	-4.1%	83.2	77.9	-6.5%	+4.8%	12%
Major regional cities	30.7	30.1	-1.9%	23.7	25.5	+7.6%	+5.8%	4%
Other French Regions	6.3	2.8	-55.5%	6.3	2.8	-55.5%	+2.9%	0%
Italy Offices	**152.3**	**140.8**	**-7.6%**	**115.5**	**109.5**	**-5.2%**	**+4.2%**	**17%**
Offices - excl. Telecom Italia	77.1	76.9	-0.3%	77.2	77.0	-0.3%	+4.4%	12%
Offices - Telecom Italia	75.2	63.9	-15.0%	38.3	32.6	-15.0%	+4.0%	5%
German Offices	**51.3**	**51.4**	**+0.1%**	**44.8**	**45.7**	**+2.0%**	**+7.7%**	**7%**
Berlin	10,0	7.8	-22.2%	6.9	5.5	-20.9%	+7.3%	1%
Other cities	41.4	43.6	+5.5%	37.9	40.3	+6.1%	+7.8%	6%
German Residential	**260.2**	**272.9**	**+4.9%**	**168.4**	**176.6**	**+4.8%**	**+3.1%**	**28%**
Berlin	127.2	140.0	+10.0%	83.4	92.0	+10.3%	+3.0%	15%
Dresden & Leipzig	22.9	22.8	-0.6%	14.8	14.8	-0.2%	+3.2%	2%
Hamburg	17.1	17.4	+1.9%	11.2	11.4	+1.6%	+2.7%	2%
North Rhine-Westphalia	93.0	92.7	-0.3%	59.0	58.4	-0.9%	+3.4%	9%
Hotels in Europe	**197.3**	**296.6**	**+50.4%**	**80.4**	**123.7**	**+53.9%**	**+64.3%**	**20%**
Hotels - Lease Properties	**175.4**	**234.7**	**+33.8%**	**71.0**	**97.3**	**+37.1%**	**+38.5%**	**15%**
France	58.1	79.9	+37.6%	19.8	29.8	+50.6%	+50.4%	5%
Germany	29.5	31.8	+7.8%	12.7	13.6	+6.6%	+7.1%	2%
UK	12.0	36.5	n.a.	5.2	16.0	n.a.	+201.5%	3%
Spain	29.1	34.5	+18.6%	12.7	15.1	+18.8%	+18.0%	2%
Belgium	10.2	14.1	+38.5%	4.5	6.2	+38.7%	+42.4%	1%
Others	36.6	37.8	+3.4%	16.0	16.6	+3.6%	+1.9%	3%
Hotels - Operating Properties (EBITDA)	**21.9**	**62.0**	**+183.0%**	**9.4**	**26.4**	**+181.2%**	**+476.6%**	**4%**
Non-strategic	8.4	4.2	-49.3%	5.3	1.9	-64.7%	+5.8%	0%
Retail Italy	2.9	0.0	-100.2%	2.9	0.0	-100.2%	n.a.	0%
Retail France	5.5	4.2	-22.8%	2.4	1.9	-22.8%	+5.8%	0%
TOTAL REVENUES	**888.2**	**968.1**	**+9.0%**	**604.0**	**633.0**	**+4.8%**	**+12.7%**	**100%**

(1) LfL: Like-for-Like.

Group Share revenues stand at €633 million *vs* €604 million in 2021 under the following effects:

- **the revenues of strategic activities increase by +12.7% on like-for-like basis due to:**
  - office portfolio: +5.2% on like-for-like driven by indexation and leasing activity
  - hotels activity: like-for-like revenues increased by +64.3% (+€47 million) due to the strong recovery in 2022 on the operating properties EBITDA and on variable rents
  - German Residential: a sustained growth of +3.1% like-for-like
- **deliveries of new assets** (+€13.8 million), mainly in Paris Centre West & East and in the inner rim in France (+€9.2 million), and in Milan (+€4.4 million)
- **acquisitions** (+€4 million) in German Residential
- **asset disposals**: (-€29.9 million), especially:
  - in France Offices (-€11.3 million): in 2021 and 2022 of mature assets (Carré Suffren and Velizy Eiffage) and French regions
  - in Italy (-€11.6 million): non-core and core mature assets
  - in German Residential (-€2.8 million), mainly involving a portfolio of mature assets in NRW in H2 2021 as well as some privatizations with high margins in Berlin
  - non-strategic assets (-€3.8 million) mainly some retail in Italy (-€2.9 million) and France (€0.9 million)
- **vacating for redevelopment assets** (-€22.3 million), especially in Paris Centre West, Western Crescent and first Ring and a non-core asset in Italy.

1.2.2 Lease expiries and occupancy rates

1.2.2.1 Annualized lease expires: 7.0 years average lease term

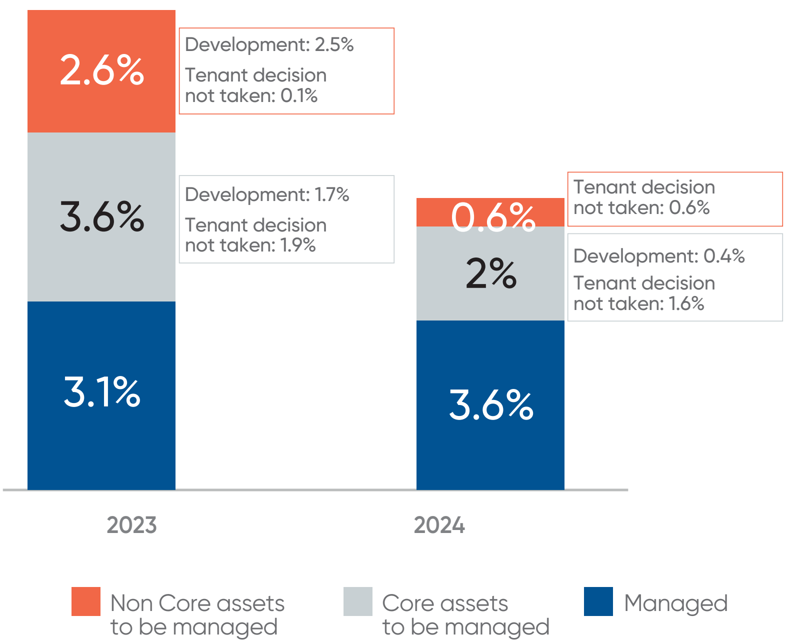
1.2.2.1.1 Average lease duration by activity

	By lease end date (1st break)		By lease end date	
Group Share (Years)	2021	2022	2021	2022
France Offices	4.6	4.7	5.5	5.5
Italy Offices	7.1	7.1	7.5	7.7
Germany Offices	4.4	4.5	5.2	5.1
Total Offices	**5.4**	**5.4**	**6.1**	**6.1**
Hotels in Europe	13.3	12.7	14.6	14.1
Non-strategic	8.9	7.9	9.4	8.3
TOTAL	**7.0**	**7.0**	**7.8**	**7.8**

The average firm residual duration of leases remains high, at 7.0 years at end-December 2022.

1.2.2.1.2 Lease expiries schedule

Group Share (in € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2023	65	9%	49	7%
2024	43	6%	23	3%
2025	57	8%	33	5%
2026	15	2%	12	2%
2027	33	5%	25	4%
2028	34	5%	49	7%
2029	23	3%	36	5%
2030	47	7%	54	8%
2031	22	3%	38	5%
2032	35	5%	42	6%
Beyond	108	16%	119	17%
Total Offices and Hotels leases	**481**	**69%**	**481**	**69%**
German Residential	**183**	**26%**	**183**	**26%**
Hotel Operating properties	**31**	**4%**	**31**	**4%**
TOTAL	**694**	**100%**	**694**	**100%**



1.2.2.2 Occupancy rate: 96.6%

Group Share (in %)	Occupancy rate 2021	Occupancy rate 2022
France Offices	93.2%	94.4%
Italy Offices	96.6%	98.4%
German Offices	78.8%	85.1%
Total Offices	**92.2%**	**94.4%**
German Residential	99.1%	99.2%
Hotels in Europe	100.0%	100.0%
Total strategic activities	**95.0%**	**96.6%**
Non-strategic	*100.0%*	*100.0%*
TOTAL	**95.0%**	**96.6%**

The occupancy rate increased by +1.6pt over one year, to 96.6% for the whole portfolio.

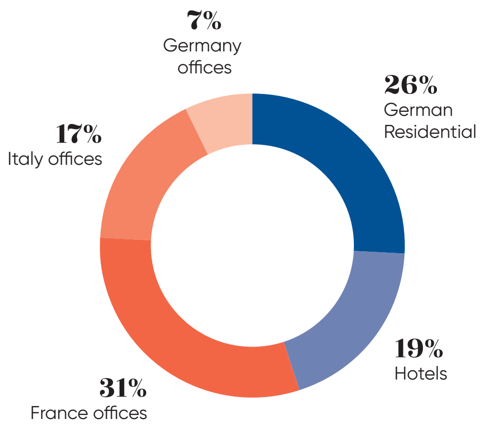
The sharpest increase was for Offices, for which occupancy rate increased by +2.2pts *versus* last year, to 94.4%.

1.2.3 Breakdown of annualized revenues

By major tenants

Group Share (in € million)	Annualized revenues 2022	%
Orange	44	6%
Telecom Italia	29	4%
Accor	29	4%
Suez	22	3%
NH	20	3%
B&B	17	2%
IHG	17	2%
Tecnimont	14	2%
Dassault	13	2%
Thalès	12	2%
LVMH	8	1%
Natixis	8	1%
EDF/ENEDIS	7	1%
Fastweb	6	1%
NTT Data Italia	5	1%
Cisco	5	1%
Crédit Agricole	5	1%
Hotels lease properties	11	2%
Other tenants <€5M	234	34%
German Residential	183	26%
TOTAL	**694**	**100%**

By activity



1.2.4 Cost to revenue ratio by business

Group Share (in € million)	France Offices 2022	Italy Offices (incl. retail) 2022	Germany Offices 2022	German Residential 2022	Hotels in Europe (incl. retail)* 2022	Other (Mainly France Residential) 2022	Total 2021	Total 2022
Rental Income	175.6	109.5	40.9	181.4	99.4	0.0	594.6	606.8
Unrecovered property operating costs	-14.1	-13.0	-6.7	0.0	-1.2	-0.2	-34.7	-35.2
Expenses on properties	-3.1	-4.8	-1.5	-12.5	-0.3	0.7	-23.7	-21.5
Net losses on unrecoverable receivable	-1.7	-0.6	-0.7	-1.4	4.7	0.0	-5.5	0.2
Net rental income	**156.7**	**91.2**	**31.9**	**167.5**	**102.5**	**0.6**	**530.8**	**550.3**
Cost to revenue ratio	**10.8%**	**16.8%**	**22.0%**	**7.7%**	**1.5%**	**n.a**	**10.7%**	**9.3%**

* Including net profits on unrec. receiv., the ratio on Hotels in Europe would reach -3.2%.

The cost to revenue ratio (9.3%) decreased by -1.4pt compared to FY 2021, mainly due to the reversal of doubtful and the rental income increase in hotels.

1.2.5 Disposals: €485m of new agreements in 2022

(in € million)		Disposals (agreements as of end of 2021 closed) (I)	Agreements as of end of 2021 to close	New disposals FY 2022 (II)	New agreements FY 2022 (III)	Total FY 2022 = (II) + (III)	Margin vs 2021 value	Yield	Total Realised Disposals = (I) + (II)
Offices in Europe	100%	595	71	318	189	507	2.4%	5.9%	914
	Group Share	346	71	205	185	390	1.9%	5.8%	550
Germany Residential	100%	20	0	56	11	67	31.7%	2.4%	76
	Group Share	13	0	37	7	44	31.5%	2.4%	49
Hotels in Europe	100%	134	31	64	18	81	9.2%	8.0%	198
	Group Share	29	14	20	4	24	8.7%	6.3%	48
Non-strategic and Non-Core	100%	41	-	26	6	32	-20.7%	12.9%	67
	Group Share	39	-	24	3	27	-24.3%	13.8%	63
TOTAL	**100%**	**790**	**102**	**464**	**223**	**687**	**3.9%**	**6.1%**	**1,254**
	GROUP SHARE	**426**	**84**	**285**	**200**	**485**	**2.3%**	**5.9%**	**711**

New disposals and agreements were signed for €485 million Group Share (€687 million at 100%). Covivio maintained its strategy of qualitative rotation of its assets. In details, the disposal agreements include:

- **offices**: €390 million Group Share (€507 million in 100%) of disposals, mainly made up of:
  - offices in French major regional cities for €121 million Group Share with +3.8% margin
  - offices in Milan for €87 million Group Share in line with appraisals
  - assets let to Telecom Italia for €122 million Group Share with a +3.8% margin on average
- **Germany residential**: €44 million Group Share (€67 million in 100%) with +42% average margin on privatizations (€27 million)
- **hotels:** €24 million Group Share (€81 million at 100%) with +8.7% margin, mainly with Accor
- **non-strategic and non-core assets:** €27 million Group Share (€32 million at 100%), mainly retail stores in Italy and in France (Jardiland and Courtepaille) and small offices in secondary cities in France and Italy.

1.2.6 Investments: €452m realized in 2022 Group Share

€452 million Group Share (€626 million at 100%) of investments were realized in 2022, mainly in Capex to improve the quality of our portfolio and create value:

- Capex in the **development pipeline** totalled €211 million Group Share (€308 million at 100%), reduced by €68 million compared to 2021
- €121 million Group Share (€188 million at 100%) **works on the operating portfolio** were realized of which €64 million (€99 million at 100%) Capex in German Residential
- €120 million Group Share (€137 million at 100%) of acquisitions realised in 2022, mainly in Milan with the acquisition of a land to develop, Scalo Porta Romana, in November (corresponding to the closing of agreements signed in 2020) and in Berlin residential portfolio bought at €2,756/m^2 with a rental reversionary potential of 15%.

In addition, Covivio bought back €38 million Group Share of shares over the first semester of 2022, at an average price of around €60.8 per share.

1.2.7 Development projects

1.2.7.1 Deliveries: 64,200 m^2 offices delivered in 2022

Five offices projects were delivered in 2022 in Paris, Milan and Lyon, with an average occupancy rate of 79%. These were:

- **Wellio Duomo** in Milan (€47 million total cost & 4,500 m^2), 100% let
- **Lyon Sévigné** in Lyon (€17 million total cost & 4,200 m^2), 67% let
- **21 Goujon** in Paris (€202 million total cost & 8,600 m^2), 100% let
- **Streambuilding** in Paris (€83 million cost Group Share & 15,600 m^2), 100% let
- **So Pop** in Paris (€117 million cost Group Share & 31,300 m^2), 36% let.

1.2.7.2 Committed Office Pipeline: €2.0 Bn Group Share pre-let at 67%

Covivio has a pipeline of office buildings in France, Germany, and Italy, the bulk of it in the city centres of Paris, Milan and Berlin.

Committed projects	Surface(1) (in m^2)	Total Budget(2) (in €m. 100%)	Total Budget(2) (in €m. Group Share)	Pre-let (in %)	Target yield(3) (in %)
France Offices	109,750	965	895	82%	5.2%
Italy Offices	89,000	435	435	91%	6.3%
Germany Offices	128,400	1,006	691	25%	4.7%
TOTAL OFFICES	**327,150**	**2,406**	**2,022**	**67%**	**5.3%**

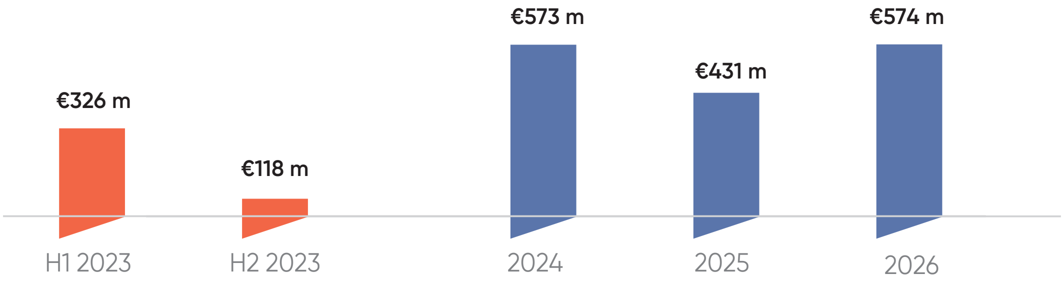
(1) Surface at 100%.
(2) Including land and financial costs.
(3) Gross yield on total rents including car parks, restaurants, etc.

- Five projects were committed in 2022: Meudon Thalès 2 (100% pre-let), Düsseldorf Herzogterrassen (52% let), Fontenay Le Floria (0% pre-let), Berlin Beagle (100% pre-let) and Milan Rozzano Strada (40% let).
- Two projects were postponed: Milan Vitae and Bordeaux Jardin de l'Ars.
- The current pipeline at end of December 2022 is composed of 14 projects.

For detailed figures on the committed projects, see next pages of this document.

Pipeline at end of 2022

€2.0 bn Cost Group share | **5.3%** Yield on Cost | **67%** Pre-let | **80%** In city-centers



2023 Deliveries

2 office projects in **European city centers** and 3 projects **in Greater Paris**

Deliveries in 2024, 2025 & 2026

9 prime buildings in **high-quality locations (European CBDS, Greater Paris and Bordeaux)**

Capex still to be spent on the committed development pipeline reaches on average €210 million per year.

Committed projects	Location	Project	Surface[1] (m²)	Delivery	Target rent (in €/m²/year)	Pre-leased (in %)	Total Budget[2] (in M€. 100%)	Total Budget[2] (in M€. Group Share)	Target Yield[3]
Maslo	Levallois	Regeneration	19,800 m²	2023	470	43%	212	212	4.7%
DS Campus Ext. (50% share)	Vélizy	Construction	27,500 m²	2023		100%	141	71	7.2%
L'Atelier (Madrid St Lazare)	Paris	Regeneration	5,850 m²	2023		100%	102	102	n.a.
Le Floria	Fontenay	Regeneration	9,300 m²	2023	240	0%	43	43	5.5%
To be delivered in 2023			**62,450 m²**			**63%**	**498**	**428**	**5.3%**
Anjou	Paris	Regeneration	9,300 m²	2025		100%	238	238	3.4%
Thalès 2	Meudon	Construction	38,000 m²	2026		100%	229	229	7.0%
To be delivered in 2024 and beyond			**47,300 m²**			**100%**	**468**	**468**	**5.1%**
TOTAL FRANCE OFFICES			**109,750 M²**			**82%**	**965**	**895**	**5.2%**
Corso Italia	Milan	Regeneration	12,100 m²	2024		100%	122	122	6.1%
The Sign D	Milan	Construction	13,200 m²	2024	300	92%	76	76	6.1%
Rozzano Strada	Milan	Regeneration	25,700 m²	2024	140	40%	45	45	7.8%
Symbiosis G+H	Milan	Construction	38,000 m²	2025		100%	193	193	6.3%
To be delivered in 2024 and beyond			**89,000 m²**			**91%**	**435**	**435**	**6.3%**
TOTAL ITALY OFFICES			**89,000 M²**			**91%**	**435**	**435**	**6.3%**
Beagle	Berlin	Regeneration	5,100 m²	2023		100%	16	16	6.5%
To be delivered in 2023			**5,100 m²**			**100%**	**16**	**16**	**6.5%**
Loft (66% share)	Berlin	Regeneration	7,600 m²	2024	280	0%	40	26	5.3%
Herzogterrassen (94% share)	Düsseldorf	Regeneration	55,700 m²	2024	252	52%	323	304	4.4%
Alexanderplatz (55% share)	Berlin	Construction	60,000 m²	2026	570	0%	627	345	4.8%
To be delivered in 2024 and beyond			**123,300 m²**			**22%**	**990**	**676**	**4.6%**
TOTAL GERMANY OFFICES			**128,400 M²**			**25%**	**1,006**	**691**	**4.7%**
TOTAL COMMITTED PIPELINE			**327,150 M²**			**67%**	**2,406**	**2,022**	**5.3%**

(1) Surface at 100%.
(2) Including land and financial costs.
(3) Yield on total rents.

1.2.7.3 Build-to-sell pipeline

Germany

- Five projects will be delivered and sold in 2023 for a total budget of €33 million (€51 million at 100%), with a targeted margin >35%.
- Beginning of 2023, the pipeline is composed of 8 projects all located in Berlin and NRW, totalling 350 residential units and a total cost of €102 million Group Share with a target promotion margin of 20%.

Committed projects	Units	Total Budget* (in €M. 100%)	Total Budget* (in €M. Group Share)
Berlin - Großbeerenstraße	73		
Berlin - HOCH12	27		
Berlin - HOCH22	10		
Berlin - Markelstr.	92		
NRW - WES25NB	28		
To be sold in 2023	**230**	**51**	**33**
Berlin - Iceland Reigel	3		
Berlin - Iceland Sales (EIS 1)	98		
Berlin - Iceland Tower (turn) 2	19		
To be sold in 2024 and beyond	**120**	**104**	**68**
TOTAL GERMANY RESIDENTIAL	**350**	**155**	**102**

France

The current pipeline is composed of 8 projects located mainly in the Greater Paris and Bordeaux, representing 90,859 m², a total cost of €260 million Group Share, with a target margin close to 9%. Almost 60% of the projects were already pre-sold.

Committed projects	Units	Total Budget* (in €M. 100%)	Total Budget* (in €M. Group Share)	Pre-sold rate (%)
Le Raincy	97			
St Germain-lès-Corbeil	83			
Chartres Sully	110			
To be sold in 2023	**290**	**49**	**49**	**98%**
Bobigny CT	158			
Saint-Germain-en-Laye	24			
Antony CDG	68			
Fontenay-sous-Bois Tr1	251			
Bordeaux Lac Tr1 - Tr3	749			
To be sold in 2024 and beyond	**1,250**	**211**	**211**	**49%**
TOTAL FRENCH RESIDENTIAL	**1,540**	**260**	**260**	**58%**

* Including land and financial costs

1.2.7.4 Managed Pipeline

Landbanks

In the long-term, Covivio also owns more than 350,000 m² of landbanks that could welcome new development projects:

- in Greater Paris (105,000 m²) and Major French Cities (100,000 m²) mainly for turnkey developments
- in Milan with Symbiosis and Vitae (30,000 m²) and Porta Romana (70,000 m²)
- and more than 40,000 m² in Berlin, Leipzig and Dresden.

Germany residential managed projects

Covivio continues to strengthen its mid-term pipeline with multiple projects under study for approximately 135,000 m² mostly in Berlin.

1.2.8 Portfolio

1.2.8.1 Portfolio value: +0.1% like-for-like growth

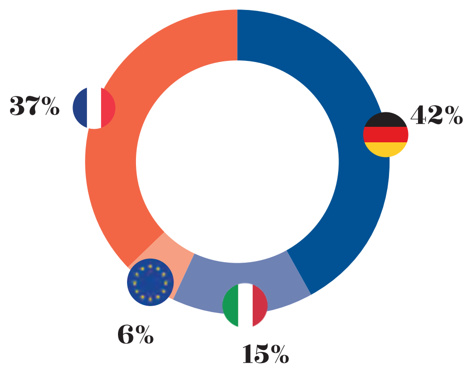
(In € million, Excluding Duties)	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL[1] 12 months change	Yield[2] 2021	Yield[2] 2022	% of portfolio
France Offices	5,880	6,615	5,547	-2.4%	4.6%	4.7%	32%
Italy Offices	2,653	3,014	2,520	-2.3%	5.3%	5.2%	14%
German Offices	1,445	1,699	1,441	-2.7%	3.4%	4.1%	8%
Offices in Europe	**9,979**	**11,328**	**9,508**	**-2.4%**	**4.6%**	**4.8%**	**55%**
Residential Germany	**5,079**	**8,084**	**5,238**	**+3.7%**	**3.5%**	**3.5%**	**30%**
Hotels in Europe	**2,578**	**6,613**	**2,622**	**+2.3%**	**5.3%**	**5.0%**	**15%**
Non-strategic	68	56	27	-1.8%	7.1%	6.3%	0%
TOTAL	**17,703**	**26,082**	**17,394**	**+0.1%**	**4.4%**	**4.4%**	**100%**

(1) LfL: Like-for-Like
(2) Yield excluding development projects. 2021 yield on hotels based on 2019 revenues for variable.

The portfolio decreased by €309 million to reach €17.4 billion Group Share (€26.1 billion in 100%) mostly due to:

- with regard **to offices, asset values were down 2.4% on a like-for-like basis,** with substantial disparities between the resilience of city centre assets (65% of the portfolio), down a slight 0.8%, and the more pronounced fall of 11% in the non-core category (8% of the office portfolio), directly impacted by structural changes in working patterns. New assets or assets under development, highly sought after by tenants, saw their values increase by 1.6% over the year
- **Germany Residential** saw a **3.7% increase on a like-for-like basis** (up 5.9% in the first half and down 1.9% in the second), with increases across all geographies. This resilience reflects the structural shortage of housing and unit values well above block values (over 40%). The average property value is €2,866 per square metre, with €3,482 per square metre in Berlin and €2,055 per square metre in North Rhine-Westphalia
- in **hotels, portfolio values increased by 2.3% on a like-for-like basis** over the year, with resilience in the second half (-0.4%): the recovery in operating performance enabled assets to rebound in all geographies except the United Kingdom.

Geographical breakdown of the portfolio in 2022



1.2.9 List of main Assets

The value of the ten main assets represents 15% of the portfolio Group Share, stable *vs* end 2021.

Top 10 Assets	Location	Tenants	Surface (m²)	Covivio share
CB 21 Tower	La Défense	Suez, Verizon, BRS	68,100	75%
Garibaldi Towers	Milan	Maire Tecnimont, LinkedIn, etc.	44,700	100%
Jean Goujon	Paris 8th	LVMH	8,600	100%
Dassault Campus	Vélizy	Dassault Systems	97,000	50%
Herzogterassen	Düsseldorf	In development	55,700	94%
Frankfurt Airport Centre	Frankfurt	Lufthansa, Fraport, Operational Services	48,100	94%
Maslo	Levallois	In development	20,800	100%
Zeughaus	Hamburg	Universitätsklinikum Hamburg-Eppendorf	43,700	94%
Art&Co	Paris 12th	Wellio, Adova, Bentley, AFD	13,500	100%
Flow	Montrouge	EDF, Enedis	23,400	100%

1.3 Business analysis by segment

1.3.1 Offices: 55% of Covivio's portfolio

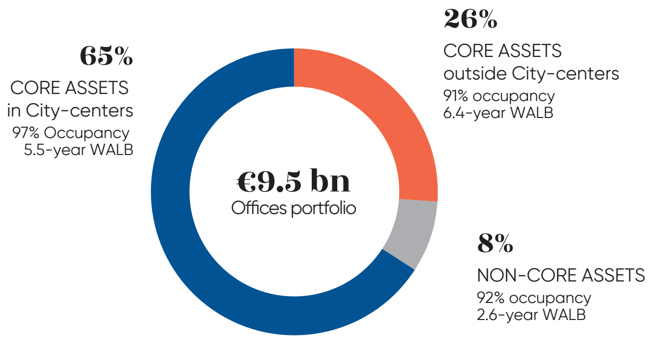
Covivio keeps on improving its portfolio quality, focusing on attractive locations (city-centres and well-connected business districts) and developing high-quality assets with a full range of services that ensure optimal well-being for its tenants.

For several years now, the Group has implemented an overall strategy based on centrality, high-quality assets, and client-centricity.

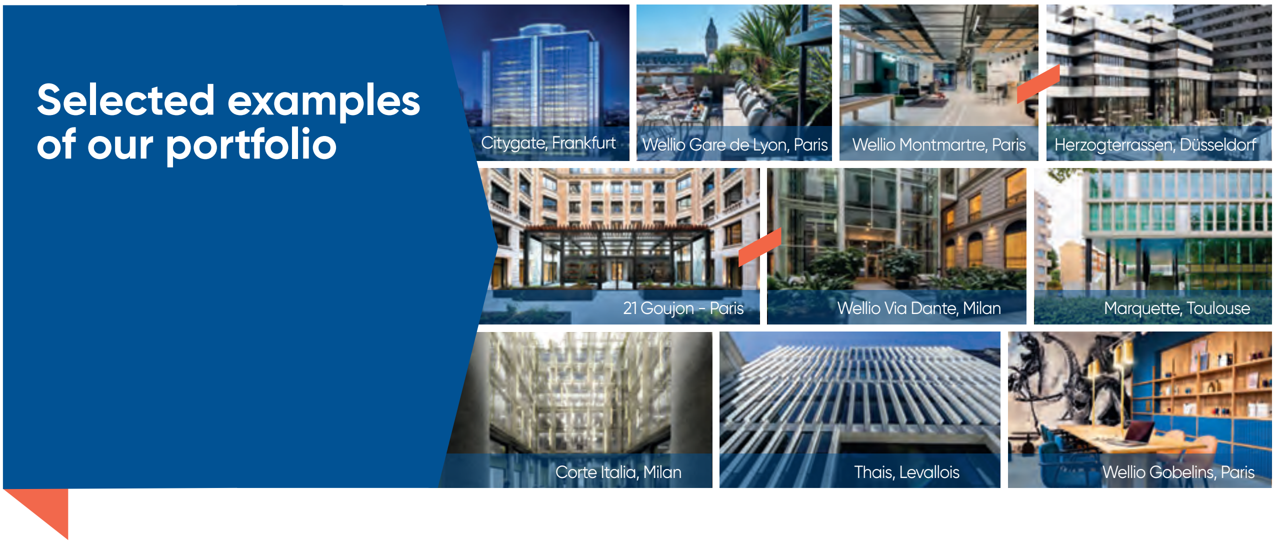
Covivio owns offices in France (32% of Covivio's portfolio), Italy (15%), and Germany (8%) with a portfolio of €11.3 billion (€9.5 billion Group Share) at end-2022.

Covivio's portfolio has been strategically split as follows:

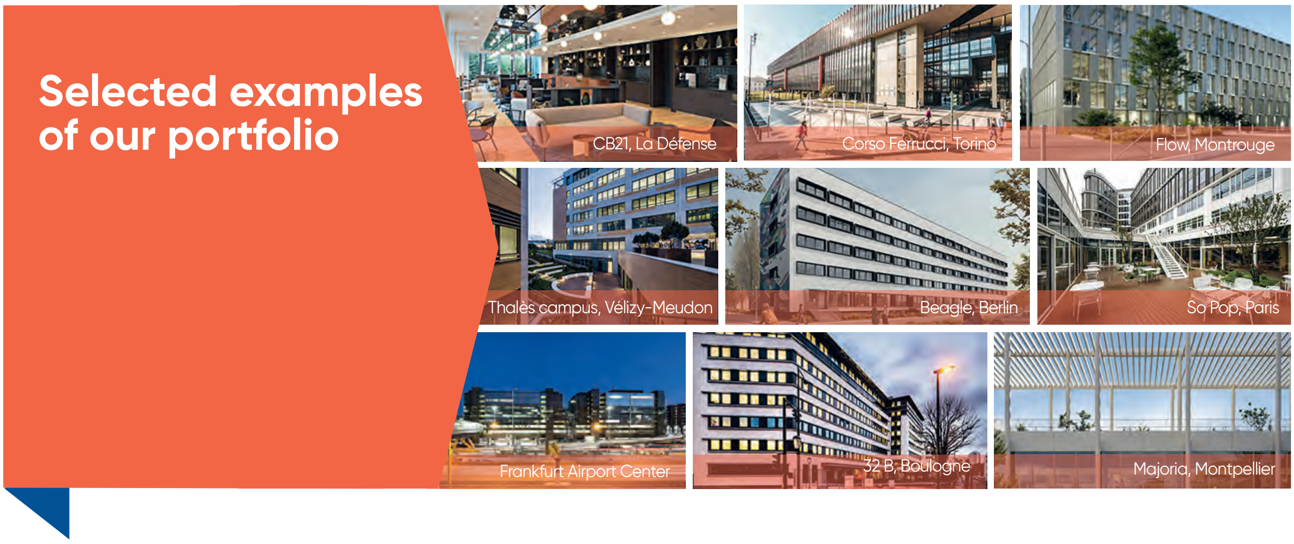
- **core assets in city-centres** **(65%** of Covivio's office portfolio): located in city-centres *(Paris/Levallois, Berlin, Milan, Düsseldorf, Hamburg, and French major regional cities),* with high occupancy (97%), long WALB (5.5 years)
- **core assets outside city-centres** **(26%)**: including assets with strong value resiliency and liquidity, in well-connected top-business districts *(Greater Paris, Italy, Periphery of German cities)* and with high occupancy (91%) and long WALB (6.4 years), mostly let to long-term partners such as Telecom Italia, Thalès, Dassault Systèmes
- **non-Core assets** **(8%):** gathers secondary offices assets outside city-centres in Germany, Italy, Greater Paris, for which WALB is lower (2.6 years).



Core assets in city centres (65%; €6.2 billion Group Share)



Core assets outside city centres (26%; €2.5 billion Group Share)



1.3.1.1 France Offices: 32% of Covivio's portfolio

Covivio owns an office portfolio in France of €6.6 billion (€5.5 billion Group Share) strategically split as follows:

- 58% of Core assets in city centres
- 35% of Core assets outside city centres
- 7% of non-Core assets.

1.3.1.1.1 Market: take-up back to historical levels and polarization

- Take-up in Greater Paris office market reached **2.1 million m²** in 2022, up **+10%** year-on-year & only **5%** below its 10-year average:
  - demand was focused on new/refurbished assets, representing 82% of the total (*vs* 71% from 2010 to 2019) for transactions > 5,000 m²
  - **Paris outperformed**, with an annual take-up increased by **+20%** YoY to **983,700 m²** and now counting for **47%** of the total take-up in Greater Paris (*vs* 40% on average over the last 5 years)
  - in **the 1st ring**, take-up increased by **+13%** YoY to **301,500 m²** while decreasing by **9%** in the outer rim to **199,700 m²**.
- The **immediate offer** increased by **+7%** YoY to **4.3 million m²** and vacancy rate now stands at **7.9%** (+50bps YoY), but with strong disparities:
  - in **Paris CBD,** vacancy rate decreased by -**70 bps** to **2.4%**
  - **in the inner rim,** vacancy rate increased to 9.7% *vs* 8.4% at end-2021.
- **Future available supply** at end 2022 was stable, at 1.4 million m².
- Average **headline rents in greater Paris for new or restructured space** rose by **+2%** year-on-year to **€431/m²** and for second-hand space by **+4%** to **€423/m²:**
  - prime rents in Paris kept on increasing, reaching an all-time high of **€980/m²/year** (+5% year-on-year) at end-2022 (with some transactions recorded above €1000/m²/year)
  - incentives in the Paris region increased by **+20 bps** YoY to **24.6%** at end-2022, however with strong disparities: from **15.7%** in Paris CBD to **33.9%** in La Défense.
- **Office investments in Greater Paris totalled €10.4 billion at the end of the year, down -21% YoY mainly due to a low Q4 (at €2.1 billion/-65% YoY)**, mostly impacted by changing economic and financial conditions. The trend is downward for all the submarkets, except for French regions, for which investment market was up in 2022 and also in Q4.
  Overall, in France, large transactions (>€200 million) were particularly affected and counted for 18% of total investments (*vs* 10-year average of 30%). On the opposite, **focus was on the smaller sizes, with transactions between €5 million and €10 million up +12%, and transactions between €10 million and €20 million up +24%.**
- After a positive H1, prime yields increased over the second semester, with Paris up +30bps to 3%, Paris excluding CBD up +40bps to 3.2%, and the inner rim up +40bps to 4%.
  However, the asset class remains popular among end-users and equity investors, which demonstrated a strong appetite during the year. In France, open-ended funds (SCPI/OPCI) kept on raising massive equity in 2022, totalling an all-time high of €16.1 billion, up +47% year-on-year but also +9% above the previous record in 2019.

In 2022, the France Offices activity was marked by:

- **-2.4% like-for-like value** *vs* 2021, with disparities between city centres (-0.3%) and non-core assets (-12.3%)
- **+5.3% like-for-like rental growth**
- More than **100,000 m² let or pre-let** and close to **90,000 m² renewed, at or above passing rents.**

1.3.1.1.2 Accounted rental income: +5.3% like-for-like

(In € million)	Rental income 2021 100%	Rental income 2021 Group Share	Rental income 2022 100%	Rental income 2022 Group Share	Change (in %) Group Share	Change (in %) LfL[1] Group Share
Paris Centre West	29.3	29.3	23.2	22.7	-22.8%	+1.9%
Paris South	31.1	26.5	26.1	23.8	-10.3%	+4.4%
Paris North- East	20.5	20.5	23.3	23.0	+12.2%	+10.6%
Total Paris	**80.9**	**76.3**	**72.6**	**69.4**	**-9.0%**	**+6.0%**
Western Crescent and La Défense	39.2	37.8	40.7	35.2	-6.9%	+4.9%
Inner rim	59.0	42.8	53.3	40.1	-6.4%	+4.9%
Outer rim	2.7	2.7	2.6	2.6	-0.9%	+3.2%
Total Paris Region	**181.8**	**159.6**	**169.2**	**147.3**	**-7.7%**	**+5.3%**
Major regional cities	30.7	23.7	30.1	25.5	+7.6%	+5.8%
Other French Regions	6.3	6.3	2.8	2.8	-55.5%	+2.9%
TOTAL	**218.7**	**189.5**	**202.1**	**175.6**	**-7.4%**	**+5.3%**

(1) LfL: Like-for-Like

Compared to last year, rental income decreased by -€13.9 million, mainly as a result of:

- **rental effect** (+€8 million) with **+5.3%** on a like-for-like basis mostly driven by lettings in Western Crescent and first Ring (Chatillon IRO), and impact of indexations
- **disposals** (-€11 million), in 2021 and 2022 of mature assets in Paris South, First Ring and French regions
- **pipeline effect** (-€10 million), due to the impact of assets vacated for redevelopment, mostly in peripheral areas.

1.3.1.1.3 Annualized rents: €214.2 million Group Share

(In € million)	Surface (m²)	Number of assets	Annualised rents 2021 Group Share	Annualised rents 2022 100%	Annualised rents 2022 Group Share	Change (in %)	% of rental income
Paris Centre West	57,845	8	20.8	35.0	32.2	55%	15%
Paris South	40,965	7	29.7	21.9	21.5	-27%	10%
Paris North- East	141,412	7	21.4	26.7	24.6	15%	12%
Total Paris	**240,222**	**22**	**71.9**	**83.6**	**78.4**	**9%**	**37%**
Western Crescent & La Défense	160,719	10	52.5	50.5	43.1	-14%	20%
Inner rim	307,028	16	58.3	80.3	55.0	-9%	26%
Outer rim	33,015	8	2.6	2.7	2.7	5%	1%
Total Paris Region	**740,984**	**56**	**185.3**	**217.1**	**179.2**	**-3%**	**84%**
Major regional cities	274,473	33	28.0	41.0	32.2	15%	15%
Other French Regions	44,908	13	2.9	2.8	2.8	-4%	1%
TOTAL	**1,060,365**	**102**	**216.2**	**261.0**	**214.2**	**-1%**	**100%**

The -1% decrease is mainly explained by the following variations:

- in the Western Crescent including La Défense (-14%), the decrease is explained by the release in Rueil early 2022
- the decrease in Paris South (-27%) and First Ring (-9%) is mainly due to disposals
- increase in Paris Centre West (+55%) is explained by the 2022 deliveries.

1.3.1.1.4 Indexation

In 2022, the indexation contribution increased and representing 2.1% in the total like-for-like revenue.

For current leases:

- 88% of rental income is indexed to the ILAT
- 11% to the ICC
- the balance is indexed to the ILC or the IRL (rental reference index).

1.3.1.1.5 Rental activity: 193,607 m² renewed or let during 2022

	Surface (m²)	Annualized Top up rents (in €M, GS)	Annualized rents 2022 (€/m²,100%)
Vacating	61,500	19.3	315
Letting	33,851	8.0	296
Pre-letting	70,807	28.7	556
Renewals	88,948	11.9	216

Covivio proved the quality and attractiveness of its portfolio:

- **almost 90,000 m²** were **renegotiated or renewed** in 2022 with a +6-year lease extension on average at or above passing rents. Covivio has notably extended the lease maturities on 88,000 m² in Velizy with Thalès, by 12 and 15 years.
- **104,659 m² have been let or pre-let** in 2022, including 70,807 m² on development projects, with:
  - **38,000 m² on Vélizy**, to be delivered in 2026 and 100% pre-let with a 12-year lease to Thalès
  - **9,340 m² on Paris Anjou**, to be delivered in 2025 and 100% pre-let for 10 years to a top luxury firm
  - **10,035m² on Paris Streambuilding**, delivered in 2022 and mainly pre-let with a 9-year lease to OVHCloud
  - **7,361 m² on Paris Jean Goujon**, delivered in 2022 and pre-let with a 12-year lease to LVMH
  - **6,129 m² on Levallois Maslö**, to be delivered early 2023 and now 43% pre-let
  - **6,207 m² in La Défense-CB21** with 4 new tenants, now 97% let
  - **5,750 m² in Coeur Orly Belaïa**, now 85% let
  - **4,860 m² in Chatillon IRO**, now 57% let.
- **61,500 m² were vacated**, mostly in Western Crescent (38,159 m²), First ring (12,462 m²) and major regional cities (5,244 m²):
  - 51,000 m² for redevelopment (€14 million of top up rents, Group Share), mostly in Western Crescent and first ring
  - 10,000 m² on assets partially relet.

1.3.1.1.6 Lease expiries and occupancy rate

1.3.1.1.6.1 Lease expiries: firm residual lease term of 4.7 years

(In € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2023	49.8	23%	40.1	19%
2024	17.7	8%	7.0	3%
2025	39.9	19%	23.9	11%
2026	5.6	3%	1.9	1%
2027	20.0	9%	12.9	6%
2028	15.2	7%	19.1	9%
2029	7.4	3%	16.4	8%
2030	17.5	8%	29.3	14%
2031	2.7	1%	20.8	10%
2032	16.0	7%	19.1	9%
Beyond	22.5	11%	23.6	11%
TOTAL	**214.2**		**214.2**	

The firm residual duration of leases was stable *vs* year-end-2021.

In 2023, the €50 million of lease expiries representing 7.2% of Covivio annualized revenues are split as follow:

- 6.1% of Covivio annualized revenues (€42.5 million) already managed: 48% for Core Assets in City Centres (€20.6 million)/7% for Core assets outside city centres (€3.1 million)/44% for non-Core Assets (€18.8 million)
- 1.1% of Covivio annualized revenues (€7.3 million) to be managed related to Core assets, well located in Paris West (Issy Atlantis) and Paris North (Cap 18).

1.3.1.1.6.2 Occupancy rate: 94.4% at end 2022

(In %)	2021	2022
Paris Centre West	99.9%	99.3%
Southern Paris	99.6%	100.0%
North Eastern Paris	98.6%	85.4%
Paris	99.4%	94.7%
Western Crescent and La Défense	90.1%	95.1%
Inner rim	89.2%	92.0%
Outer rim	96.2%	96.3%
Total Paris Region	93.3%	94.0%
Major regional cities	96.4%	98.6%
Other French Regions	65.9%	80.2%
TOTAL	**93.2%**	**94.4%**

- In Paris, the occupancy rate has decreased from above 99% to 95%, mostly due to the delivery of So Pop in September 2022 with a current occupancy rate of 36%.
- In the Western Crescent, the occupancy rate increases thanks to the lettings on CB21 (93% occupancy end-2022 (up 13 points compared with end-2021). The tower is even 97% let since new lettings were signed early 2023.

1.3.1.1.7 Portfolio values

1.3.1.1.7.1 Change in portfolio values

(In M€, Including Duties Group Share)	Value 2021	Acquis.	Invest.	Disp.	Value creation on acquis./ disp.	Change in value	Change in scope	Value 2022
Assets in operation	4,881	0	66	-352	-1	-158	266	4,703
Assets under development	1,000	0	83	0	0	19	-257	844
TOTAL	**5,880**	**0**	**149**	**-352**	**-1**	**-139**	**9**	**5,547**

The portfolio value decreased by €-333 M€ million since year-end-2021 (-5.7%) mainly driven by:

- -€139 million from **like-for-like** value drop, mostly on non-Core assets
- +€149 million invested in **development projects** and in **upgrading work** on assets in operation
- -€352 million from **disposals**, mainly signed last year and transferred in 2022 (Carré Suffren and Eiffage Vélizy), on mature assets.

1.3.1.1.7.2 Like-for-like portfolio evolution: -2.4%

(in € million, Excluding Duties)	Value 2021 100%	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL (%) change[1] 12 months	Yield[2] 2021	Yield[2] 2022	% of Subtotal
Paris Centre West	1,466	1,389	1,595	1,501	+3.2%	3.1%	3.2%	27%
Paris South	898	743	497	497	-2.5%	4.0%	4.4%	9%
Paris North- East	680	554	695	558	-2.2%	5.0%	4.4%	10%
Total Paris	**3,044**	**2,686**	**2,787**	**2,556**	**+0.8%**	**3.9%**	**3.8%**	**46%**
Western Crescent	1,298	1,148	1,221	1,077	-8.8%	5.4%	5.6%	19%
Neuilly/Levallois								6%
La Défense/Péri Défense/Rueil								10%
Issy-les-Moulineaux/Boulogne								3%
Inner rim	1,810	1,271	1,622	1,146	-4.6%	5.1%	5.4%	21%
Montrouge/Malakoff/Châtillon								6%
Vélizy/Meudon								9%
Other								5%
Outer rim	40	40	34	34	-5.1%	6.5%	8.1%	1%
Total Paris Region	**6,192**	**5,145**	**5,664**	**4,814**	**-2.8%**	**4.6%**	**4.6%**	**87%**
Major regional cities	**991**	**682**	**918**	**700**	**+0.7%**	**4.3%**	**4.8%**	**13%**
Lyon/Marseille/Bordeaux								6%
Other								6%
Subtotal	**7,183**	**5,827**	**6,582**	**5,514**	**-2.4%**			
Other French Regions	**53**	**53**	**33**	**33**	**-12.0%**	**5.5%**	**8.4%**	**1%**
TOTAL	**7,236**	**5,880**	**6,615**	**5,547**	**-2.4%**	**4.6%**	**4.7%**	**100%**

(1) LfL: Like-for-Like.
(2) Yield excluding assets under development.

The high quality of the portfolio drives resilience in values change, with a limited decline of -2.4% on a like-for-like basis at end December 2022, considering value creation on development pipeline, although assets under operation where hit by slight increase in capitalization rates and some more specific declines in assets in need of repositioning:

sustained performance in Paris (+0.8% like-for-like), and Major regional cities (+0.7%) mostly driven by the good rental activity during the year

downwards adjustment in peripheral areas, more impacted by the Working from Home, particularly non-Core assets (-12.3%).

1.3.1.1.8 Assets partially owned

Partially owned assets are the following:

- CB 21 Tower (75% owned) in La Défense
- the Silex 1 and 2 assets in Lyon (50.1% owned and fully consolidated)
- So Pop project in Paris 17th (50.1% owned and fully consolidated)
- streambuilding project in Paris 17th (50% owned and fully consolidated)
- the Dassault campuses in Vélizy (50.1% owned and fully consolidated)
- the New Vélizy campus for Thales (50.1% owned and accounted for under the equity method)
- Euromed Centre in Marseille (50% owned and accounted for under the equity method)
- Coeur d'Orly in Greater Paris (50% owned and accounted for under the equity method).

1.3.1.2 Italy Offices: 14% of Covivio's portfolio

Covivio's Italy strategy is focused on Milan, where the Group's acquisitions and developments are concentrated. At end-December 2022, the Group owned offices worth €3.0 billion (€2.5 billion Group Share) composed of:

- 83% (€2.1 billion) of offices in Milan, mostly in the CBD and centre of the city
- 14% (€0.3 billion Group Share) Telecom Italia assets outside Milan, 100% occupied with 9.5 years firm lease
- 4% (€0.1 billion) non-core assets outside Milan.

1.3.1.2.1 Italy Office market: a record year for take-up and rents

- Milan office letting market recorded a total take-up of **487,000 m²** in 2022 (**+41%** year-on-year & **+48%** *vs* 10-year average), of which **117,000 m²** (+22% YoY) in Q4 alone. These figures are **5% above** the historical record reached in **2019**, confirming the **strong momentum for Milan office market**.
- Moreover, occupiers' attention is now focused on improving their brand identity by moving to **Grade A buildings** in prime locations, offering a good level of services, as demonstrated by the level of **grade A/A Green** offices, which now counts for **82%** (*vs* **73%** at end-2021) of the total take-up in Milan.
- The average vacancy rate in Milan stood at **+11.6%** (**+0.5pt** *vs* end-2021), with strong disparity between the centre (where most of Covivio's portfolio is located) and the periphery:
  - in **Milan CBD**, the vacancy rate stood at **5.5%**, **-60bps** YoY (*vs* 6.1% at end-2021)
  - vacancy rates increased mostly in the **periphery** (+240bps at 16.7%) and in **Hinterland** (+140bps at 17.0%).
- The intense demand for high-quality spaces, combined with the scarcity of grade A assets, contributed to a **+11% increase in prime rents** in Milan, reaching **€690/m²/year**.
- With a total amount of **€3.3 billion** in 2022 (**+86%** YoY/only **10%** below its 2019 peak), the **Milan office investment market** remained very active and represents 72**%** of the total transacted office volume in Italy (+97% at €4.6 billion).
- Reflecting the macroeconomic conditions and the global markets uncertainty, prime yields now stand at 3.75% in Milan CBD and 4.25% in the Centre.

Covivio's activities in Italy at end-December 2022 were marked by:

- an **occupancy rate increased by +180bps to 98.4%** and **high indexation contribution,** justifying a **+4.2% like-for-like rental growth**
- the acceleration of **disposals**, with €226 million Group Share, mainly from Telecom Italia assets and non-core properties outside Milan
- resilience of values, down -2.3% like-for-like, despite the environment.

1.3.1.2.2 Accounted rental income: +4.2% like-for-like

(In € million)	Rental income 2021 100%	Rental income 2021 Group Share	Rental income 2022 100%	Rental income 2022 Group Share	Change (%)	Change (%) LfL[1]	% of total
Offices - excl. Telecom Italia	77.1	77.2	76.9	77.0	-0.3%	+4.4%	70.3%
of which Milan	61.8	61.8	67.1	67.1	+8.5%	+3.4%	61.3%
Offices - Telecom Italia	75.2	38.3	63.9	32.6	-15.0%	+4.0%	29.7%
TOTAL	**152.3**	**115.5**	**140.8**	**109.5**	**-5.2%**	**+4.2%**	**100.0%**
Non-strategic (retail)	2.9	2.9	0.0	0.0	-100.2%	+0.0%	
Total with non-strat	155.2	118.4	140.8	109.5	-7.5%	+4.2%	

(1) LfL: Like-for-Like.

Overall, rental income decreased by -€8.8 million compared to 2021 due to:

- **disposals** of non-core and core-mature assets (-€14.4 million)
- **increasing like-for-like rents** (+€4.3 million, +4.2%) mainly due to indexation contribution (2.9pts), increase in occupancy rate (1.8pt) and reversion (-0.5pt)
- **deliveries** of The Sign B, The Sign C and Symbiosis D in Milan (+€4.4 million)
- **assets vacated for redevelopment** (-€3.1 million), in Rozzano.

1.3.1.2.3 Annualized rents: €117 million Group Share

(In € million)	Surface (in m²)	Number of assets	Annualised rents 2021 Group Share	Annualised rents 2022 100%	Annualised rents 2022 Group Share	Change (in %)	% of total
Offices - excl. Telecom Italia	298,651	36	92.8	87.2	87.2	-6.0%	75%
Offices - Telecom Italia	470,630	51	34.9	57.4	29.2	-16.3%	25%
Development portfolio	177,117	6	0.0	–	–	0.0%	n.a
TOTAL STRATEGIC	**946,398**	**93**	**127.7**	**144.6**	**116.5**	**-8.8%**	**100%**

(In € million)	Surface (in m²)	Number of assets	Annualised rents 2021 Group Share	Annualised rents 2022 100%	Annualised rents 2022 Group Share	Change (in %)	% of total
Milan	521,251	44	85.2	95.0	87.3	2.5%	75%
Rome	66,510	11	4.2	8.9	4.5	7.8%	4%
Turin	65,425	5	5.8	7.6	6.5	11.8%	6%
North of Italy (other cities)	176,386	21	21.0	18.0	10.1	-52.0%	9%
Others	116,826	12	11.4	15.0	8.0	-29.9%	7%
TOTAL STRATEGIC	**946,398**	**93**	**127.7**	**144.6**	**116.5**	**-8.8%**	**100%**

Annualized rental income decreased by -8.8%, due to the disposals.

1.3.1.2.4 Indexation

The annual indexation of rental income is usually calculated by applying the increase in the Consumer Price Index (CPI) on each anniversary of the signing of the agreement.

During 2022, the average monthly change in the CPI was +8.0%.

1.3.1.2.5 Rental activity: 18,300 m² let or pre-let in 2022

(In € million)	Surface (in m²)	Annualized Top up rents 2022 Group Share	Annualised rents 2022 (100%, €/m²)
Vacating	25,744	6.2	242
Lettings on operating portfolio	6,216	3.1	483
Lettings on development portfolio	12,082	7.4	638
Renewals	3,873	1.0	259

In 2022, around **18,300 m² of new leases** were signed:

- 6,200 m² on the operating portfolio, of which 3,000 m² of retail spaces
- 12,080 m² of pre-lettings on the development portfolio, on Corte Italia, fully let.

Additionally, close to 3,900 m² have been renewed with a duration extension of 8 years and a +5.9% uplift.

25,750 m² were vacated during 2022:

- 21,050 m² vacated for development
- 3,000 m² have already been re-let
- 700 m² under negotiation
- 1,000 m² still to be managed.

1.3.1.2.6 Lease expiries and occupancy rates

1.3.1.2.6.1 Lease expiries: 7.1 years of average firm lease term

Group Share (in € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2023	9.5	8%	2.9	3%
2024	2.8	2%	2.5	2%
2025	7.6	7%	2.1	2%
2026	5.2	4%	6.9	6%
2027	5.2	4%	7.2	6%
2028	17.9	15%	26.0	22%
2029	3.6	3%	3.0	3%
2030	19.9	17%	15.1	13%
2031	13.6	12%	10.8	9%
2032	8.3	7%	11.2	10%
Beyond	22.9	20%	28.9	25%
TOTAL	**116.5**	**100%**	**116.5**	**100%**

The firm residual lease term stabilized at 7.1 years.

- In 2023, the €9.5 million lease expiries, counting for 1.4% of Covivio annualized revenues, are split as follows:
- 1.0% of Covivio annualized revenues already managed due to break option not exercised
- 0.4% of Covivio annualized revenues to be managed, mainly linked with Core assets.

1.3.1.2.6.2 Occupancy rate: an increase by +180 bps to 98.4%

(In %)	2021	2022
Offices - excl. Telecom Italia	95.4%	97.9%
Offices - Telecom Italia	100%	100.0%
TOTAL	**96.6%**	**98.4%**

The occupancy rate increased by +180bps over the year, mainly explained by new lettings.

1.3.1.2.7 Portfolio values

1.3.1.2.7.1 Change in portfolio values

(In € million, Group Share Excluding Duties)	Value 2021	Acquis.	Invest.	Disp.	Change in value	Transfer	Value 2022	
Offices - excl. Telecom Italia	1,805	-	23	-111	-	-49	28	1,696
Offices - Telecom Italia	615	-	-	-115	-	13		513
Development portfolio	234	100	26	-	-	-22	-28	311
TOTAL STRATEGIC ACTIVITIES	**2,653**	**100**	**50**	**-226**	**-**	**-57**	**-**	**2,520**

The change in portfolio values was mainly driven by disposals among the Telecom Italia portfolio, partly offset by the acquisition of a land bank in Milan, hosting the Olympic village for 2026 Winter Olympic Games.

1.3.1.2.7.2 Portfolio in Milan: 95% of the portfolio excluding Telecom Italia

(In € million, Excluding Duties)	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL[1] change (%)	Yield[2] 2021	Yield[2] 2022	% of total
Offices - excl. Telecom Italia	1,805	1,696	1,696	-2.8%	5.2%	5.1%	67%
Offices - Telecom Italia	615	1,007	513	2.6%	5.7%	5.7%	20%
Development portfolio	234	311	311	-9.3%	n.a.	n.a.	12%
TOTAL STRATEGIC ACTIVITIES	**2,653**	**3,014**	**2,520**	**-2.3%**	**5.3%**	**5.2%**	**100%**

(1) LfL: Like-for-Like

(2) Yield excluding development projects

(In € million, Excluding Duties)	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL[1] change (%)	Yield[2] 2021	Yield[2] 2022	% of total
Milan	2,049	2,249	2,085	-2.3%	4.7%	4.9%	83%
Turin	102	114	97	-4.5%	6.2%	6.7%	4%
Rome	89	179	91	2.5%	4.7%	5.0%	4%
North of Italy	242	257	133	-3.5%	8.4%	7.1%	5%
Others	172	215	114	-3.3%	7.1%	7.6%	5%
TOTAL	**2,653**	**3,014**	**2,520**	**-2.3%**	**5.3%**	**5.2%**	**100.0%**

(1) LfL: Like-for-Like.

(2) Yield excluding development projects.

The weight of Milan Offices now counts for 83% of the portfolio (+6pts *vs* 2021) and 95% excluding Telecom Italia assets. Milan's weight is in line with Covivio's strategy to focus on major European cities.

- Overall, the -2.3% value decline is mostly with market environment. There were strong disparities between assets in the city centres, down -1.6% year-on-year and non-core assets, down -12.2%.
- Telecom Italia portfolio outperformed on a like-for-like basis (+2.6%) thanks to high 2022 rent indexation and relying on its strong fundamentals (100% occupancy, 9.5 years average lease term).

1.3.1.3 Germany Offices: 8% of Covivio's portfolio

Covivio's Germany offices is made of assets mostly located in 5 of the top 6 cities of Germany: Frankfurt, Berlin, Düsseldorf, Hamburg and Munich. Covivio's strategy is to strengthen exposure to Berlin, where the Group's developments are concentrated.

At end-December 2022, the Group owned offices worth €1.7 billion (€1.4 billion Group Share) composed of:

- 59% of Core assets in city centres
- 22% of Core assets outside city centres
- 19% of non-Core assets.

1.3.1.3.1 Well oriented letting markets, slow-down in investments

- **Take-up** in Germany top six markets in 2022 increased by +4% year-on-year to 3.2 million m², slightly exceeding the 3-year average (+2%). Some markets recorded strong performances, especially Cologne, Hamburg and Munich (respectively +45%, +16% & +13% yoy), supported by the middle segment attractiveness (+13% yoy for spaces between 5,000 & 10,000 m²). On the other hand, take-up decreased in Berlin (-7%), Düsseldorf (-7%) and Frankfurt (-12%) in 2022.
- **Immediate supply** remained stable over the past twelve months, reaching 4,923,000 m² at the end of Q4 2022. Vacancy rate reached 5.7% on average, up +20 bps *vs* 2021. Berlin displays the lowest vacancy at 3.2% closely followed by Cologne (3.3%), Hamburg (3.9%) & Munich (4.7%). For Berlin, Hamburg and Cologne, vacancy rates decreased in the last twelve months (-25 bps on average). Frankfurt (8.5%) and Düsseldorf's (10.5%) vacancy levels remained higher, mostly explained by peripheral areas.
- **Space under construction** increased by +7% year-on-year (but -1% *vs* Q3 2022) to roughly 4.0 million m² to be delivered within the next 12 to 24 months. There is little risk of oversupply in short-term with consequent pre-letting ratios: 43% pre-let on average for the top-6 markets (+2% quarter-on-quarter). In total, future available space represents only 1.25 year of the annual take-up.
- **Prime rents** kept on growing in 2022, with an overall +7% annual growth. This growth is visible in all markets at different paces: +19% in Düsseldorf (408€/m²/year), +6% in Cologne (336€), +6% in Hamburg (€420), +5% in Munich (€540), +2% in Frankfurt (€576) and +3% in Berlin (€540).
- **Investment in German Offices** in 2022 amounted to €22.3 billion (-27% *vs* 2021). While the first three quarters showed promising results, there was a significant slowdown in Q4 due to rising interest rates. Prime yields now stand at 3.20% in Berlin, 3.20% in Munich, 3.30% in Hamburg and 3.35% in Frankfurt.

1.3.1.3.2 Accounted rental income: +€0.9 million Group Share in 2022

(In € million)	Rental income 2021 100%	Rental income 2021 Group Share	Rental income 2022 100%	Rental income 2022 Group Share	Change (in %) LfL[1] Group Share	% of rental income
Berlin	10.0	6.9	7.8	5.5	+7.3%	12%
Frankfurt	19.1	17.5	20.5	18.8	+7.3%	41%
Düsseldorf	9.0	8.5	8.9	8.4	-10.5%	18%
Hamburg	9.0	8.5	9.9	9.4	+11.6%	20%
Munich	2.4	2.3	3.2	3.0	+13.5%	7%
Other	1.9	1.2	1.2	0.7	+8.7%	2%
TOTAL	**51.3**	**44.8**	**51.4**	**45.7**	**+7.7%**	**100%**

(1) LfL: Like-for-Like

Rental income amounted to €45.7 million in Group Share, grew by +2.0% (+€0.9 million) compared to 2021. Like-for-like rental growth reached +7.7%, explained by indexation (3.5pts) and increase in occupancy rate (4.2 pts).

1.3.1.3.3 Annualized rents: €48.2 million Group Share

Geographic breakdown

(In € million)	Surface (in m²)	Number of assets	Annualised rents 2021 100%	Annualised rents 2021 Group Share	Annualised rents 2022 100%	Annualised rents 2022 Group Share	Change Group Share (in %)	% of rental income
Berlin	53,207	6	7.2	5.1	8.3	5.2	+2.5%	11%
Frankfurt	118,900	4	20.7	19.0	22.6	20.3	+6.6%	42%
Düsseldorf	68,786	2	8.8	8.3	9.6	9.1	+9.1%	19%
Hamburg	69,037	2	9.5	8.9	11.0	9.8	+10.0%	20%
Munich	37,104	2	3.0	2.8	3.3	3.1	+9.7%	6%
Other	12,945	1	1.2	0.7	1.2	0.7	+0.5%	2%
TOTAL	**359,978**	**17**	**50.4**	**44.9**	**55.9**	**48.2**	**+7.4%**	**100%**

1.3.1.3.4 Indexation

Rents are indexed on the German consumer price index for 42% of leases, 10% have a fixed uplift and 33% have an indexation clause if CPI goes above an annual increase between 5% and 10%, the remainder (15%) is not indexed and mainly let to public administration.

1.3.1.3.5 Rental activity

	Surface (in m²)	Annualized Top up rents 2022 (in €m, GS)	Annualized rents 2022 (in €/m²,100%)
Vacating	7,497	1.2	177
Letting	6,375	1.5	272
Pre-letting	5,089	1.0	202
Renewals	45,473	6.5	155

The rental activity in 2022 was marked by:

- about 6,400 m² let, of which 2,800 m² in Hamburg, 1,100 m² in Berlin and 2,200 m² in Frankfurt
- about 7,500 m² of vacated space, mainly 3,000 m² in Hamburg and 1,700 m² in Berlin
- about 5,100 m² of pre-let space, thanks to the full pre-letting of Beagle in Berlin by Deutsche Bahn for 15 years
- about 45,500 m² renewed, of which 28,000 m² in Hamburg, 8,000 m² in Frankfurt and 5,700 m² in Munich.

1.3.1.3.6 Lease expiries and occupancy rate

1.3.1.3.6.1 Lease expiries: firm residual lease term of 4.5 years

(In € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2023	5.9	12%	5.9	12%
2024	13.6	28%	11.3	24%
2025	6.8	14%	4.9	10%
2026	3.9	8%	3.3	7%
2027	6.4	13%	4.1	8%
2028	1.3	3%	3.8	8%
2029	2.1	4%	5.7	12%
2030	1.6	3%	1.7	4%
2031	0.0	0%	0.7	1%
2032	2.9	6%	2.9	6%
Beyond	3.7	8%	3.9	8%
TOTAL	**48.2**	**100%**	**48.2**	**100%**

The firm residual duration slightly increased to 4.5 years (*vs* 4.4 years at end-2021).

€5.9 m of expiries are coming in 2023, representing 0.9% of Covivio annualized revenues. They include:

- €1.4 million already managed, including rental agreements which are rolling leases for which break options will not be exercised, and lease agreements for which the tenant is vacating but the space has already been relet
- €4.5 million to be managed, mostly related to core assets (0.6%) in Frankfurt or Berlin, while 0.1% relates to non-Core assets.

1.3.1.3.6.2 Occupancy rate of 85.1%

(In %)	2021	2022
Berlin	94.7%	87.4%
Frankfurt	87.4%	88.8%
Düsseldorf	58.5%	93.5%
Hamburg	85.9%	87.2%
Munich	55.3%	56.0%
Other	99.7%	100.0%
TOTAL	**78.8%**	**85.1%**

The occupancy rate increased by +6.3pts to 85.1% *vs* 2021, mainly linked with the launch of the redevelopment of Herzogterrassen now classified in development.

1.3.1.3.7 Portfolio values

1.3.1.3.7.1 Change in portfolio values

(In € million, Group Share, Excluding Duties)	Value 2021	Invest.	Change in value	Value 2022
Berlin	264	24	47	335
Frankfurt	470	3	-28	445
Düsseldorf	306	3	-24	285
Hamburg	286	3	-23	265
Munich	110	2	-11	100
Other	10	1	0	10
TOTAL	**1,445**	**35**	**-39**	**1,441**

The portfolio value in Group Share stands at **€1,441 million** at the end of 2022, stable *vs* year-end 2021 and mainly explained by:

- **€35 million of investments**: investment into development projects (€25 million mainly invested in Alexanderplatz project in Berlin) and investment of €10 million into existing assets
- **-€39 million of change in values LFL:** most of the impact came from our non-Core portfolio (-€29 million) on only five assets, identified as non-strategic for Covivio. To be noted, there has been a significant value creation on Berlin development projects (+€45 million as a whole) in Alexanderplatz, Beagle (following the full pre-letting to Deutsche Bahn signed in August 2022) and Loft.

1.3.1.3.7.2 Like-for-like portfolio evolution: -2.7%

(In € million, Excluding Duties)	Value 2021 100%	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL[1] change 12 months	Yield 2021	Yield 2022	% of total value
Berlin	396	264	509	335	+16.4%	3.8%	3.9%	23%
Frankfurt	510	470	483	445	-5.9%	4.1%	4.5%	31%
Düsseldorf	325	306	303	285	-7.7%	2.7%	4.7%	20%
Hamburg	303	286	281	265	-8.1%	3.1%	3.7%	18%
Munich	117	110	107	100	-10.1%	2.5%	3.1%	7%
Other	16	10	17	10	-0.6%	7.5%	7.1%	1%
TOTAL	**1,667**	**1,445**	**1,699**	**1,441**	**-2.7%**	**3.4%**	**4.1%**	**100%**

(1) LfL: Like-for-Like.

Covivio Germany Office portfolio has a critical size with €1.7 billion of assets (100%):

- the portfolio slightly decreased on a like-for-like basis (-2.7%), explained by an **increase in valuation for Berlin assets**, **by +16.4%** mainly due to the value creation of our development projects, more than offset by value declines between -5% to -10% on operating assets in other cities, in line with the market environment
- in Düsseldorf, the gross yield grew from 2.7% end-2021 to 4.7% in end-2022, mainly explained by the shift of Herzogterrassen from the operating portfolio to the development pipeline.

1.3.2 German Residential: 30% of Covivio's portfolio

Covivio operates in the German Residential segment through its 61.7% held subsidiary Covivio Immobilien. The figures presented are expressed as 100% and as Covivio Group Share.

Covivio owns around ~41,200 units in Berlin, Hamburg, Dresden, Leipzig and North Rhine-Westphalia, representing €8.1 billion (€5.2 billion Group Share) of assets.

Covivio is mostly exposed to A-cities in Germany, with a 100% exposure to metropolitan areas above 1 million inhabitants and 90% in cities above 500,000 inhabitants. Covivio targets the high-end of the housing market.

Exposure to Berlin, where housing shortage is the highest in Germany, increased over the last years, from 40% in 2015 to 57% end-2022. Covivio's portfolio in Berlin is of high quality, with 63% of buildings built before 1950 and 66% already divided into condominiums.

1.3.2.1 Supply/demand imbalance increased in 2022, supporting rents and prices

- **In Germany**, the demand for housing remains high and even strengthened in 2022, mainly due to:
  - the increasing number of Ukrainian migrants (1.1 million estimated)
  - the decline in number of buildings completions as German Government missed its target of 400,000 new flats in 2022 due to rising inflation and increasing construction costs.
- This shortage continues to support **rents and prices** in Germany and especially in **Berlin**:
  - **rents** on new buildings increased by +6.2% to €17.1/m² over a year while on existing buildings, the increase was +6.4% to €11.7/m²
  - average prices also **increased by +10.1%** year-on-year and reached €4,900/m² at end-2022, well above the current valuation of Covivio's residential portfolio (**€3,482/m²** in Berlin). The square meter price for new buildings also **increased** by +10.5% to €7,350/m².
- The **changing financing environment** and the **tense economic conditions** have resulted in the German residential investment market being significantly more subdued than in previous years.
- In this context of uncertainty, some players were cautious and postponed their investment decisions. Then, the total transaction volume (for multi-family buildings above 50 units) stood at **€12.2 billion** at end-2022 (22% of German real estate investment volume), well below its highest level reached last year (€51 billion, including Vonovia/Deutsche Wohnen merger for €27.6 billion).
- **The private market was also impacted, but to a lesser extent**, looking at private real estate loans recorded by the Bundesbank, down by -9% year-on-year to a still high level of €257 billion.

In 2022, Covivio's activities were marked by:

- continued and sustained rental growth: +3.1% on a like-for-life basis
- resilient values: +3.7% increase on a like-for-like basis.

1.3.2.2 Accounted rental income: +3.1% like-for-like

(In € million)	Rental income 2021 100%	Rental income 2021 Group Share	Rental income 2022 100%	Rental income 2022 Group Share	Change Group Share (in %)	Change Group Share (in %) LfL[1]	% of rental income
Berlin	127.2	83.4	140	91.9	+10.1%	+3.0%	52%
of which Residential	103.2	67.6	110.8	72.7	+7.5%	+1.8%	41%
of which Other commercial[2]	24.0	15.8	29.2	19.2	+21.5%	+7.6%	11%
Dresden & Leipzig	22.9	14.8	22.8	14.8	-0.2%	+3.2%	8%
Hamburg	17.1	11.2	17.4	11.4	+1.8%	+2.7%	6%
North Rhine-Westphalia	93.0	59.0	92.7	58.4	-1.0%	+3.4%	33%
Essen	34.0	21.2	34.2	21.3	+0.3%	+3.6%	12%
Duisburg	16.2	10.1	16.1	10.0	-1.0%	+2.8%	6%
Mulheim	10.6	6.7	10.6	6.7	-0.7%	+2.5%	4%
Oberhausen	10.2	6.8	9.7	6.3	-6.7%	+3.4%	4%
Other	21.9	14.1	22.1	14.2	+0.5%	+4.0%	8%
TOTAL	**260.2**	**168.4**	**272.9**	**176.6**	**+4.8%**	**+3.1%**	**100%**
of which Residential	228.0	147.3	235.0	151.7	+3.0%	+2.5%	86%
of which Other commercial[2]	32.2	21.1	37.8	24.8	+17.3%	+7.3%	14%

(1) LfL: Like-for-Like.
(2) Ground-floor retail, car parks, etc.

Rental income amounted to €177 million Group Share in 2022, up +4.8% (+€8.1 million) due to:

- in Berlin, the like-for-like rental growth is +3.0% (+€2.4 million) driven by the indexation (+2.1pts) and relettings including modernizations (+0.8pt)
- outside Berlin, like-for-like rental growth was strong in all areas (+3.3% on average, +€2.8 million) due to the reletting impact (including modernizations) and the indexation
- acquisitions mostly in Berlin in 2021 and 2022 (+€4.0 million)
- disposals (-€2.8 million), mainly involving a portfolio of mature assets in NRW in H2 2021 as well as some privatizations with high margins in Berlin
- others (+€1.8 million), mostly consisting in a change of scope from residential activity to office activity.

1.3.2.3 Annualized rents: €182.8 million Group Share

(In € million)	Surface (in m²)	Number of units	Annualized rents 2021 Group Share	Annualized rents 2022 100%	Annualized rents 2022 Group Share	Change Group Share (in %)	Average rent (in €/m²/month)	% of rental income
Berlin	1,324,003	18,023	90.8	145.3	95.5	5.2%	€9.1/m²	52%
of which Residential	1,139,186	16,832	72.5	114.0	74.8	3.3%	€8.3/m²	40%
of which Other commercial[1]	184,817	1,191	18.3	31.3	20.6	12.8%	€14.1/m²	11%
Dresden & Leipzig	266,643	4,355	15.2	23.2		-0.9%	€7.3/m²	8%
Hamburg	148,865	2,414	11.4	18.3	12.0	4.8%	€10.2/m²	7%
North Rhine-Westphalia	1,098,854	16,426	58.5	95.6	60.3	3.0%	€7.2/m²	33%
Essen	393,818	5,758	21.2	35.7	22.2	4.6%	€7.6/m²	12%
Duisburg	198,217	3,033	10.1	16.3	10.1	0.2%	€6.9/m²	6%
Mulheim	127,315	2,139	6.7	10.9	6.8	2.9%	€7.1/m²	4%
Oberhausen	124,733	1,830	6.3	10.0	6.6	3.6%	€6.7/m²	4%
Others	254,770	3,666	14.2	22.7	14.5	2.5%	€7.4/m²	8%
TOTAL	**2,838,365**	**41,218**	**175.9**	**282.4**	**182.8**	**3.9%**	**€8.3/M²**	**100%**
of which Residential	2,597,618	39,645	151.8	242.2	156.2	2.9%	€7.8/m²	85%
of which Other commercial[1]	240,748	1,573	24.1	40.3	26.4	9.4%	€13.9/m²	14%

(1) Ground-floor retail, car parks, etc.

The portfolio breakdown has been relatively stable over the past few periods, with Berlin generating slightly above 50% of the rental income (stable *vs* 2021), through residential units and some commercial units (mainly ground-floor retail).

Rental income (€8.3/m²/month on average) offers solid growth potential through reversion in all our markets including, Berlin (25-30%), Hamburg (20-25%), Dresden and Leipzig (10-15%) and in North Rhine-Westphalia (15-20%).

1.3.2.4 Indexation

Rental income from residential property in Germany changes depending on multiple mechanisms.

1.3.2.4.1 Rents for re-leased properties

In principle, rents may be increased freely, provided the property is not financed through governmental subsidies.

As an exception to the unrestricted rent setting principle, cities like Berlin, Hamburg, Cologne and Düsseldorf have introduced rent caps (*Mietpreisbremse*) for re-leased properties. End of May 2022, this rental cap was also decided for Dresden and Leipzig and enforced during summer 2022. In these cities, rents for re-leased properties cannot exceed the public rent reference (*Mietspiegel*) by more than 10%, except in the following conditions:

- if the property has been modernised in the past three years, the rent for the re-let property may exceed the +10% limit by a maximum of 8% of the costs to modernise it
- in the event the property is completely modernised (work amounting to more than one-third of new construction costs), the rent may be increased freely
- if the rent received from the previous tenant is higher than the +10% limit, then the previous rent will be the limit in the case of re-letting.

Properties built after 1 October 2014 are not included in the rent cap.

1.3.2.4.2 For current leases

For residential tenants, the rent can generally be adjusted based on the local comparative rent (*Mietspiegel*), which is usually determined based on the rent index. In addition to this adjustment method, an index-linked or graduated rent agreement can also be concluded. A successive combination of adjustment methods can also be contractually agreed (e.g. graduated rent for the first five years of the contract, followed by adjustment to the local comparative rent).

Adjustment to the local comparative rent: The current rent can be increased by 15% to 20% within three years, depending on the region, without exceeding the local comparative rent (*Mietspiegel*). This type of contract represents c. 90% of our rental income.

1.3.2.4.2 For current leases with work carried out

If works have been carried out, rents may be increased by up to 8% of the cost of work, in addition to the possible increase according to the rent index. This increase is subject to three conditions:

- the works aim to save energy, increase the utility value, or improve the living conditions in the long run
- the tenant must be notified of this rent increase within three months
- the rent may not be increased by more than €3/m² for work to modernise the property within a six-year period (€2/m² if the initial rent is below €7/m²).

1.3.2.5 Occupancy rate: a high level of 99.2%

(In %)	2021	2022
Berlin	98.7%	98.6%
Dresden & Leipzig	99.5%	99.6%
Hamburg	100%	99.9%
North Rhine-Westphalia	99.5%	99.7%
TOTAL	**99.1%**	**99.2%**

The occupancy rate, already high, increased slightly to 99.2%. It has remained above 98% since the end of 2015 (and above 99% for the past 2 years) and reflects the Group's very high portfolio quality and low rental risk.

1.3.2.6 Portfolio values: €8.1 billion (€5.2 billion Group Share)

1.3.2.6.1 Change in portfolio value: 3.1% growth

(In € million, Group Share, Excluding Duties)	Value 2021	Acqu.	Invest.	Disposals	Value creation on Acquis./ Disposals	Change in value	Change of scope	Value 2022
Berlin	2,912	28	23	-24	7	59	-21	2,985
Dresden & Leipzig	429	-	5	-11	-	7	-	430
Hamburg	389	6	6	-	-	0	0	401
North Rhine-Westphalia	1,350	-	29	-7	0	48	2	1,422
TOTAL	**5,079**	**34**	**64**	**-41**	**7**	**115**	**-19**	**5,238**

In 2022, the portfolio's value increased by +3.1% to €5.2 billion Group Share. The growth was mainly driven by the Like-for-like increase in value (+3.7%), despite a decline over the second semester (-1.9% like-for-like).

1.3.2.6.2 Change on a like-for-like basis: +3.7% growth

(In € million, Excluding Duties)	Value 2021 100%	Value 2021 Group Share	Surface 100% (in m²)	Value 2022 100%	Value 2022 (in €/m²)	Value 2022 Group Share	LfL[(1)] change	Yield 2021	Yield 2022	% of total value
Berlin	4,438	2,912	1,306,776	4,550	3,482	2,985	+3.1%	3.1%	3.1%	57%
of which Residential	3,750	2,460	1,122,535	3,842	3,422	2,519	+3.0%	2.9%	2.9%	48%
of which Other commercial[(2)]	688	452	184,241	709	3,847	466	+3.9%	4.1%	4.4%	9%
Dresden & Leipzig	661	429	266,643	663	2,486	430	+2.9%	3.5%	3.5%	8%
Hamburg	594	389	148,865	613	4,116	401	+1.7%	2.9%	3.0%	8%
North Rhine-Westphalia	2,143	1,350	1,098,854	2,258	2,055	1,422	+5.7%	4.3%	4.2%	27%
Essen	840	522	393,818	889	2,258	552	+5.9%	4.1%	4.0%	11%
Duisburg	354	220	198,217	362	1,827	225	+5.4%	4.6%	4.5%	4%
Mulheim	231	145	127,315	245	1,923	154	+4.5%	4.6%	4.5%	3%
Oberhausen	187	122	124,733	201	1,612	132	+7.6%	5.2%	5.0%	3%
Others	531	341	254,770	561	2,202	360	+5.7%	4.2%	4.1%	7%
TOTAL	**7,835**	**5,079**	**2,821,138**	**8,084**	**2,866**	**5,238**	**+3.7%**	**3.5%**	**3.5%**	**100%**
of which Residential	6,926	4,484	2,580,967	7,162	2,775	4,634	+3.7%	3.4%	3.4%	88%
of which Other commercial[(2)]	909	595	240,171	923	3,843	604	+3.9%	4.1%	4.4%	12%

(1) LfL: Like-for-Like.
(2) Ground-floor retail, car parks, etc.

Covivio's residential portfolio in Germany is valued at €2,866/m² on average, offering a significant growth potential, especially in Berlin where the current valuation of residential units stands at €3,422/m², significantly below the average prices (€4,900/m² at end-2022 according to RIWIS/Bulwiengesa).

In 2022, values increased by +3.7% on a like-for-like basis since end-2021 which represents yet another very dynamic period of growth in all our markets despite the decrease of H2 2022:

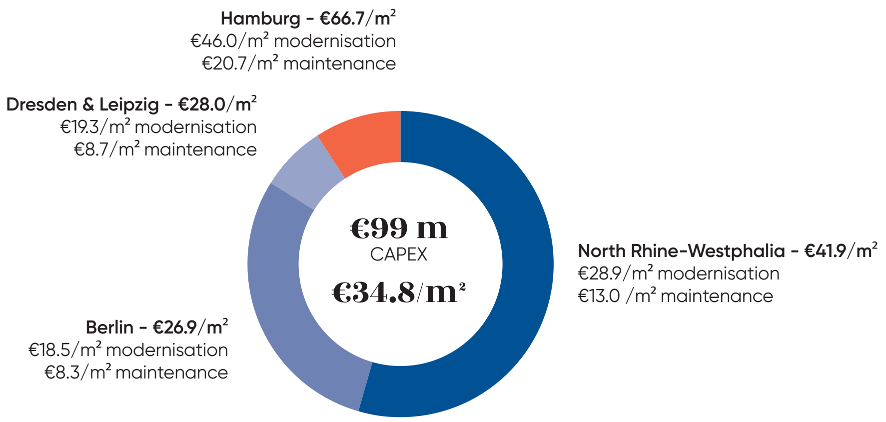
- +3.1% in Berlin due to the increase in values in highly sought-after locations (+5.2% in H1 2022)
- moderate increases in Hamburg (+1.7%) and Dresden and Leipzig (+2.9%)
- NRW keeps on overperforming with a strong increase (+5.7%).

1.3.2.7 Maintenance and modernization Capex

In 2022, Capex totalled €99 million (€34.8/m²; €64 million in Group Share) and OPEX came to €18 million (€6.4/m²); €12 million in Group Share).

Most of the Capex in 2022 were spent in Berlin and in NRW. The quality of the portfolio in NRW enables us to benefit both from rent and value increase in this area.

On average, modernization projects, which totalled €68 million in 2022 (€44 million in Group Share), have a yield above 5.0%.



1.3.3 Hotels in Europe: 15% of Covivio's portfolio

Covivio Hotels, a 43.9%-owned subsidiary of Covivio as of 31 December 2022, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease (fixed or variable) and Hotel Operating properties.

The figures presented are expressed at 100% and in Covivio Group Share (GS).

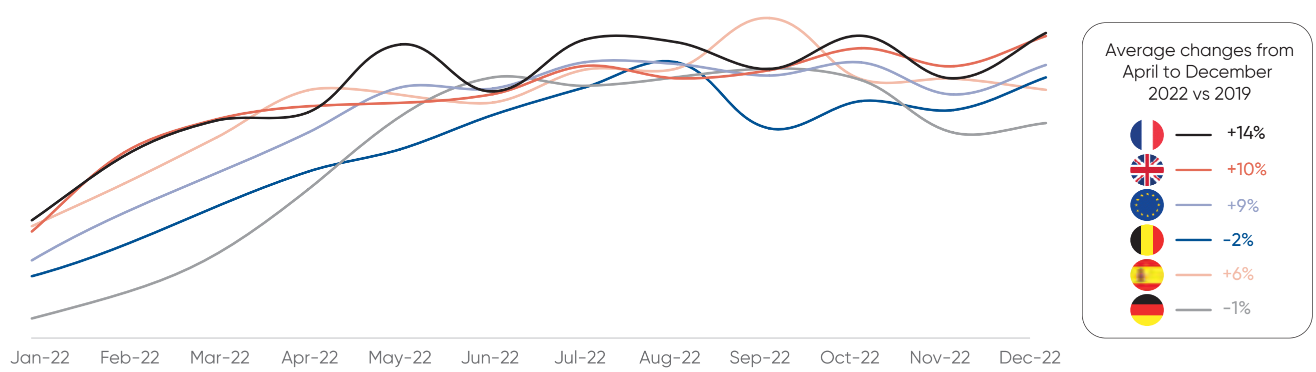
Covivio owns a high-quality hotel portfolio worth €6.6 billion (€2.6 billion in Group Share), focused on major European cities and let or operated by major hotel operators such as Accor, B&B, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) and asset management possibilities *via* different ownership methods (hotel lease and Hotel Operating properties).

1.3.3.1 Acceleration of recovery over 2022

After a tough beginning of the year mainly due to the Omicron wave, the lifting of restrictions as well as the lower impacts of Covid-19 waves enabled the hotel recovery to further accelerate in 2022:

- in Europe, the **hotel recovery** was sustained, and RevPAR progressively came out higher than their 2019 levels, from **-50%** (*vs* 2019) in January to **+13%** in December
- the hotels performance in the second half of the year confirmed the **strong rebound** in European countries, notably France, UK and Italy, which accounts for 56% of Hotel's revenues and testified to the good fundamentals of the hotel industry, particularly the leisure segment
- **France** (and **Paris** in particular), recorded a **strong recovery** throughout the year, with RevPAR up **+23%** in December 2022 *vs* 2019 (of which **+52% in Paris**) and occupancy rate **0.2pt above** its pre-crisis level **(+6.1pts in Paris).** These figures demonstrate that, in addition to leisure, business customers are also recovering
- **the United Kingdom** also came back significantly above 2019 levels (RevPAR up **+22%** in December and occupancy rate only **0.2pt below** its 2019 level).

Rebound in performances (RevPAR) in the second semester 2022 *vs* 2019



- other good news that appeared over the year was the setting up of Pricing Power. Average daily rates in 2022 beat 2019 levels by +12% on average in Europe, with nice performances among our main exposures: +14% in France and UK, and +8% in Germany.
- on the investment side, the transaction volumes recorded in Europe in 2022 reached €14.3 billion, down -16% *vs* 2021, mostly due to a low Q4 2022 (-22%). UK, Spain, and France continued to attract investors, while Germany suffered from a higher slowdown.

Assets partially owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 92 B&B assets in France, including 90 held at 50.2% and 2 held at 31.2%
- 11 B&B assets in Germany (93.0%)
- 8 B&B assets in Germany, 5 of them 84.6% held and the other 3, 90.0% held
- 2 Motel One assets in Germany (94.0%)
- 25 AccorInvest assets in France (23 assets) and Belgium (2 assets), 31.2% (19 assets) and 33.3% (6 assets) owned respectively.

1.3.3.2 Accounted revenues: +64.3% on a like-for-like basis

(In € million)	Revenues 2021 100%	Revenues 2021 Group Share	Revenues 2022 100%	Revenues 2022 Group Share	Change (in %) Group Share	Change Group Share (in %) LfL[1]
Hotel Lease properties - Variable	26.7	11.7	49.4	21.7	+85.5%	+115.5%
Hotel Lease properties - Fixed	136.7	54.1	148.7	59.6	+10.3%	+8.6%
Hotel properties - UK	12.0	5.2	36.5	16.0	+206.2%	+201.5%
Operating properties - EBITDA	21.9	9.4	62.0	26.4	+181.2%	+476.6%
Total revenues Hotels	**197.3**	**80.4**	**296.6**	**123.7**	**+53.9%**	**+64.3%**

(1) LfL: Like-for-Like.

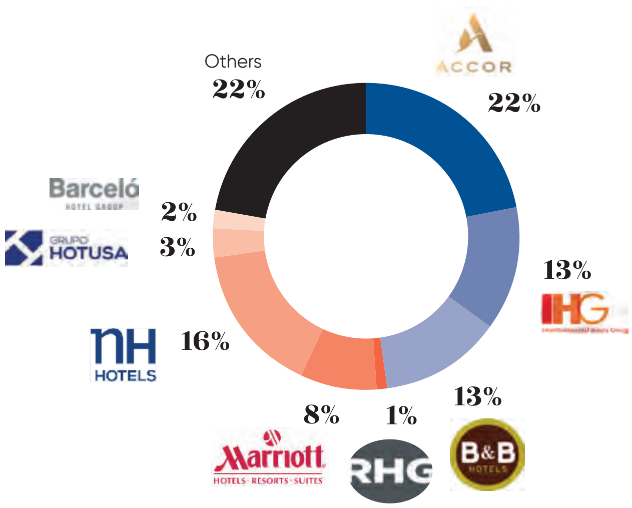
Hotel revenues increased by +53.9% (+€43.3 million Group Share) compared to 2021, due to:

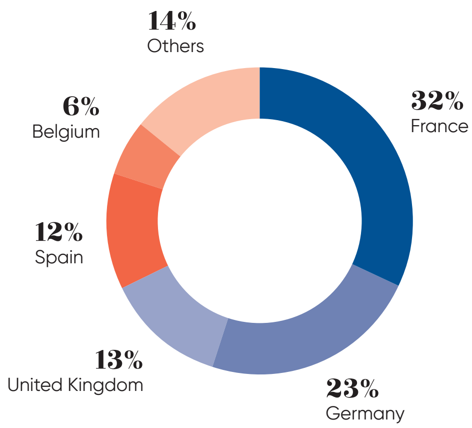
- **leased hotels:**
  - **AccorInvest variable leases portfolio** (20% of the hotel portfolio), which is indexed on hotel turnover, increased by +115.5% like-for-like compared to 2021, due to the suspension of restrictions in Europe and to hotels performances back to 2019 level. These midscale and economy hotels are located in France and Belgium
  - **UK fixed leases** (11% of the hotel portfolio): +€10.8 million due to the renegotiation of the leases
  - **ther fixed leases** (46% of the hotel portfolio):
    - +€ 1.3 million due to the arrival of a new tenant in Madrid
    - indexation (+€2 million)
    - signing of new fixed leases with B&B France +€ 0.9 million, much higher than 2019 variable rent
- **operating hotels** (23% of the hotel portfolio): mainly located in Germany and in the North of France. The increase from €9.4 million to €26.4 million (Germany +€13.5 million & France +€3.9 million) is due to the rebound of hotel activity since May.

Collection rate: 100% for hotels excluding rent free and deferred payment.

1.3.3.3 Annualized revenue

Breakdown by operators and by country (based on 2022 revenues) which amount to €130.9 million in Group Share.





Revenues are split using the following breakdown: fixed (43%), variable (22%), UK (11%), and EBITDA on management contracts (23%).

1.3.3.4 Indexation

Fixed-indexed leases are indexed to benchmark indices (ILC and ICC in France and the consumer price index for foreign assets).

1.3.3.5 Lease expiries: 12.7 years of hotels residual lease term

Group Share (in € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2023	0.0	0%	0.0	0%
2024	8.7	9%	2.3	2%
2025	2.1	2%	2.4	2%
2026	0.0	0%	0.0	0%
2027	0.9	1%	0.9	1%
2028	0.0	0%	0.0	0%
2029	10.4	10%	11.2	11%
2030	8.2	8%	8.2	8%
2031	3.9	4%	3.9	4%
2032	7.4	7%	8.5	8%
Beyond	58.9	59%	63.0	63%
TOTAL HOTELS IN LEASE	**100.4**	**100%**	**100.4**	**100%**

1.3.3.6 Portfolio values: +2.3% increase like-for-like

1.3.3.6.1 Change in portfolio values

(In € million, Excluding Duties, Group Share)	Value 2021	Acquis.	Invest.	Disposals	Change in value	Others	Value 2022
Hotels - Lease properties	2,057	3	23	-47	33	-51	2,019
Hotels - Operating properties	521	2	5	-	27	48	603
TOTAL HOTELS	**2,578**	**5**	**28**	**-47**	**60**	**-2**	**2,622**

At the end of 2022, the portfolio amounted to €2.6 billion Group Share, up €44 million compared to year-end 2021, essentially explained by the positive like-for-like change in value (+€60 million).

1.3.3.6.2 Change on a like-for-like basis: +2.3%

(In € million, Excluding Duties)	Value 2021 Group Share	Value 2022 100%	Value 2022 Group Share	LfL[(1)] change	Yield[(2)] 2021	Yield[(3)] 2022	% of total value
France	**730**	**2,209**	**726**	**+3.2%**	**4.9%**	**4.7%**	**28%**
Paris	304	853	314				12%
Greater Paris (excl. Paris)	133	500	137				5%
Major regional cities	193	525	169				6%
Other cities	100	332	107				4%
Germany	**280**	**666**	**288**	**+2.5%**	**4.7%**	**4.8%**	**11%**
Frankfurt	31	76	32				1%
Munich	21	51	22				1%
Berlin	34	73	32				1%
Other cities	193	467	202				8%
Belgium	**112**	**262**	**103**	**-0.1%**	**6.3%**	**6.0%**	**4%**
Brussels	35	101	36				1%
Other cities	77	160	67				3%
Spain	**276**	**646**	**284**	**+2.7%**	**5.2%**	**5.3%**	**11%**
Madrid	124	289	127				5%
Barcelona	93	216	95				4%
Other cities	59	142	62				2%
UK	**344**	**665**	**292**	**-2.9%**	**4.8%**	**4.5%**	**11%**
Italy	**116**	**277**	**121**	**+1.8%**	**5.1%**	**5.0%**	**5%**
Other countries	**199**	**467**	**205**	**+1.5%**	**5.2%**	**5.1%**	**8%**
Total Hotel Lease properties	**2,057**	**5,193**	**2,019**	**+1.7%**	**5.0%**	**4.9%**	**77%**
France	**114**	**300**	**132**	**+13.2%**	**5.4%**	**5.8%**	**5%**
Lille	47	109	48				2%
Other cities	68	191	84				3%
Germany	**352**	**875**	**364**	**+2.3%**	**6.7%**	**4.8%**	**14%**
Berlin	248	621	258				10%
Dresden & Leipzig	82	199	83				3%
Other cities	22	55	23				1%
Other countries	**55**	**245**	**107**	**+3.4%**	**7.1%**	**5.8%**	**4%**
Total Hotel Operating properties	**521**	**1,420**	**603**	**+4.7%**	**6.3%**	**5.2%**	**23%**
TOTAL HOTELS	**2,578**	**6,613**	**2,622**	**+2.3%**	**5.3%**	**5.0%**	**100%**

(1) LfL: Like-for-Like on a 12 months basis.
(2) 2021 Yield is calculated on the basis of 2021 fixed revenues; Variable revenues and EBITDA of operating properties are calculated on the basis of 2019.
(3) 2022 Yield is calculated on the basis of 2022 revenues and EBITDA yield for Hotel Operating properties.

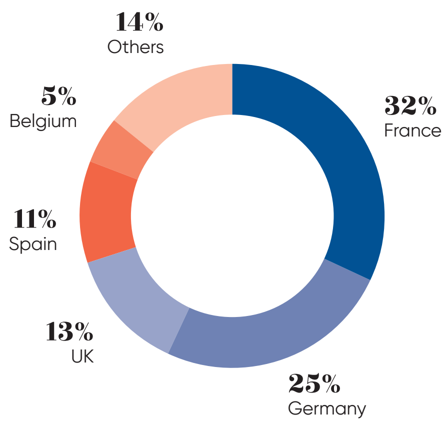
At the end of December 2022, Covivio held a unique hotel portfolio of €2.6 billion (€6.6 billion at 100%) in Europe. This strategic portfolio is characterised by:

- **high-quality locations**: average Booking.com location grade of 8.8/10
- **diversified portfolio:** in terms of countries (12 countries, none representing more than 32% of the total portfolio), and segment (68% economic/midscale and 32% upscale)
- **major hotel operators** with long-term leases: 16 hotel operators with an average lease duration of 12.7 years.

The portfolio value increased by +2.3% Like-for-Like, a mix of:

1. **UK portfolio (-2.9%):** strong recovery in activity in the beginning of the H1 then a 7.5% decline in value in H2 due to an increase in capitalization rates (+50 bps) on these 9 assets representing 11% of total hotel portfolio
2. **other leased assets (+2.5%):** in line with the resumption on AccorInvest variables rents and the indexation on fixed leased rents. Also thanks to the streamlining of AccorInvest portfolio with joint sales of propcos and opcos and rebranding of 30 assets into Fixed leased B&B hotels
3. **operating portfolio (+4.7%):** Good performance for the French portfolio with a value increase of +13.2% thanks to one asset in the south of the France which was renovated and the rebound of the leisure clientele. Later start of the recovery of German assets at the end 2022 (+2.3%).

Portfolio breakdown by value and geography



89% in major European destinations

1.4 Financial information and comments

Covivio's activity involves the acquisition or development, ownership, administration, and leasing of properties, particularly Offices in France, Italy and Germany, Residential in Germany, and Hotels in Europe.

Registered in France, Covivio is a public limited company with a Board of Directors.

The German Residential information in the following sections include some Office assets owned by the subsidiary Covivio Immobilien.

1.4.1 Consolidated Accounts

1.4.1.1 Scope of consolidation

On 31 December 2022, Covivio's scope of consolidation includes companies located in France and several European countries. The main equity interests fully consolidated but not wholly owned companies are as follows:

Subsidiaries	31/12/2021	31/12/2022
Covivio Hotels	43.8%	43.9%
Covivio Immobilien	61.7%	61.7%
Covivio Office 6 GmbH (German office)	89.9%	89.9%
Sicaf (Telecom Italia portfolio)	51.0%	51.0%
OPCI CB 21 (CB 21 Tower)	75.0%	75.0%
Covivio Alexanderplatz	55.0%	55.0%
SCI Latécoëre (DS Campus)	50.1%	50.1%
SCI Latécoëre 2 (DS Campus extension)	50.1%	50.1%
SCI 15 rue des Cuirassiers (Silex 1)	50.1%	50.1%
SCI 9 rue des Cuirassiers (Silex 2)	50.1%	50.1%
Sas 6 Rue Fructidor (So Pop)	50.1%	50.1%
SCCV Fontenay sous bois (France Residential)	50.0%	50.0%
SCCV Bobigny (France Residential)	60.0%	60.0%
SNC N2 Batignolles promo (Paris N2)	50.0%	50.0%
SCI N2 Batignolles (Paris N2)	50.0%	50.0%
Fondo Porta Romana (Milan)	N/A	40.3%

1.4.1.2 Accounting principles

The consolidated financial statements have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union on the date of preparation. These standards include the IFRS (International Financial reporting Standards), as well as their interpretations. The financial statements were approved by the Board of Directors on 21 February 2023.

1

1.4.1.3 Simplified income statement - Group Share

Group Share (In € million)	2021	2022	var.	%
Net rental income	530.7	550.3	+19.6	+4%
EBITDA from Hotel Operating activity & flex-office	17.6	38.9	+21.3	+121%
Income from other activities (incl. Property development)	42.8	22.9	-19.9	-46%
NET REVENUE	**591.1**	**612.1**	**+21.0**	**+4%**
Net operating costs	-77.6	-83.3	-5.7	+7%
Amortisations of operating assets	-49.5	-35.9	+13.6	-27%
Net change in provisions and other	7.7	6.6	-1.1	-14%
CURRENT OPERATING INCOME	**471.7**	**499.5**	**+27.8**	**+6%**
Net income from inventory properties	-2.1	-2.3	-0.2	+8%
Income from value adjustments	553.9	-119.5	-673.4	-122%
Income from asset disposals	-1.3	-6.8	-5.4	+414%
Income from disposal of securities	-1.2	24.9	+26.1	-2147%
Income from changes in scope & other	-10.6	-0.4	+10.2	-96%
OPERATING INCOME	**1,010.4**	**395.4**	**-615.0**	**-61%**
Cost of net financial debt	-94.7	-87.2	+7.4	-8%
Interest charges linked to financial lease liability	-6.9	-7.2	-0.3	+4%
Value adjustment on derivatives	86.4	371.9	+285.5	+330%
Discounting of liabilities-receivables, and Result of change	-0.3	-0.3	+0.1	-17%
Early amortisation of borrowings' cost	-2.1	-0.9	+1.3	-59%
Share in earnings of affiliates	21.4	40.1	+18.7	+88%
INCOME BEFORE TAX	**1,014.1**	**711.8**	**-302.3**	**-30%**
Deferred tax	-67.0	-75.2	-8.2	+12%
Corporate income tax	-23.5	-15.8	+7.7	-33%
NET INCOME FOR THE PERIOD	**923.6**	**620.7**	**-302.9**	**-33%**

1.4.1.3.1 €612.1 million net revenue (+3.5%)

Net revenue in Group Share increased especially thanks to both dynamic rental activity in all business lines and strong operating activity in hotels.

Group Share (In € million)	2021	2022	Var.	%
France Offices	174.8	156.7	-18.1	-10.3%
Italy Offices (incl. retail)	101.0	91.2	-9.9	-9.8%
German Offices	29.5	31.9	+2.4	+8.2%
German Residential	158.8	167.5	+8.6	+5.4%
Hotels in Europe (incl. retail)	66.6	102.5	+36.0	+54.1%
Other (incl. France Residential)	0.1	0.6	+0.5	+569.8%
TOTAL NET RENTAL INCOME	**530.7**	**550.3**	**+19.6**	**+3.7%**
EBITDA from Hotel Operating activity & flex-office	17.6	38.9	+21.3	+120.8%
Income from other activities	42.8	22.9	-19.9	-46.5%
NET REVENUE	**591.1**	**612.1**	**+20.9**	**+3.5%**

France & Italy Offices: decrease mainly due to the sale of assets, partially offset by deliveries of development projects and like-for-like rental growth (indexation and letting activity).

Germany Offices: increase of the rents benefitting from high indexation and a slight reduction of the vacancy

German Residential: increase driven by continued rental growth and net effect of acquisitions and disposals

Hotels in Europe: recovery has been very strong and steady since March

- **EBITDA from the Hotel Operating activity and flex-office:** increase in revenues following the recovery of the activity especially in France. The flex-office activity increased slightly thanks to the ramp-up of this activity and the opening of new spaces in Milan.
- **Income from other activities:** the change in net income from other activities comes from the slowdown in the property development projects and the disposal of the car park activity during H1 2022.
- **Net operating costs:** increase in structure costs (+€5.8 million), due to inflation and following a year 2021 impacted by one-off and low travel expenses & events (due to Covid).

Amortisation of operating assets:

- note that this item includes the amortisation linked to the right of use according to IFRS 16. This amortisation of right of use is mainly related to owner-occupied buildings and headquarters. The decrease is mainly due to the write-off in our own-occupied building (Gobelins operated under our Wellio flexible workspace brand) and the impact on the car park sale.

- **Net income from inventory properties:**
- This item refers to a marginal real estate trading activity, mainly in Italy.
- **Change in the fair value of assets:**
- The income statement recognises changes in the fair value (-€119.5 million) of assets based on appraisals carried out on the portfolio. This line item does not include the change in fair value of assets recognised at amortised cost under IFRS but is taken into account in the EPRA NAV calculation (Hotel Operating properties, flex-office assets and other own occupied buildings). For more details on changes in the portfolio by activity, see section 1 of this document.
- **Income from asset disposals & disposal of securities:**

Income from asset disposals contributed €18.1 million during the year.

Cost of net financial debt:

The cost of net financial debt decreased due to one-off in 2022. Cost of debt is stable *vs* 2021.

Interest charges linked to finance lease liability:

the Group rents some land under long term leasehold. According to IFRS 16, such rental costs are stated as interest charges. The interest charges refer to the hotel activity for an amount equal to -€7.2 million.

Value adjustment on derivatives:

The fair value of financial instruments (hedging instruments) is positively impacted by an average +287 bps increase in the 10Y swap. The P&L impact is a revenue of +€371.9 million.

1.4.1.3.2 Share of income of equity affiliates

Group Share	% interest	Contribution to earnings (in €M)	Value	Change in equity value (%)
OPCI Covivio Hotels	8.6%	5.9	43.8	12.8%
Lénovilla (New Vélizy)	50.1%	21.1	82.1	26.3%
Euromed	50.0%	2.5	33.9	7.9%
Cœur d'Orly	50.0%	7.9	38.4	26.2%
Phoenix (Hotels)	14.6%	2.7	49.1	4.7%
Fondo Porta di Romana	40.3%	0.1	35.0	-
Other equity interests				
Total		40.1	282.3	32.8%

The equity affiliates include Hotels in Europe and the France Offices sectors:

- OPCI Covivio Hotels: two hotel portfolios, Campanile (32 hotels) and AccorHotels (39 hotels) 80%-owned by Crédit Agricole Assurances
- Lenovilla: the New Vélizy campus (47,000 m^2), let to Thalès and co-owned with Crédit Agricole Assurances
- Euromed in Marseille: one office building (Calypso) and a hotel (Golden Tulip) in partnership with Crédit Agricole Assurances
- Coeur d'Orly in Greater Paris: two buildings in the Orly airport business district in partnership with ADP
- Phoenix hotel portfolio: 32% stake held by Covivio Hotels (43.9% subsidiary of Covivio) in a portfolio of 30 Accor Invest hotels in France & Belgium
- Fondo Porta di Romana in Milan is a joint venture between Covivio (40.28%), CECIF (55.69%) and Prada (4.03%) to participate to the acquisition of a plot of land.

1.4.1.3.3 Taxes

The corporate income tax relates to the tax on:

- Foreign companies that are not or are only partially subject to a tax transparency regime (Italy, Germany, Belgium, the Netherlands, United Kingdom and Portugal);
- French subsidiaries with a taxable activity.

The corporate income tax amounted to -€15.8 million, including taxes on sales (-€2.1 million).

1.4.1.3.4 Adjusted EPRA Earnings increased by +4.8% to €430.2 million (+€19.7 million vs 2021)

	Net income Group Share	Restatements	Adjusted EPRA E.2022	Adjusted EPRA E.2021
NET RENTAL INCOME	**550.3**	**-**	**550.3**	**530.7**
EBITDA from the Hotel Operating activity & flex-office	38.9	-	38.9	17.6
Income from other activities (incl. Property development)	22.9	-	22.9	42.8
NET REVENUE	**612.1**	**-**	**612.1**	**591.1**
Net operating costs	-83.3	-	-83.3	-77.6
Amortisations of operating assets	-35.9	21.4	-14.5	-20.4
Net change in provisions and other	6.6	-3.3	3.3	4.8
OPERATING INCOME	**499.5**	**18.1**	**517.5**	**498.0**
Net income from inventory properties	-2.3	2.3	0.0	0.0
Income from asset disposals	-119.5	119.5	0.0	0.0
Income from value adjustments	-6.8	6.8	0.0	0.0
Income from disposal of securities	24.9	-24.9	0.0	0.0
Income from changes in scope & other	-0.4	0.4	0.0	0.0
OPERATING RESULT	**395.4**	**122.2**	**517.5**	**498.0**
Cost of net financial debt	-87.2	1.0	-86.3	-90.3
Interest charges linked to finance lease liability	-7.2	4.6	-2.6	-2.7
Value adjustment on derivatives	371.9	-371.9	0.0	0.0
Discounting of liabilities-receivables and Foreign Exch. Result	-0.3	0.0	-0.3	-0.3
Other financial expenses	-0.9	0.6	-0.3	-0.1
Share in earnings of affiliates	40.1	-24.3	15.8	13.5
PRE-TAX NET INCOME	**711.8**	**-267.8**	**443.9**	**418.0**
Deferred tax	-75.2	75.2	0.0	0.0
Corporate income tax	-15.8	2.1	-13.7	-7.5
NET INCOME FOR THE PERIOD	**620.7**	**-190.5**	**430.2**	**410.5**
Average number of shares			*93,955,927*	*94,334,096*
NET INCOME PER SHARE			**4.58**	**4.35**

- The restatement of the amortisation of operating assets (+€21.4 million) offsets the real estate amortisation of the flex-office and hotel operating activities.
- The restatement of the net change in provisions (-€3.3 million) consists of the ground lease expenses linked to the UK leasehold.
- Concerning the interest charges linked to finance lease liabilities relating to the UK leasehold, as per IAS 40 §25, €4.6 million was cancelled and replaced by the lease expenses paid (see the amount of -€3.3 million under the line item "Net change in provisions and other").
- The restatement of the share in earnings of affiliates allows for the EPRA Earnings contribution to be displayed.
- The restatement of the corporate income tax (+€2.1 million) is linked to the tax on disposals.

1.4.1.3.5 Adjusted EPRA Earnings by activity

Group Share (In € million)	France Offices	Italy Offices*	Germany Offices	Germany Residential	Hotels in lease*	Hotel Operating properties	Corporate or non-attributable sector	2022
Net rental income	156.7	91.2	31.9	167.5	102.3	0.3	0.6	550.3
EBITDA from Hotel Operating activity & flex-office	8.6	4.0	0.0	0.0	0.0	26.3	0.0	38.9
Income from other activities (incl. Property development)	11.8	0.4	0.1	9.6	0.0	0.0	1.0	22.9
NET REVENUE	**177.1**	**95.6**	**32.0**	**177.0**	**102.3**	**26.6**	**1.6**	**612.1**
Net operating costs	-36.1	-6.6	-3.3	-30.3	-2.5	-1.4	-3.0	-83.3
Amortisation of operating assets	-6.6	-1.4	-0.9	-2.3	-0.4	-1.9	-1.0	-14.5
Net change in provisions and other	8.8	-3.7	-0.9	0.4	-1.2	-2.0	1.9	3.3
Operating result	**143.3**	**83.8**	**26.9**	**144.8**	**98.1**	**21.2**	**-0.6**	**517.5**
Cost of net financial debt	-13.0	-22.1	-7.8	-21.8	-17.5	-4.6	0.5	-86.3
Other financial charges	0.0	-0.3	-0.4	0.0	-1.7	-0.6	-0.1	-3.1
Finance lease interest	-	-	-0.4	-	-1.4	-0.6	-0.1	-2.5
Discounted receivable/payable	-	-	-	-	-0.3	-	-	-0.3
Irregular financial amortisation	-	-0.3	-	-	-	-	-	-0.3
Share in earnings of affiliates	10.5	0.1	-	-	5.3	-	-	15.8
Corporate income tax	-0.2	-0.7	-0.5	-7.8	-2.8	-1.3	-0.3	-13.7
ADJUSTED EPRA EARNINGS	**140.5**	**60.8**	**18.2**	**115.2**	**81.4**	**14.7**	**-0.5**	**430.2**
Development margin	-3.7	-0.4	-	-11.3	-	-	-	-15.3
EPRA Earnings	**136.8**	**60.4**	**18.2**	**104.0**	**81.4**	**14.7**	**-0.5**	**414.9**

* Including non-strategic retail in the subsidiary scope.

1.4.1.3.6 EPRA Earnings of affiliates

Group Share (In € million)	France Offices	Hotels (in lease)	2022
Net rental income	11.9	7.2	19.1
Net operating costs	-0.4	-0.6	-1.0
Amortisation of operating properties	0.2	0.0	0.2
Operating result	**11.8**	**6.6**	**18.4**
Cost of net financial debt	-1.3	-1.3	-2.6
Corporate income tax	0.0	0.0	0.0
SHARE IN EPRA EARNINGS OF AFFILIATES	**10.5**	**5.3**	**15.8**

1.4.1.4 Simplified consolidated income statement (at 100%)

(In € million, 100%)	2021	2022	Var.	%
Net rental income	779.3	842.3	+63.0	+8.1%
EBITDA from Hotel Operating activity & flex-office	30.1	74.9	+44.8	+148.9%
Income from other activities (incl. Property development)	28.8	20.3	-8.5	-29.5%
NET REVENUE	**838.2**	**937.6**	**+99.4**	**+11.9%**
Net operating costs	-114.2	-121.2	-7.0	+6.2%
Amortisation of operating assets	-75.2	-58.9	+16.3	-21.6%
Net change in provisions and other	17.0	12.6	-4.4	-26.1%
CURRENT OPERATING INCOME	**665.8**	**770.0**	**+104.2**	**+15.6%**
Net income from inventory properties	-2.0	-2.4	-0.4	+18.1%
Income from asset disposals	4.6	-0.5	-5.1	+110.7%
Income from value adjustments	835.3	18.2	-817.1	-97.8%
Income from disposal of securities	-0.8	24.9	+25.7	-3209.5%
Income from changes in scope	-23.3	-0.4	+22.9	-98.1%
OPERATING INCOME	**1,479.6**	**809.8**	**-669.8**	**-45.3%**
Cost of net financial debt	-167.0	-139.7	+27.3	-16.3%
Interest charge related to finance lease liability	-14.8	-15.8	-1.0	+6.8%
Value adjustment on derivatives	142.6	582.6	+440.0	+308.6%
Discounting of liabilities and receivables	-0.7	-0.6	+0.1	-15.9%
Early amortisation of borrowings' costs	-4.1	-1.5	+2.6	-64.6%
Share in earnings of affiliates	27.4	51.0	+23.6	+86.2%
INCOME BEFORE TAX	**1,463.0**	**1,285.8**	**-177.2**	**-12.1%**
Deferred tax	-137.7	-109.8	+27.9	-20.2%
Corporate income tax	-31.5	-28.1	+3.3	-10.7%
NET INCOME FOR THE PERIOD	**1,293.9**	**1,147.9**	**-146.1**	**-11.3%**
Non-controlling interests	-370.3	-527.2	-156.8	+42.4%
NET INCOME FOR THE PERIOD - GROUP SHARE	**923.6**	**620.7**	**-302.9**	**-32.8%**

The -€302.9 million (-32.8%) decrease in net income for the period is related to the stable value of the properties on a like for like basis, compared with a +€835.3 million in 2021, partly offset by strong operating performances (+€104.2 million) and the positive impact of derivatives' value of +€582.6 million *vs* +€142.6 million last year (gain €440.0 million).

Net revenue increased by €99.3 million, mainly due to the recovery of activity in the hotel sector and rental growth in German Residential.

(In € million, 100%)	2021	2022	Var.	%
France Offices	202.3	182.3	-20.0	-9.9%
Italy Offices (incl. Retail)	134.5	119.9	-14.6	-10.9%
German Residential	245.6	259.1	+13.5	+5.5%
German Offices	31.6	34.2	+2.6	+8.4%
Hotels in Europe (incl. Retail)	164.7	246.2	+81.4	+49.4%
Other (mainly France Residential)	0.6	0.6	+0.1	+10.9%
TOTAL NET RENTAL INCOME	**779.3**	**842.3**	**+63.0**	**+8.1%**
EBITDA from the Hotel Operating activity & flex-office	30.1	74.9	+44.8	+149%
Income from other activities	28.8	20.3	-8.5	-29.6%
NET REVENUE	**838.3**	**937.6**	**+99.3**	**+11.8%**

1.4.1.5 Simplified consolidated balance sheet (Group Share)

(In € million) Group Share Assets	2021	2022	Liabilities	2021	2022
Investment properties	14,640	14,343			
Investment properties under development	1,341	1,371			
Other fixed assets	852	985			
Equity affiliates	230	282			
Financial assets	304	233			
Deferred tax assets	94	78			
Financial instruments	45	562	Shareholders' equity	9,194	9,443
Assets held for sale	505	228	Borrowings	8,728	7,924
Cash	929	343	Financial instruments	142	244
Inventory (Trading & Construction activities)	153	190	Deferred tax liabilities	769	835
Other	668	500	Other liabilities	927	670
TOTAL	**19,760**	**19,116**	**TOTAL**	**19,760**	**19,116**

1.4.1.5.1 Investment properties, Properties under development and Other fixed assets

The portfolio (including assets held for sale) at the end of December by operating segment is as follows:

Group Share (In € million)	2021	2022	Var.
France Offices	5,496	5,164	-332
Italy Offices (incl. Retail)	2,653	2,445	-208
German Offices	1,349	1,335	-15
German Residential	5,202	5,374	+172
Hotels in Europe (incl. Retail)	2,600	2,606	+6
Car parks (and other)	37	4	-33
TOTAL FIXED ASSETS	**17,337**	**16,927**	**-410**

The decrease in **France Offices** (-€332 million) was mainly due to the disposals (-€327 million), the change in fair value (-€180 million) partly offset by +€165 million of Acquisition and Capex.

In Italy Offices, the change (-€208 million) was mainly due to disposals for the year (-€224 million) and the decrease in fair value (-€58 million), partly offset by the Capex & acquisition of the year (+€66 million).

The increase in **German Residential** (+€172 million) was mainly due to the growth in fair value (+€131 million), Capex and acquisitions (+€83 million), partly offset by disposals for the year (-€41 million).

German Offices (-€15 million) was mainly due to the decrease in fair value (-€48 million) partly offset by the Capex (+€33 million).

The increase in the **Hotels in Europe portfolio** (+€6 million) was mainly driven by the increase in fair value (+€36 million), Acquisition and Capex (+€43 million), right of use (+€6 million), offset by disposal (-€45 million) and foreign currency exchange losses (-€23 million).

1.4.1.5.2 Assets held for sale (included in the total fixed assets above), €227.9 million at the end of December 2022

Assets held for sale consists of assets for which a preliminary sales agreement has been signed. The breakdown by segment is as follow:

- 77.3% of offices in France
- 11.1% of offices in Italy
- 8.3% of hotels in Europe
- 3.4% of parking.

1.4.1.5.3 Total Group Shareholders' equity

Shareholders' equity increased from €9,194 million at the end of 2021 to €9,443 million at 31 December 2022, i.e. +€249 million, mainly due to:

- income for the period: +€620.7 million.
- the dividend distribution: -€353.3 million.
- purchase of own shares: -€38.6 million.
- change in Other Comprehensive Income +€8.8 million.

1.4.1.5.4 Deferred taxes

Deferred tax liabilities represented €835 million in liabilities *versus* €769 million as at 31 December 2021. This €91.2 million increase is mainly due to the growth of appraisal values in Germany (+€50.0 million).

1.4.1.6 Simplified consolidated balance sheet (at 100%)

(In € million, 100%) Assets	2021	2022	Liabilities	2021	2022
Investment properties	21,450	21,391			
Investment properties under development	1,707	1,574			
Other fixed assets	1,525	1,718			
Equity affiliates	340	401			
Financial assets	138	114	Shareholders' equity	9,194	9,443
Deferred tax assets	106	86	Non-controlling interests	4,430	4,648
Financial instruments	64	813	Shareholders' equity	13,623	14,092
Assets held for sale	902	259	Borrowings	11,834	10,968
Cash	1,063	462	Financial instruments	201	300
Inventory (Trading & Construction activity)	212	264	Deferred tax liabilities	1,222	1,320
Other	730	579	Other liabilities	1,357	981
TOTAL	**28,237**	**27,661**	**TOTAL**	**28,237**	**27,661**

1.4.1.7 Payment terms for suppliers and customers (in €)

Covivio FRANCE

	Article D. 441 I.-1°: Invoices received and not paid at the end of the financial year in which the term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day (1)
(A) Late payment tranches						
Number of invoices concerned	145					145
Total amount of invoices concerned including tax	946,782.34	264,756.00	315,278.95	18,672.00	8,944.67	607,651.63
Percentage of the total amount of purchases including tax during the financial year	2.28%	0.64%	0.76%	0.04%	0.02%	1.46%
Percentage of revenues including tax during the financial year						
(B) Invoices excluded from (A) relating to debts and disputed receivables or not recognised in the books						
Number of invoices excluded						N/A
Total number of invoices excluded						N/A
(C) Reference payment terms used (contractual or legal – Article L. 441-6 or L. 43-1 of the French Commercial Code)						
Payment terms used to calculate late payments						Contractual terms: Legal terms: 60 days

Covivio Italy

	Article D. 441 I.-1°: Invoices received and not paid at the end of the financial year in which the term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day (1)
(A) Late payment tranches						
Number of invoices concerned	292					188
Total amount of invoices concerned including tax	11,463,774.49	1,491,770.60	230,442.00	18,013.11	157,403.52	1,897,629.23
Percentage of the total amount of purchases including tax during the financial year	19.26%	2.51%	0.39%	0.03%	0.26%	3.19%
Percentage of revenues including tax during the financial year						
(B) Invoices excluded from (A) relating to debts and disputed receivables or not recognised in the books						
Number of invoices excluded						N/A
Total number of invoices excluded						N/A
(C) Reference payment terms used (contractual or legal – Article L. 441-6 or L. 43-1 of the French Commercial Code)						
Payment terms used to calculate late payments						Contractual terms: Legal terms: 60 days

	Article D. 441 I.-2°: Invoices issued and not paid on at the end of the financial year in which the term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day (2)
	1					167
	2,663.43	1,111,581.72	2,426.11	8,538.04	4,029,175.26	5,151,721.13
	0.00%	1.34%	0.00%	0.01%	4.86%	6.21%
						N/A
						0.00
						Contractual terms: Legal terms: Comments: no invoicing of late payment interest

	Article D. 441 I.-2°: Invoices issued and not paid on at the end of the financial year in which the term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day (2)
						724
	2,775,229.41	1,174,604.81	696,472.21	–	16,786,837.80	18,795,841.00
	3.58%	1.51%	0.90%	0.00%	21.65%	24.06%
						N/A
						0.00
						Contractual terms: Legal terms: Comments: no invoicing of late payment interest

1.5 Financial resources

1.5.1 Summary of the financial activity

Covivio is rated BBB+ with a stable outlook by S&P, confirmed on April 27th, 2022.

At December 2022, Covivio's Loan-to-Value (LTV) ratio was 39.5% (LTV policy < 40%), thanks to active portfolio rotation and resilient appraisal values. Average cost of debt slightly increases to 1.24% (+4 bps *vs* end-2021), thanks to a highly hedged debt, and maturity of debt is at 4.8 years.

The liquidity position is also strong, with €1.5 billion available at end-December 2022 on Covivio SA, including €1.3 billion of undrawn credit lines and €0.2 billion of cash.

1.5.2 Main debt characteristics

Group Share	31/12/2021	31/12/2022
Net debt, Group Share (€ million)	7,799	7,581
Average annual rate of debt	1.20%	1.24%
Average maturity of debt (in years)	5.4	4.8
Debt active hedging spot rate	78%	86%
Average maturity of hedging	6.8	6.3
LTV including duties	39.1%	39.5%
ICR	6.7	6.9

1.5.3 Debt by type

Covivio's net debt stands at €7.6 billion in Group Share at end-December 2022 (€10.5 billion on a consolidated basis), -0.2 billion compared to end-2021.

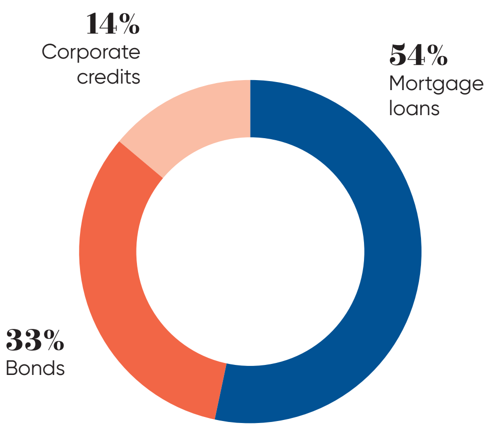
Additionally, Covivio had €0.7 billion in commercial paper outstanding at 31 December 2022.

Covivio has built its financing policy on diversification (both geographically and by asset class) and granularity. At the end of 2022, 49% of its debt was comprised of mortgages, 42% of bonds, 9% of commercial paper (€743 million, more than covered by undrawn credit lines of €1.5 billion).

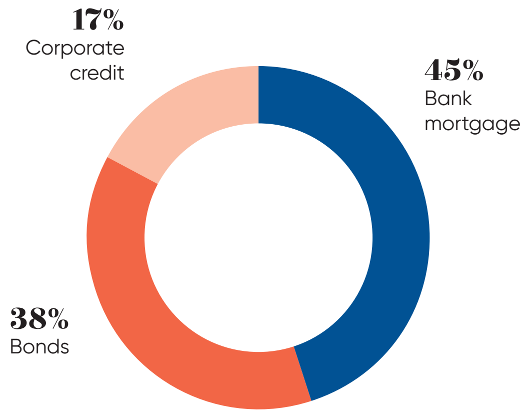
In 2024 and 2025, approximately 33% of maturities (€887 million) relate to undrawn credit lines, mainly in France and Germany, which are in the process of being renewed and greened. Only 17% (€454 million) related to two bonds maturing at the end of 2024 and in 2025. The remaining 50% (€1.3 billion) is comprised of bank mortgages that are well-diversified in terms of asset class and geography: 40% in Germany Offices, 36% in Germany Residential, 15% in hotels, 5% in Italy Offices and 4% in France Offices. No single item of debt maturing before 2025 exceeds €350 million.

Consolidated commitments

By type

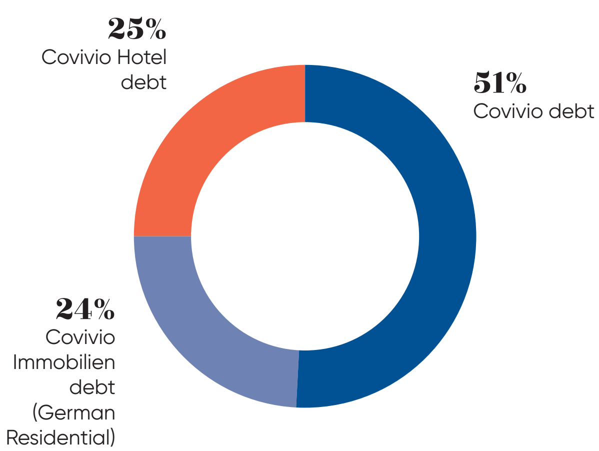


Group Share commitments

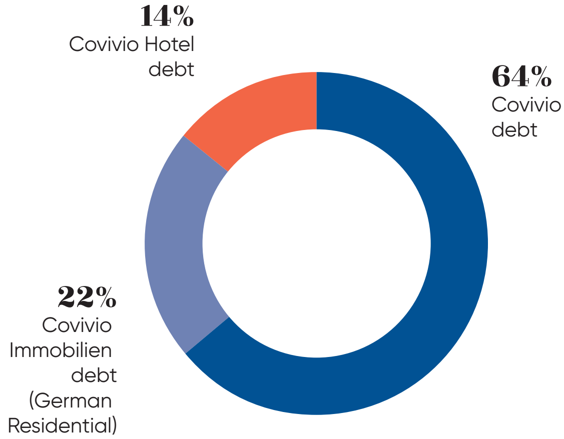


Consolidated commitments

By company



Group Share commitments

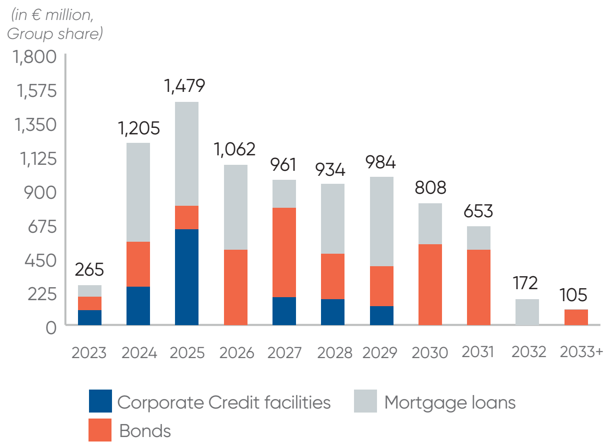


1.5.4 Debt maturity

The average maturity of Covivio's debt stands at 4.8 years at end-December 2022. Until 2024, there is no major maturity that has not already been covered or is already under renegotiation.

The next large maturities occur in 2024 and are mainly composed of a bond of €300 million and a mortgage debt of €207 million Group Share linked to the Telecom Italia portfolio.

Debt amortization schedule by company

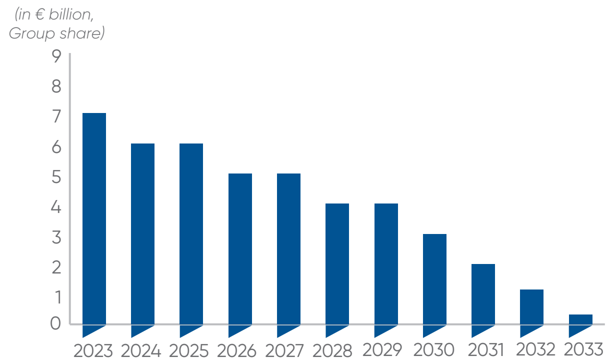


1.5.5 Hedging profile

At end-December 2022, debt is hedged at 86% on average over the year, and 82% on average over the next three years, all of which with maturities equivalent to or exceeding the debt maturity.

The average term of the hedges is 6.3 years Group Share.

Hedging maturities



1.5.6 Average interest rate on debt and sensitivity

The average interest rate on Covivio's debt remained contained at 1.24% Group Share (+4 bps compared to 2021).

1.5.6.1 Financial structure

Excluding debts raised without recourse to the Group's property companies, the debts of Covivio and its subsidiaries generally include bank covenants (ICR and LTV) applying to the borrower's consolidated financial statements. If these covenants are breached, early debt repayment may be triggered. These covenants are established on a Group Share basis for Covivio and Covivio Hotels and the other subsidiaries of Covivio (if their debt includes them).

- The most restrictive consolidated LTV covenants amounted, at 30 December 2022, to 60% for Covivio and Covivio Hotels.
- The most restrictive ICR consolidated covenants applicable to the REITs, at 30 December 2022, are of 200% for Covivio and Covivio Hotels.

With respect to Covivio Immobilien (German Residential), for which almost all of the debt raised is "non-recourse" debt, portfolio financings do not contain any consolidated financial covenants.

Lastly, with respect to Covivio, some corporate credit facilities are subject to the following ratios:

Ratio	Covenant	31/12/2022
LTV	60.0%*	42.3%*
ICR	200%	6.86
Secured debt ratio	25.0%	4.9%

* Excluding duties and sales agreements.

All covenants were fully complied with at year end 2022. No loan has an accelerated payment clause contingent on Covivio's rating, which is currently BBB+, Stable outlook (S&P rating) confirmed on 27th April 2022.

1.5.6.2 Detail of Loan-to-Value calculation (LTV)

Group Share (in € million)	31/12/2021	31/12/2022
Net book debt	7,799	7,581
Receivables linked to associates (full consolidated)	-226	-169
Receivables on disposals	-110	-16
Preliminary sale agreements	-377	-228
Purchase debt	72	54
NET DEBT	**7,158**	**7,222**
Appraised value of real estate assets (Including Duties)	18,414	18,151
Preliminary sale agreements	-471	-228
Financial assets	18	15
Receivables linked to associates (equity method)	105	86
Share of equity affiliates	230	282
VALUE OF ASSETS	**18,297**	**18,306**
LTV EXCLUDING DUTIES	**41.2%**	**41.5%**
LTV INCLUDING DUTIES	**39.1%**	**39.5%**

1.5.7 Reconciliation with consolidated accounts

1.5.7.1 Net debt

(In € million)	Consolidated accounts	Minority interests	Group Share
Bank debt	10,968	-3,043	7,924
Cash and cash equivalents	462	-119	343
NET DEBT	**10,506**	**-2,925**	**7,581**

1.5.7.2 Portfolio

(In € million)	Consolidated accounts	Portfolio of companies under the equity method	Fair value of operating properties	Other assets held for sale	Right of use of investment properties	Minority interests	Group Share
Investment & development properties	22,965	1,166	1,945	0	-253	-8,656	17,166
Assets held for sale	259	0	0	0	0	-32	228
TOTAL PORTFOLIO	**23,224**	**1,166**	**1,945**	**0**	**-253**	**-8,688**	**17,394**

Duties	918
Portfolio Group Share including duties	18,312
(-) portfolio of companies consolidated under the equity method	-449
(-) Fair value of car park activity	0
(+) Fair value of trading activities	-190
(+) Right of use of operating properties	478
(+) Advances and deposits on fixed assets	0
PORTFOLIO FOR LTV CALCULATION	**18,151**

1.5.7.3 Interest Coverage Ratio

(In € million)	Consolidated accounts	Minority interests	Group Share
EBITDA (net rents (-) operating expenses (+) results of other activities)	823.9	-289.6	534.3
Cost of debt	125.9	-48.0	77.8
ICR			**6.86**

1.6 EPRA reporting

The following reporting was prepared in accordance with EPRA (European Public Real Estate Association) Best Practices Recommendations, available on EPRA website (www.EPRA.com).

The German Residential information in the following sections includes some Office assets owned by the German Residential subsidiary Covivio Immobilien.

1.6.1 Change in net rental income (Group Share)

€ million	2021	Acquis.	Disposals	Developments (deliveries & vacating for redevelopment)	Indexation, asset management & occupancy	Others	2022
France Offices	175	0	-11	-9	7	-5	157
Italy Offices (incl. retail)	101	0	-14	1	4	0	91
German Offices	29	0	0	0	2	0	32
German Residential	159	4	-3	0	3	5	167
Hotels in Europe (incl. Retail & excl. EBITDA from operating properties)	67	0	-1	0	27	11	103
Other (France Residential)	0	0	1	0	0	0	1
TOTAL	**531**	**4**	**-29**	**-8**	**42**	**11**	**550**

The revenues LFL growth (including EBITDA from Hotels) is +12.7% in FY 2022.

Reconciliation with financial data (In € million)	2022
Total from the table of changes in Net rental Income (GS)	550
Adjustments	0
TOTAL NET RENTAL INCOME GS (FINANCIAL DATA § 1.4.1.3)	**550**
Minority interests	292
TOTAL NET RENTAL INCOME 100% (FINANCIAL DATA § 1.4.1.4)	**842**

1.6.2 Investment assets – Information on leases

Annualized rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any incentives.

- Vacancy rate at end of period =

$$\frac{\text{Market rental value on vacant assets}}{\text{Contractual annualized rents on occupied assets} + \text{Market rental value on vacant assets}}$$

- EPRA vacancy rate at end of period =

$$\frac{\text{Market rental value on vacant assets}}{\text{Market rental value on occupied and vacant assets}}$$

Group Share (in € million)	Gross rental income (in €M)	Net rental income (in €M)	Annua-lized rents (in €M)	Surface (in m²)	Average rent (€/m²)	Vacancy rate (excl. Secured area) (in %)	ERV of spot vacant space (in €M)	ERV of the whole portfolio (in €M)	EPR Avacancy rate (in %)
France Offices	176	157	214	1,060,365	246	5.6%	18	227	7.9%
Italy Offices (incl. retail)	110	91	116	946,398	153	1.6%	2	125	1.6%
German Offices	41	32	48	359,978	155	14.9%	9	53	17.0%
German Residential	181	167	183	2,838,365	99	0.8%	2	196	0.8%
Hotels in Europe(incl. Retail & excl. EBITDA from operating properties	99	103	102	n.c	n.c	-	-	102	-
TOTAL*	**607**	**550**	**664**	**5,205,106**	**143**	**3.5%**	**31**	**704**	**4.3%**

* Including French residential and others

The spread between the vacancy rate excluding the secured lease (3.5%) and the EPRA vacancy rate (4.3%) is due to area which are included in the EPRA vacancy as vacant but already let although the lease has not started yet.

Regarding the German Residential, the €196 million of ERV doesn't include the potential reversion in all our markets Berlin (25-30%), Hamburg (20-25%), Dresden and Leipzig (10-15%) and in North Rhine-Westphalia (15-20%).

Average metric rents are computed on total surfaces, including land banks and vacancy on development projects.

1.6.3 Investment assets - Asset values

Group Share (in € million)	Market value	Change in fair value over the year	Duties	EPRA NIY
France Offices	5,547	-180	260	3.6%
Italy Offices (incl. Retail)	2,520	-58	86	3.9%
German Residential	5,238	131	365	3.0%
German Offices	1,441	-48	87	2.0%
Hotels in Europe (incl. Retail)	2,645	36	119	4.7%
Other (France Resi. and car parks)	4			n.a
TOTAL 2021	**17,394**	**-119**	**918**	**3.6%**

The change in fair value over the year presented above excludes change in value of operating properties, Hotel Operating properties, and assets under the equity method.

- The EPRA net initial yield is the ratio of:

$$\text{EPRA NIY} = \frac{\text{Annualised rental income after deduction of outstanding benefits granted to tenants (rent-free periods, rent ceilings) – unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

1.6.3.1 Reconciliation with financial data

(In € million)	2022
TOTAL PORTFOLIO VALUE (GROUP SHARE, MARKET VALUE)	**17,394**
Fair value of the operating properties	-1,117
Fair value of companies under equity method	-449
Inventories of real estate companies and others	0
Right of use on investment assets	118
Fair value of car parks facilities	-4
Tangible fixed assets	0
INVESTMENT ASSETS GROUP SHARE* (FINANCIAL DATA§ 1.4.1.5)	**15,942**
Minority interests	7,282
INVESTMENT ASSETS 100%* (FINANCIAL DATA§ 1.4.1.6)	**23,224**

* Fixed assets + Developments assets + asset held for sale

1.6.3.2 Reconciliation with IFRS

(In € million)	2022
Change in fair value over the year (Group Share)	-119
Others	-
INCOME FROM FAIR VALUE ADJUSTMENTS GROUP SHARE (FINANCIAL DATA § 1.4.1.3)	**-119**
Minority interests	138
INCOME FROM FAIR VALUE ADJUSTMENTS 100% (FINANCIAL DATA § 1.4.1.4)	**18**

1.6.4 Assets under development

	Ownership typ(1)	% ownership (Group Share)	Fair value December 2022	Capitalised financial expenses over the year	Total cost incl. financial cost(2) (in €M, Group Share)	% Progress(3)	Delivery date	Surface at 100% (in m²)	Pre-letting	Yield (in %)
Levallois Maslo	FC	100%		3.5	212	73%	2023	19,800 m²	43%	4.7%
DS Campus Extension	FC	50%		0.7	71	85%	2023	27,500 m²	100%	7.2%
Fontenay Floria	FC	100%		-	43	70%	2023	9,300 m²	0%	5.5%
Paris Anjou	FC	100%		1.7	238	10%	2025	9,300 m²	100%	3.4%
Meudon Atlas	FC	100%		0.1	229	2%	2026	38,000 m²	100%	7.0%
Total France Offices			**504**	**6.0**	**793**	**29%**		**103,900 m²**	**81%**	**5.2%**
The Sign D	FC	100%		0.5	76	10%	2024	13,200 m²	92%	6.1%
Corte italia	FC	100%		1.6	122	18%	2024	12,100 m²	100%	6.1%
Rozzano - Strada 8	FC	100%		0.4	45	7%	2024	25,700 m²	40%	7.8%
Symbiosis G+H	FC	100%		1.2	193	6%	2025	38,000 m²	100%	6.3%
Total Italy Offices			**178**	**3.7**	**435**	**9%**		**89,000 m²**	**91%**	**6.3%**
Düsseldorf Herzogterrassen	FC	94%		-	304	0%	2024	55,700 m²	52%	4.4%
Berlin Beagle	FC	100%		0.2	16	10%	2023	5,100 m²	100%	6.5%
Berlin Alexanderplatz	FC	55%		2.6	345	18%	2026	60,000 m²	0%	4.8%
Total German Offices			**400**	**2.8**	**665**	**15%**		**120,800 m²**	**26%**	**4.7%**
TOTAL			**1,083**	**12.5**	**1,893**	**19%**		**313,700 M²**	**67%**	**5.3%**

(1) Total cost including land and financial cost.
(2) FC: Full consolidation.
(3) Financial completion.

Total cost of committed projects is therefore € 2.022 million (see 1.1.2.7. Development projects).

1.6.4.1 Reconciliation with total committed pipeline

Group Share (in € million)	Capitalised financial expenses over the year	Total cost incl. financial cost (Group Share)
Projects fully consolidated	13	1,893
Projects on own-occupied buildings (L'Atelier St Lazare)	1	102
Others (Loft)	9	26
TOTAL OFFICES COMMITTED PIPELINE	**23**	**2,022**
German Residential (built to let & built to sell activity)		164
French Residential (built to sell activity)		260
TOTAL COMMITTED PIPELINE	**23**	**2,446**

1.6.4.2 Reconciliation with financial data

Group Share (in € million)	2022
Total fair value of assets under development	1,083
Project under technical review and non-committed projects	288
Assets under development (financial data § 1.4.1.5)	1,371

1.6.5 Information on leases

	Firm residual lease term (years)	Residual lease term (years)	Lease expiration by date of 1st exit option Annualised rental income of leases expiring				Total (in €M)	Section
			N+1	N+2	N+3 to 5	Beyond		
France Offices	4.7	5.5	23%	8%	31%	38%	214	
Italy Offices (incl. retail)	7.1	7.7	8%	2%	16%	74%	116	
Germany Offices	4.5	5.1	12%	28%	36%	24%	48	
Hotels in Europe (incl. retail)	12.6	14.0	0%	8%	13%	89%	102	
Others (German Residential, Hotels Ebitda, others)	n.a	n.a	n.a	n.a	n.a	n.a	213	
TOTAL*	**7.0**	**7.8**	**9%**	**6%**	**15%**	**70%**	**694**	

* Percentage of lease expiries on total revenues

In 2023, 9.4% of total leases are expiring: 3.1% have no intention to vacate the property and 4.2% are going to be redeveloped. The other part, 2.0%, shall be managed (tenant decision not yet taken or will leave).

1.6.6 EPRA Net Initial Yield

The data below shows detailed yield rates for the Group and the transition from the EPRA topped-up yield rate to Covivio's yield rate.

- EPRA topped-up net initial yield is the ratio of:

$$\text{EPRA Topped-up NIY} = \frac{\text{Annualized rental income after expiration of outstanding benefits granted to tenants (rent-free periods, rent ceilings) - unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

- EPRA net initial yield is the ratio of:

$$\text{EPRA NIY} = \frac{\text{Annualized rental income after deduction of outstanding benefits granted to tenants (rent-free periods, rent ceilings) - unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

Group Share (in € million) Excluding French Residential and car parks	Total 2021	France Offices	Italy Offices (incl. Retail)	German Offices	German Resid-ential	Hotels in Europe (incl. Retail)	France Resid-ential	Total 2022
Investment, disposable and operating properties	17,703	5,547	2,520	1,441	5,238	2,645	4	17,394
Restatement of assets under development	-1,340	-718	-211	-428	-14	-	-	-1,371
Restatement of undeveloped land and other assets under development	-260	-220	-100	-13	-	-	-	-333
Duties	921	260	86	87	365	119	-	918
Value of assets including duties (1)	**17,025**	**4,869**	**2,295**	**1,087**	**5,589**	**2,764**	**4**	**16,608**
Gross annualized IFRS revenues	656	196	106	37	183	132	-	653
Irrecoverable property charge	-70	-21	-18	-8	-14	-2	-	-63
Annualized net revenues (2)	**586**	**175**	**88**	**29**	**169**	**130**	**-**	**590**
Rent charges upon expiration of rent free periods or other reductions in rental rates	45	19	9	5	-	1	-	34
Annualized topped-up net revenues (3)	**631**	**193**	**98**	**33**	**169**	**131**	**-**	**624**
EPRA Net Initial Yield (2)/(1)	**3.4%**	**3.6%**	**3.9%**	**2.6%**	**3.0%**	**4.7%**	**n.a**	**3.6%**
EPRA "Topped-up" Net Initial Yield (3)/(1)	**3.7%**	**4.0%**	**4.3%**	**3.1%**	**3.0%**	**4.7%**	**n.a**	**3.8%**
Transition from EPRA topped-up NIY to Covivio yield								
Impact of adjustments of EPRA rents	0.4%	0.5%	0.8%	0.8%	0.3%	0.1%	-	0.4%
Impact of restatement of duties	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%	-	0.2%
COVIVIO REPORTED YIELD RATE	**4.4%**	**4.7%**	**5.2%**	**4.1%**	**3.5%**	**5.0%**	**N.A**	**4.4%**

1.6.7 EPRA cost ratio

Group Share (in € million)	2021	2022
Cost of other activities and fair value	-34.7	-35.2
Expenses on properties	-23.7	-21.5
Net losses on unrecoverable receivables	-5.5	0.2
Other expenses	-4.0	-6.0
Overhead	-98.7	-105.1
Amortisation, impairment and net provisions	5.5	3.1
Income covering overheads	25.1	28.1
Cost of other activities and fair value	-2.7	-6.3
Property expenses	0.8	-0.4
EPRA costs (including vacancy costs) (A)	**-137.9**	**-143.0**
Vacancy cost	18.8	21.5
EPRA costs (excluding vacancy costs) (B)	**-119.1**	**-121.5**
Gross rental income less property expenses	593.8	607.2
EBITDA from Hotel Operating properties & coworking, income from other activities and fair value	74.1	108.1
Gross rental income (C)	**667.9**	**715.3**
EPRA costs ratio (including vacancy costs) (A/C)	**20.6%**	**20.0%**
EPRA costs ratio (excluding vacancy costs) (B/C)	**17.8%**	**17.0%**

The EPRA cost ratio is decreasing mainly due to lower unpaid rents and gross rental income increase.

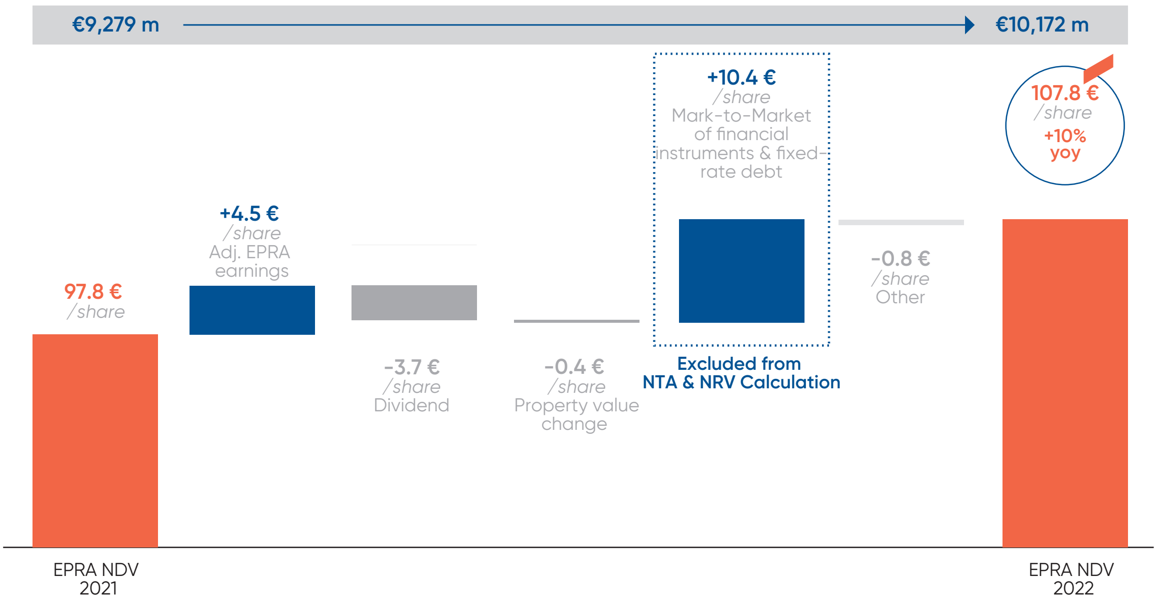
1.6.8 Adjusted EPRA Earnings: increase of +5% to €430.2 million

(In € million)	2021	2022
Net income Group Share (Financial data §3.3)	**923.6**	**620.7**
Change in asset values	-553.9	119.5
Income from disposal	4.7	-15.8
Acquisition costs for shares of consolidated companies	10.6	0.4
Changes in the value of financial instruments	-86.4	-371.9
Interest charges related to finance lease liabilities (leasehold > 100 years)	4.2	4.6
Rental costs (leasehold > 100 years)	-2.9	-3.3
Deferred tax liabilities	67.0	75.2
Taxes on disposals	15.9	2.1
Adjustment to amortisation	29.1	21.4
Adjustments from early repayments of financial instruments	6.4	1.6
Adjustment IFRIC 21	0.0	0.0
EPRA Earnings adjustments for associates	-7.9	-24.3
Ajusted EPRA Earnings	**410.5**	**430.2**
Adjusted EPRA Earnings in €/share	**4.35**	**4.58**
Promotion margin	-15.0	-15.3
EPRA EARNINGS	**395.4**	**414.9**
EPRA EARNINGS IN €/SHARE	**4.19**	**4.42**
Average number of shares (C)	94,334,096	93,955,927

1.6.9 EPRA NRV, EPRA NTA and EPRA NDV

	2021	2022	Var.	Var. (in %)
EPRA NRV (in €M)	11,091	11,040	-51	-0.5%
EPRA NRV/share (€)	116.9	117.0	+0.1	+0.1%
EPRA NTA (in €M)	10,100	10,044	-56	-0.6%
EPRA NTA/share (€)	106.4	106.4	+0.0	+0.0%
EPRA NDV (in €M)	9,279	10,172	+892	+9.6%
EPRA NDV/share (€)	97.8	107.8	+10.0	+10.2%
Number of shares	94,882,277	94,385,959	-496,318	-0.5%

1.6.9.1 Evolution of EPRA NDV



1.6.9.2 Reconciliation between shareholder's equity and EPRA NAV

	2021 (in €M)	2021 (in €/per share)	2022 (in €M)	2022 (in €/per share)
Shareholders' equity	**9,194**	**96.9**	**9,443**	**100.0**
Fair value assessment of operating properties	175		227	
Duties	921		918	
Financial instruments and ORNANE	99		-334	
Deferred tax liabilities	702		786	
EPRA NRV	**11,091**	**116.9**	**11,040**	**117.0**
Restatement of value Excluding Duties on some assets	-886		-884	
Goodwill and intangible assets	-78		-68	
Deferred tax liabilities	-27		-44	
EPRA NTA	**10,100**	**106.4**	**10,044**	**106.4**
Optimization of duties	-35		-34	
Intangible assets	28		17	
Fixed-rate debts[1]	-40		553	
Financial instruments and ORNANE	-99		334	
Deferred tax liabilities	-675		-742	
EPRA NDV	**9,279**	**97.8**	**10,172**	**107.8**

(1) Excluding credit spread impact of €67.3 m.

Valuations are carried out in accordance with the Code of Conduct applicable to SIICs and the Charter of Property Valuation Expertise, the recommendations of the COB/CNCC working group chaired by Mr. Barthès de Ruyter and the international plan in accordance with the standards of the International Valuation Standards Council (IVSC) and those of the Red Book of the Royal Institution of chartered Surveyors (RICS).

The real estate portfolio held directly by the Group was valued on 30 December 2022 by independent real estate experts such as Cushman, REAG, CBRE, HVS, JLL, BNPP Real Estate, MKG and CFE. This did not include:

assets on which the sale has been agreed, which are valued at their agreed sale price

assets owned for less than 75 days, for which the acquisition value is deemed to be the market value.

Assets were estimated at values excluding and/or including duties, and rents at market value. Estimates were made using the comparative method, the rent capitalisation method and the discounted future cash flow method.

Car parks were valued by capitalising the gross operating surplus generated by the business.

Other assets and liabilities were valued using the principles of the IFRS standards on consolidated financial statements. The application of fair value essentially concerns the valuation of debt coverages.

For companies co-owned with other investors, only the Group Share was considered.

1.6.9.2.1 Fair value assessment of operating properties

In accordance with IFRS, operating properties are valued at historical cost. To take into account the appraisal value, a €227 million value adjustment was recognised in EPRA NRV, NDV, NTA.

1.6.9.2.2 Fair value adjustment for own occupied buildings and operating hotel properties

In accordance with IAS 40, owner-occupied buildings and operating hotel properties are not recognised at fair value in the consolidated financial statements. In line with EPRA principles, EPRA NRV was adjusted for the difference resulting from the fair value appraisal of the assets for €74.0 million. The market value of these assets is determined by independent experts.

1.6.9.2.3 Fair value adjustment for fixed-rate debts

The Group has taken out fixed-rate loans (secured bond and private placement). In accordance with EPRA principles, EPRA NDV was adjusted for the fair value of fixed-rate debt. The impact was +€553 million at 31 December 2022.

1.6.9.2.4 Recalculation of the base cost excluding duties of certain assets

When a company, rather than the asset that it holds, can be sold, transfer duties are re-calculated based on the company's net asset value (NAV). The difference between these re-calculated duties and the transfer duties already deducted from the value had an impact of €33.9 million at 31 December 2022.

1.6.9.2.5 Deferred tax liabilities

The EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

For this purpose, the Group uses the following method:

- **offices**: takes into account 50% of deferred tax considering the regular asset rotation policy
- **hotels**: takes into account deferred tax on the non-core part of the portfolio, expected to be sold within the next few years
- **residential**: includes the deferred tax linked to the building classified as Assets available held for sale, considering the low level of asset rotation in this activity.

1.6.10 Capex by type

(In € million)	2021 100%	2021 Group Share	2022 100%	2022 Group Share
Acquisitions[1]	7	4	58	35
Renovation on portfolio excl. Developments	359	249	239	155
Developments	206	136	241	161
Capitalized expenses on development portfolio[2] (except under equity method)	67	59	38	30
TOTAL	**639**	**448**	**577**	**381**

(1) Acquisitions including duties

(2) Commercialization fees, financial expenses capitalized and other capitalized expenses

The € 155 million Group Share of Development Capex relates to acquisition and renovation expenses on development projects (excluding properties under equity method and assets under operation but including Capex on 2022 deliveries).

The €161 million Group Share of Investment Properties is mainly composed of:

- €56 million on offices: refurbishment work (c.€41 million) and tenant improvement (c.€15 million) to enhance the value on strategic offices such as CB21, Boulogne, Lyon, Italian offices
- €25 million of modernisation Capex on hotels, with the aim to improve the quality of assets and benefit from increased revenues and performance
- €44 million of modernization Capex on German Residential, generating revenues
- €20 million maintenance Capex on German Residential
- €16 million corresponding to studies and Capex on development projects not yet committed.

1.6.11 EPRA LTV

EPRA LTV		Proportionate Consolidation			
As at Dec. 31st, 2022 (Group Share, in € million)	Group (in € million) as reported	Share of Joint ventures	Share of Material Associates	Non-controlling Interests	Combined
Include:					
Borrowings from Financial Institutions	5,998	197		-2,371	3,824
Commercial paper	743			-	743
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	-			-	-
Bond Loans	3,946			-645	3,301
Foreign Currency Derivatives (futures, swaps, options and forwards)	-			-	-
Net Payables	-			-	-
Owner-occupied property (debt)	-			-	-
Current accounts (Equity characteristic)	-			-	-
Exclude:					
Cash and cash equivalents	462	43		-140	365

EPRA LTV			Proportionate Consolidation		
As at Dec. 31st, 2022 (Group Share, in € million)	Group (in € million) as reported	Share of Joint ventures	Share of Material Associates	Non-controlling Interests	Combined
Net Debt (a)	**10,225**	**154**	**-**	**-2,876**	**7,503**
Include:					
Owner-occupied property	2,019	13		-837	1,195
Investment properties at fair value	21,138	541		-7,183	14,496
Properties held for sale	259	-		-31	228
Properties under development	1,574			-203	1,371
Intangibles	-			-	-
Net Receivables	128	9		-4	133
Financial assets	344			-159	185
Total Property Value (b)	**25,462**	**563**	**-**	**-8,417**	**17,608**
Real Estate Transfer Taxes	1,307	124		-513	918
Total Property Value (incl. RETTs) (c)	**26,769**	**687**	**-**	**-8,930**	**18,526**
LTV (A/B)	**40.2%**				**42.6%**
LTV (INCL. RETTS) (A/C) (OPTIONAL)	**38.2%**				**40.5%**

LTV	42.6%
Duties	-2.1%
Preliminary Agreements	-0.7%
Other effects (including consolidation restatements)	-0.3%
LTV INCLUDING DUTIES	**39.5%**

1.6.12 EPRA performance indicator reference table

EPRA information	Section	(in %)	Amount (in €M)	Amount (in €/share)
EPRA Earnings	1.6.8		€415 m	€4.4/share
Adjusted EPRA Earnings	1.6.8		€430 m	€4.6/share
EPRA NRV	1.6.9		€11,040 m	€117.0/share
EPRA NTA	1.6.9		€10,044 m	€106.4/share
EPRA NDV	1.6.9		€10,172 m	€107.8/share
EPRA net initial yield	1.6.6	3.6%		
EPRA topped-up net initial yield	1.6.6	3.8%		
EPRA vacancy rate at year-end	1.6.2	4.3%		
EPRA costs ratio (including vacancy costs)	1.6.7	20.0%		
EPRA costs ratio (excluding vacancy costs)	1.6.7	17.0%		
EPRA LTV	1.6.11	42.6%		
EPRA indicators of main subsidiaries	1.6.13	-		

1.6.13 Financial indicators of the main activities

	Covivio Hotels			Covivio Immobilien		
	2021	2022	Change (in %)	2021	2022	Change (in %)
EPRA Earnings full-year (in €M)	99.0	220.9	+123.1%	162.5	166.3	+2.4%
EPRA NRV	3,868	4,105	+6.1%	5,470	5,733	+4.8%
EPRA NTA	3,498	3,722	+6.4%	4,953	5,199	+5.0%
EPRA NDV	3,167	3,763	+18.8%	4,134	4,574	+10.6%
% of capital held by Covivio	43.8%	43.9%	+0.1pt	61.7%	61.7%	-
LTV including duties	37.1%	35.0%	-2.1pts	32.0%	31.7%	-0.3pt
ICR	3.1	6.0	+2.9pts	6.8	7.3	+0.5pt

1.7 Real estate appraisals

1.7.1 Asset valuation method

The overall portfolio is appraised by independent experts on a half-yearly basis (30 June and 31 December), and according to the calculation methods determined by an internal set of specifications based on the guidelines of the oversight bodies:

- recommendation of the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF)
- instructions from the COB report of 3 February 2000 on real estate appraisals ("report from the Working Group on expert appraisals of the real estate portfolios of companies issuing public calls for savings" chaired by Georges Barthès de Ruyter).

Covivio also abides by the Listed Real Estate Investment company (SIIC) Code of Ethics applicable to FSIF (Fédération des Sociétés Immobilières et Foncières) member companies, particularly in terms of real estate appraisals.

Moreover, the real estate experts selected, namely BNP Real Estate Valuation, Cushman & Wakefield, JLL Expertises and CBRE Valuation, are all members of the AFREXIM (Association Française des Experts Immobiliers – French Association of Real Estate Appraisers), and, as such, are governed by the real estate appraisal charter approved by AFREXIM. As a result of this, the experts adhere to the various French standards. Their valuation methods comply with the RISC and IVSC international Codes of conduct.

Each asset is subject to a complete appraisal at the time of its acquisition, or when there is a change of appraiser. Updates to the file and sometimes asset inspections are performed during interim appraisals. Assets with an appraisal value of over €30 million[1] are subject to a complete appraisal every three years. The remainder are appraised every five years.

A complete appraisal consists of:

- preparation of a file including the legal, technical and financial documents required to objectively analyse the factors that enhance or reduce the value of the assets under consideration
- an internal visit to the sites and their environment
- research and analysis of comparison factors
- drafting of a report in which the final appraisal must be consistent with the aforementioned observations, and a relevant analysis of the category market in question.

1.7.1.1 Income capitalisation method

This approach involves recognising the revenues produced or capable of being produced by an asset and capitalising them at an appropriate rate. This rate is derived from the revenues recognised, the asset's features, and its foreseeable potential. It is based on the analysis of other rental properties and should be viewed as a whole from a general context of revenues expected from various investments in a given economic environment.

The main criteria for choosing rates of return are as follows:

- geographic location
- age and condition of the property complex
- possibility of converting the property complex
- size and profitability of the establishment.

1.7.1.2 Discounted cash flow (DCF) method

This method takes into consideration future revenue, including recognised rental income, anticipated rental income, and work under contract for the lessor and residual gains from any sale at the end of the holding period. This method consists of discounting to present value of the flows generated by the asset and adding in the present exit value of the assets in the last year.

In the case of an asset that is under development meeting the IAS 40 standard and subject to an appraisal, Covivio integrates a disbursement for future works in its cash flow.

1.7.1.3 Unit-value comparison method

This method consists in referring to the sale prices found on the market for equivalent assets. The comparison factors used derive specifically from internal databases in which each reference is analysed, classified by situation and by category, and expressed in gross surface units or weighted surface units.

It is more a method of cross-checking the two methods described above than a principal method.

(1) *Excluding residential portfolio.*

1.7.2 Appraiser remuneration at Covivio level

Appraisers (in € – 100% – excl. tax)	2022 Total	(in %)
CBRE	803,101	48%
Cushman	206,580	12%
BNPP Real Estate	404,140	24%
CFE	102,680	6%
KROLL ADVISORY SPA (formerly REAG)	48,000	3%
MKG	88,590	5%
JLL	9,400	1%
TOTAL	**1,662,491**	**100%**

1.7.3 Abridged experts' report on the appraisal at the end of 2022 of the market value of the France Offices and German Residential portfolios

1.7.3.1 General background on the appraisals

1.7.3.1.1 General framework

Covivio requested, under the terms of appraisal contracts, that appraisals of the fair value of their portfolio assets be completed as part of the half-year valuation of the portfolio. These appraisals were conducted with complete independence.

The appraisal companies Cushman & Wakefield, CBRE Valuation, BNP Paribas Real Estate Valuation and JLL Expertises have no capital ties with Covivio and certify that the appraisals were performed by and under the responsibility of qualified appraisers.

The annual fees billed to Covivio are determined before the appraisal. They account for less than 10% of the revenues of each appraisal company. The rotation of the appraisers is organised by Covivio. We have not identified any conflict of interest in this appraisal.

The assignment is in compliance with the AMF recommendation concerning the presentation of the real estate asset valuation for listed companies published on 8 February 2010.

Covivio Immobilien SE requested, under the terms of appraisal contracts or amendments, that CBRE appraise the fair value of the assets in its Germany portfolio. This request was part of the half-year valuation of its portfolio. The annual fees billed to Covivio Immobilien SE are determined before the appraisal. They account for less than 10% of the revenues of each appraisal company. Covivio Immobilien SE rotates the appraisers.

1.7.3.1.2 Current assignment

In France Offices, the assignment focused on the appraisal of the fair value of **104 assets in the France Offices portfolio**. For this assignment, Covivio requested initial appraisals or updates based on documentation when the assets where first appraised less than five years ago.

The assignment was to estimate the fair value with the occupancy rate announced at 31 December 2022.

The appraised assets are located in the national territory. These are investment properties that are either fully owned or under construction lease by Covivio. The assets in the various portfolios are leased to various tenants under commercial lease arrangements with (or without) firm 3-year, 6-year, 9-year or 12-year leases or exceptional leases.

It should be noted here that, when the company is the tenant under the terms of a financial lease, the appraiser values only the assets underlying the contract, and not the financial lease contract itself. In the same way, when a real estate asset is held by a special purpose entity, its value was estimated on the assumption of the sale of the underlying real estate asset, and not the sale of the company.

In German Residential, the appraisers were tasked with assessing the fair value of **40,980 assets**. For this assignment, Covivio Immobilien SE asked the appraisers to carry out initial appraisals or updates based on documentation when the assets were first appraised less than five years ago. The appraisers' assignment was to estimate the fair value with the occupancy rate announced at 31 December 2022. The assets appraised are located in Germany. They are primarily assets that are wholly owned by Covivio Immobilien SE or by its subsidiaries. They largely consist of residential assets. The assets are rented to many tenants, mainly under residential leases.

1.7.3.2 Conditions of performance

1.7.3.2.1 Documents examined

This assignment was conducted on the basis of the documents and information provided, all of this information being assumed to be accurate and to represent all of the information and documents in the possession of, or known to, the principal, which could have an impact on the fair value of the portfolio. Accordingly, title deeds and zoning certificates are not examined.

In German Residential, the appraisal work described above was done based on the documentation and information provided to the appraisers in **October 2022.**

1.7.3.2.2 Standards

The appraisals and valuations were completed in accordance with:

- the recommendations of the Barthès de Ruyter report on the valuation of real estate portfolios of listed/publicly traded companies, published in February 2000
- the charter for Expert Appraisal in Real Estate Valuation
- the principles enshrined in the Code of Ethics for Listed Real Estate Investment Companies (SIICs) and by the Royal Institution of chartered Surveyors RED BOOK 2014
- the International Valuation Standards promoted by the International Valuation Standards Council (IVSC)
- the IAS/IFRS 40 and IFRS 13 standards.(1)

In addition, following the foregoing standard, a classification of the fair value of the assets held by the company was performed. In order to increase the consistency and comparability of fair value appraisals and the related information to be provided, IFRS 13 outlines a hierarchy that it ranks according to three levels of importance of the inputs of the valuation techniques used to determine the fair value.

This hierarchy ranks listed prices (unadjusted) on active markets for identical assets or liabilities (level 1 input) at the highest level, and unobservable inputs (level 3 inputs) at the lowest level.

The fair value obtained is classified overall at the same hierarchical level as the lowest level of input that is significant for determining its overall fair value. Any significant appreciation of an input determined for the overall fair value requires the exercise of judgement and takes into account factors specific to the asset or the liability.

1.7.3.2.3 Methodology used

For the investment assets making up the various portfolios, the appraisers used the discounted cash flow method and the yield method (capitalisation of revenues), with cross-checking by direct comparison.

In German Residential, for the assets making up the various portfolios, i.e. investment assets, we used the discounted cash flow method.

1.7.3.3 Overview of the valuation of the Offices asset portfolio at year-end 2022

At consolidated level, Covivio had 114 office property assets at end-2022. 104 assets are recognised at their appraisal value, 10 assets are recognised at the level of their commitment, and no assets are recognised under internal valuation.

	Paris	Île-de-France – Other	Area	Total	
Offices	Fair value 100%	Fair value 100%	Fair value 100%	Fair value 100%	% total
BNPP Real Estate	632,270,000	1,276,330,000	53,030,000	1,961,630,000	30%
Cushman & Wakefield	1,083,300,000	1,331,000,000	93,805,000	2,508,105,000	38%
CBRE	1,039,290,000	265,760,000	661,990,000	1,967,040,000	30%
JLL	-	840,000	7,250,000	8,090,000	0%
TOTAL PORTFOLIO APPRAISED	**2,754,860,000**	**2,873,930,000**	**816,075,000**	**6,444,865,000**	**97%**
Assets under preliminary sale agreements	32,565,000	2,864,500	135,110,000	170,539,500	3%
Assets measured internally	-	-	-	-	-
TOTAL PORTFOLIO	**2,787,425,000**	**2,876,794,500**	**951,185,000**	**6,615,404,500**	**100%**

1.7.3.3.1 Summary by appraisers

Appraisers	Number of assets	Fair value 100% Excluding Duties	Fair value Group share Excluding Duties
BNPP Real Estate	23	1,961,630,000	1,680,575,060
Cushman & Wakefield	38	2,508,105 000	2,032,413,119
CBRE	38	1,967,040,000	1,655,175,610
JLL	5	8,090,000	8,090,000
TOTAL PORTFOLIO	**104**	**6,444,865 000**	**5,376,253,789**

1.7.3.3.2 General observations

These values are understood as being based on the market remaining stable and no significant changes occurring to the assets between the appraisal date and the value date.

This abridged report cannot be taken separately from all the work performed as part of the appraisals, especially the summarised or detailed reports associated with them.

Each of the four appraisers confirms the values of the assets where they themselves performed the appraisal or update, without assuming responsibility for those performed by the other appraisal companies.

(1) In accordance with IFRS 13 applicable at the latest to periods starting as of 1 January 2013, the assets held by Covivio in France and in Germany were appraised at their fair value, which corresponds to the "price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

1.7.3.4 Summary of valuation of the Covivio Immobilien SE portfolio at the end of 2022

	Appraised value	Fair value	% total
Berlin	4,697,000,000	4,725,612,546	57%
Dresden & Leipzig	662,860,000	662,860,000	8%
Hamburg	600,310,000	612,777,079	7%
North Rhine-Westphalia	2,271,426,600	2,275,216,439	27%
TOTAL	**8,231,596,600**	**8,276,466,064**	**100%**

The difference between the value provided by the appraisers and the fair value results from the impact of sales and preliminary sales agreements as well as acquisitions completed.

1.7.3.4.1 Summary by appraiser

Appraisers	Number of units	Appraised value 100% Excluding Duties	Fair value 100% Excluding Duties	Fair value Group share Excluding Duties
CBRE	40,980	8,231,596,600	8,276,466,064	5,361,769,344

CBRE appraised **40,980 units**(1) owned by Covivio Immobilien SE including **39,345** housing units.

1.7.3.4.2 General observations

The values presented by the appraisers are understood as being based on the market remaining stable and no significant changes occurring to the assets between the appraisal date and the value date.

(1) In addition, 930 miscellaneous assets (ATMs, advertising spaces)/ 6,882 internal parking spaces/3,254 external parking spaces.

1.8 Portfolio list

1.8.1 France Offices

Area	Surface area at 100%
Core assets under operation	**930,984**
Paris	212,424
Western Crescent and La Défense	193,168
Inner rim	307,028
Outer suburbs	15,479
Major regional cities	202,886
• Lyon	45,055
• Bordeaux	29,444
• Marseille	18,564
• Lille	11,201
• Montpellier	59,691
• Nantes	17,670
• Toulouse	15,975
• Metz (Covivio headquarters)	5,286
Development portfolio	**352,757**
Non-core assets	**59,158**

List of Core assets and development projects: 98% of the France Offices portfolio, Group share

Surname	% Ownership	Address	Postal Code	City/Region	Surface area at 100%
Assets in operation					**930,984**
PARIS/JEAN GOUJON	100%	19-21 RUE JEAN GOUJON	75008	PARIS	8,677
PARIS/ART&CO	100%	15/17 RUE TRAVERSIÈRE	75012	PARIS	13,599
PARIS/PERCIER	100%	5/7 AVENUE PERCIER	75008	PARIS	8,543
PARIS/N2 BATIGNOLLES	50%	ZAC CLICHY BATIGNOLLES	75017	PARIS	9,985
PARIS/MAILLOT	100%	18 RUE GUSTAVE CHARPENTIER	75017	PARIS	9,755
PARIS/CAP 18	100%	189 RUE D'AUBERVILLIERS – 73 RUE DE L'ÉVANGILE	75018	PARIS	65,220
PARIS/THE LINE	100%	11 AVENUE DELCASSE	75008	PARIS	4,974
PARIS/PHILIPPE AUGUSTE	100%	42/46 AVENUE PHILIPPE AUGUSTE	75011	PARIS	14,176
PARIS/GRANDS BOULEVARDS	100%	15/17 RUE POISSONNIÈRE	75009	PARIS	7,346
PARIS/STEEL	100%	29 RUE DES SABLONS	75016	PARIS	3,681
PARIS/GOBELINS	100%	40 BD PORT ROYAL	75005	PARIS	4,442
PARIS/CHERCHE-MIDI	100%	37 RUE DU CHERCHE MIDI	75006	PARIS	3,510
PARIS/RASPAIL	100%	12 BIS TO 16 RUE CAMPAGNE PREMIÈRE	75014	PARIS	10,013
PARIS/VOLTAIRE	100%	6/10 PAS ST-PIERRE AMELOT	75011	PARIS	9,995
PARIS/LOUVRE	100%	55/57 RUE J.J. ROUSSEAU	75001	PARIS	4,884
PARIS/QUAI DE JEMMAPES	100%	103/107 BD VILLETTE	75010	PARIS	9,158
PARIS/MONTMARTRE	100%	114 RUE MARCADET	75018	PARIS	5,926
PARIS/MÉNILMONTANT	100%	26 RUE SORBIER	75020	PARIS	4,489
PARIS/LE PONANT	100%	19 RUE LEBLANC	75015	PARIS	4,650
PARIS/KELLER-BEAUGRENELLE	100%	6 RUE ROBERT KELLER	75015	PARIS	5,749
PARIS/BOBILLOT	100%	95/97 RUE BOBILLOT	75013	PARIS	3,652
Total Paris					**212,424**
LA DEFENSE/CB 21	75%	16 PLACE DE L'IRIS	92400	COURBEVOIE	66,562
SAINT OUEN/SO POP	50%	65 RUE ARAGO	93400	SAINT OUEN	32,449
ISSY-LES-MOULINEAUX/ATLANTIS	100%	11 RUE CAMILLE DESMOULINS	92130	ISSY-LES-MOULINEAUX	11,461
LEVALLOIS-PERRET/THAIS	100%	25/27/29 RUE ANATOLE FRANCE	92300	LEVALLOIS-PERRET	5,554

Surname	% Ownership	Address	Postal Code	City/Region	Surface area at 100%
RUEIL/LESSEPS B2	100%	1 COURS DE FERDINAND DE LESSEPS	92,500	RUEIL-MALMAISON	27,666
BOULOGNE/GRENIER	100%	32 AVENUE P. GRENIER	92100	BOULOGNE-BILLANCOURT	7,760
LEVALLOIS-PERRET/PEREIRE	100%	37 TO 43 RUE PIERRE BROSSOLETTE	92300	LEVALLOIS-PERRET	8,156
RUEIL/LESSEPS B3	100%	1 COURS DE FERDINAND DE LESSEPS	92500	RUEIL-MALMAISON	10,857
RUEIL/DEGREMONT	100%	183 AVENUE DU 18 JUIN 1940	92500	RUEIL-MALMAISON	14,213
BOULOGNE/MOLITOR	100%	25 BIS AVENUE ANDRÉ MORIZET	92100	BOULOGNE-BILLANCOURT	4,434
NANTERRE/ROUSSEAU	100%	40 RUE J.J. ROUSSEAU	92000	NANTERRE	4,057
Total Western Crescent & La Defense					**193,168**
VÉLIZY/DASSAULT CAMPUS + EXTENSION	50%	10 RUE MARCEL DASSAULT	78140	VÉLIZY-VILLACOUBLAY	56,214
VÉLIZY/NEW VÉLIZY	50%	10/12 RUE LATÉCOÈRE	78140	VÉLIZY-VILLACOUBLAY	46,751
MONTROUGE/FLOW	100%	58/60 AVENUE DE LA MARNE/ 165/173 AVENUE PIERRE BROSSOLETTE	92120	MONTROUGE	23,430
CHÂTILLON/IRO	100%	82-90 RUE PIERRE SÉMARD	92320	CHÂTILLON	25,626
CHARENTON/LIBERTÉ	100%	1-7 PLACE DE LA COUPOLE/ 8 AVENUE WINSTON CHURCHILL	94220	CHARENTON-LE-PONT	26,590
ORLY/CŒUR D'ORLY BELAÏA	50%	CŒUR D'ORLY	94310	ORLY	23,556
VÉLIZY/DASSAULT CAMPUS + EXTENSION	50%	10 RUE MARCEL DASSAULT	78140	VÉLIZY-VILLACOUBLAY	12,834
VÉLIZY/THALES TED	100%	2/8 RUE LATÉCOÈRE	78140	VÉLIZY-VILLACOUBLAY	41,523
ORLY/CDO ASKIA BUREAUX	50%	BAT 3 "ASKIA"	94310	ORLY	17,892
MEUDON/DUCASSE	100%	16-20 RUE DU MARÉCHAL JUIN	92360	MEUDON-LA-FORÊT	5,100
SAINT-DENIS/PLEYEL	100%	171-175 BOULEVARD ANATOLE FRANCE	93200	SAINT-DENIS	11,746
SAINT OUEN/VICTOR HUGO BAT 2-5-6-7	100%	69-73 BOULEVARD VICTOR HUGO	93400	ST-OUEN	8,253
SAINT OUEN/VICTOR HUGO BAT 1	100%	69-73 BOULEVARD VICTOR HUGO	93400	ST-OUEN	4,010
SAINT OUEN/VICTOR HUGO BAT 3	100%	69-73 BOULEVARD VICTOR HUGO	93400	SAINT OUEN	1,400
SAINT OUEN/VICTOR HUGO BAT 4	100%	69-73 BOULEVARD VICTOR HUGO	93400	ST-OUEN	1,151
ORLY/CDO ASKIA COMMERCES	50%	2-4-6-8 PROMENADE D'ORLY	94310	ORLY	952
Total inner suburbs					**307,028**
MELUN/CHAUSSY	100%	3 PLACE A. CHAUSSY	77000	MELUN	10,327
MASSY/PARIS	100%	147-149 RUE DE PARIS	91300	MASSY	5,152
Total Outer rim					**15,479**
LYON/SILEX2	50%	9 RUE DES CUIRASSIERS	69003	LYON	29,466
LYON/SILEX 1	50%	15 RUE DES CUIRASSIERS	69003	LYON	10,648
MONTPELLIER/MAJORIA ORANGE	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	16,500
MARSEILLE/EUROMED CALYPSO	50%	52, QUAI DU LAZARET	13002	MARSEILLE	9,800
TOULOUSE/MARQUETTE	100%	22 BD DE LA MARQUETTE	31000	TOULOUSE	11,539
BORDEAUX/CITÉ NUMÉRIQUE	100%	406 BOULEVARD JEAN-JACQUES BOSC	33130	BORDEAUX	18,462
BORDEAUX/QUAI 8.2	100%	ZAC SAINT JEAN BELCIER	33000	BORDEAUX	10,982
MARSEILLE/EUROMED PARKING	50%	52, QUAI DU LAZARET	13002	MARSEILLE	1,458
NANTES/TANNEURS	100%	10 BIS AV DES TANNEURS	44000	NANTES	13,181
MARSEILLE/EUROMED HOTEL	50%	52, QUAI DU LAZARET	13002	MARSEILLE	7,306
MONTPELLIER/BAT SERVICES RIE	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	5,833
LYON/TELEGRAPHE	100%	1 RUE DUPHOT – 36 RUE MAZENOD	69003	LYON	4,942
MONTPELLIER/TRENCAVEL	100%	196 RUE RAYMOND TRENCAVEL	34000	MONTPELLIER	8,636

Surname	% Ownership	Address	Postal Code	City/Region	Surface area at 100%
METZ/LE DIVO	100%	18-20 AVENUE FRANÇOIS MITTERRAND	57000	METZ	5,286
MONTPELLIER/MAJORIA	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	6,160
NANTES/GLORIETTE	100%	6 8 RUE GASTON VEIL	44000	NANTES	4,489
MONTPELLIER/MAJORIA	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	12,716
MONTPELLIER/MAJORIA	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	3,379
VILLENEUVE-D'ASCQ/FLERS	100%	2 CH DE LA MARE	59650	LILLE	11,201
TOULOUSE/MARQUETTE	100%	22 BD DE LA MARQUETTE	31000	TOULOUSE	4,436
MONTPELLIER/MAJORIA	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	1,904
GRABELS/DUAL CENTER	100%	ZAC EUROMÉDECINE II LOT 236	34790	MONTPELLIER	2,936
MONTPELLIER/MAJORIA T5	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	1,627
Total major regional cities					**202,886**
Development Assets					**352,757**
LEVALLOIS PERRET/MASLO	100%	35 RUE BAUDIN	92300	LEVALLOIS-PERRET	20,814
PARIS/ANJOU	100%	11/15 RUE D'ANJOU	75008	PARIS	9,336
VÉLIZY/EXTENSION	50%	10 RUE MARCEL DASSAULT	78140	VÉLIZY-VILLACOUBLAY	27,548
PARIS/MADRID - SAINT LAZARE	100%	11 R EDIMBOURG	75008	PARIS	5,837
FONTENAY-SOUS-BOIS/LE FLORIA	100%	18 AVENUE DES OLYMPIADES	94120	FONTENAY-SOUS-BOIS	9,175
MEUDON/VIBE	100%	23-25 AVENUE MORANE SAULNIER/ 22-24 AVENUE MARÉCHAL JUIN	92360	MEUDON-LA-FORÊT	38,000
Total Committed					**110,710**
PARIS/MONCEAU	100%	23 RUE MÉDÉRIC	75017	PARIS	10,893
MONTPELLIER/FONCIER POMPIGNANE	100%	PARC DE LA POMPIGNAGNE – RUE DE PINVILLE	34000	MONTPELLIER	90,122
MEUDON/CANOPÉE	100%	16-20 RUE DU MARÉCHAL JUIN	92360	MEUDON-LA-FORÊT	38,929
BORDEAUX/TERRES NEUVES	100%	RUE MARC SANGIER	33130	BEGLES	10,000
VÉLIZY/TERRAIN	50%	N/A	78140	VÉLIZY-VILLACOUBLAY	17,230
Total managed projects					**167,174**
NICE/BRANCOLAR	100%	125 AVENUE BRANCOLAR	6,100	NICE	13,837
SAINT-MAUR-DES-FOSSÉS/GRAVELLE	100%	36 BOULEVARD RABELAIS	94,100	ST MAUR DES FOSSES	3,970
LILLE/CORMONTAIGNE	100%	34 PLACE CORMONTAIGNE	59,000	LILLE	3,573
MONTPELLIER/RABELAIS	100%	38 TER AVENUE ST LAZARE	34000	MONTPELLIER	3,856
TOULOUSE/TROENES	100%	106/110 RUE DES TROENES	31200	TOULOUSE	32,000
CHALONS SUR SAONE/VICTOR HUGO	100%	20 AVENUE VICTOR HUGO	71100	CHALON/SAONE	4,799
MARIGNANE/CENTRAL	100%	LIEU DIT ST PIERRE	13,700	MARIGNANE	1,892
AIX EN PROVENCE/CÉZANNE	100%	12, 14 AVENUE PAUL CEZANNE	13090	AIX-EN-PROVENCE	3,161
CONFLANS-SAINTE-HONORINE/ CL4 PYLONE	100%	126 RUE ARISTIDE BRIAND	78700	CONFLANS STE HONORINE	1,425
VILLEBON-SUR-YVETTE/CENTRAL	100%	2 RUE VICTOR HUGO	91140	VILLEBON-SUR-YVETTE	1,192
VALENCE/HUGO	100%	179 AV VICTOR HUGO	26000	VALENCE	5,168
Total residential development					**74,873**

1.8.2 Italy Offices

Synthesis

Area	Surface area at 100% (in m²)
Core assets under operation	**344,134**
CBD	111,483
Centre	5,418
Semi-centre	113,270
Periphery	113,963
Development portfolio	177,117
TOTAL MILAN	**521,251**
Assets outside Milan	*425,147*

List of core and development assets in Milan: Group share of 62% of Italy Offices portfolio

Surname	% Ownership	Postal Code	Surface area at 100% (in m²)
Core assets under operation			**344,134**
PIAZZA S. FEDELE 2	100%	MILAN CBD	5,074
VIA AMEDEI 8	100%	MILAN CBD	6,550
VIA DELL'UNIONE 1 – RETAIL	100%	MILAN CBD	2,990
VIA DELL 'UNIONE 1 – OFFICE	100%	MILAN CBD	3,941
PIAZZA SIGMUND FREUD 1 (TORRE A)	100%	MILAN CBD	16,349
PIAZZA SIGMUND FREUD 1 (TORRE)	100%	MILAN CBD	16,567
PIAZZA SIGMUND FREUD 1 (CORPO)	100%	MILAN CBD	5,784
PIAZZA SIGMUND FREUD 1 (ACCESS)	100%	MILAN CBD	2,339
MILANO VIA CORNAGGIA 6	100%	MILAN CBD	7,216
VIA DANTE 7 – RETAIL	100%	MILAN CBD	1,878
VIA DANTE 7 – OFFICE WELLIO	100%	MILAN CBD	4,542
PIAZZA DUCA D'AOSTA 8	100%	MILAN CBD	2,914
PIAZZA SAN FEDELE 4	100%	MILAN CBD	3,426
LARGO PAOLO GRASSI 1	100%	MILAN CBD	2,213
VIA TONALE 11	51%	MILAN CBD	19,202
VIA PARINI 6	51%	MILAN CBD	7,082
CORSO MONFORTE 17	51%	MILAN CBD	3,415
Total CBD			**111,483**
CORSO MAGENTA 63	100%	MILAN CENTER	651
CORSO MAGENTA 59	100%	MILAN CENTER	4,767
Total Centre			**5,418**
VIA MESSINA 38 (TORRE B)	100%	MILAN SEMICENTER	5,202
VIA MESSINA 38 (TORRE D)	100%	MILAN SEMICENTER	4,976
VIA MESSINA 38 (TORRE A)	100%	MILAN SEMICENTER	5,059
VIA MESSINA 38 (TORRE C)	100%	MILAN SEMICENTER	4,874
VIA MAROSTICA 1-1	100%	MILAN SEMICENTER	8,336
THE SIGN – EDIFICIO A	100%	MILAN SEMICENTER	9,329
THE SIGN – EDIFICIO B	100%	MILAN SEMICENTER	12,427
THE SIGN – EDIFICIO C	100%	MILAN SEMICENTER	4,630
SYMBIOSIS D	100%	MILAN SEMICENTER	18,004
SYMBIOSIS – EDIFICIO SCHOOL	100%	MILAN SEMICENTER	7,938
SYMBIOSIS A + B	100%	MILAN SEMICENTER	20,503

Surname	% Ownership	Postal Code	Surface area at 100% (in m²)
VIA MANTEGNA 11	51%	MILAN SEMICENTER	5,978
VIA CESARE BALBO 8	51%	MILAN SEMICENTER	6,014
Total Semi-Centre			**113,270**
VIA ROMBON 11	100%	MILAN PHERIPHERY	7,064
VIA LORENTEGGIO 266	100%	MILAN PHERIPHERY	30,234
PIAZZA MONTE TITANO 10	100%	MILAN PHERIPHERY	5,951
VIA MARCO AURELIO 24-26	51%	MILAN PHERIPHERY	61,400
VIA FOLLI 17	51%	MILAN PHERIPHERY	4,807
VIA CASCINA BELLARIA 4	51%	MILAN PHERIPHERY	4,507
Total Periphery			**113,963**
Development portfolio			**177,117**
MILANOFIORI - STRADA 8	100%	MILAN PHERIPHERY	25,698
CORSO ITALIA 19	100%	MILAN CBD	12,081
Symbiosis G+H	100%	MILAN SEMICENTER	37,297
THE SIGN - EDIFICIO D	100%	MILAN SEMICENTER	12,437
Total Committed			**87,512**
SCALO DI PORTA ROMANA	100%	MILAN SEMICENTER	68,000
SYMBIOSIS C + E	100%	MILAN SEMICENTER	21,605
Total managed projects			**89,605**

1.8.3 Germany Offices

Synthesis

Area	Surface area at 100%
Core assets under operation	**303,838**
Berlin	29,234
Frankfurt	118,649
Düsseldorf	13,069
Hamburg	69,041
Munich	37,104
Potsdam	23,796
Oberhausen	12,945
Development portfolio	**155,608**

List of assets in operation and under development in Germany

Surname	% ownership	Address	Postal Code	City/Region	Surface area at 100% (in m²)
Operating assets					**303,838**
Eberswalder Str. 6-9	66%	Eberswalder Str. 6-9	10437	Berlin	6,257
Fischerinsel	66%	Gertraudenstr. 18, 20	10178	Berlin	10,599
Berlin HQ	66%	Knesebeckstr. 3	10623	Berlin	2,368
Tino	94%	Tino-Schwierzina-Str. 32	13089	Berlin	10,010
Total Berlin					**29,234**
Lotte	62%	Lotte-Pulewka-Str. 22	14473	Potsdam	8,479
Lotte	62%	Edisonallee 10	14473	Potsdam	2,425
Zeppelinstr. 136	66%	Zeppelinstr. 136	14471	Potsdam	12,892
Total Potsdam					**23,796**
Essener Str. 66	62%	Essener Str. 66	46047	Oberhausen	12,945
Total Oberhausen					12,945
Com Con Centre	94%	Colmarer Straße 5, 11	60528	Frankfurt	16,264
Frankfurt Airport Center	90%	Hugo-Eckener-Ring 1	60549	Frankfurt	48,136
Y2	94%	Emil-Von Behring-Straße 8-14	60439	Frankfurt	30,930
City Gate	94%	Nibelungenplatz 3	60318	Frankfurt	23,320
Total Frankfurt					**118,649**
Airport Business Centre	94%	Franz-Rennefeld-Weg 2-6	40472	Düsseldorf	13,069
Total Düsseldorf					**13,069**
Pentahof	94%	Suhrenkamp 71-77	22335	Hamburg	25,345
Zeughaus	94%	Christoph-Probst-Weg 1-4, 26-31	20251	Hamburg	43,696
Total Hamburg					**69,041**
Sunsquare	94%	Sonnenallee 1, Kirchheim	85551	Munich	19,492
Eight Dornach	94%	Einsteinring 4-12, Aschheim	85609	Munich	17,612
Total Munich					**37,104**
Total Development Assets					**155,608**
Loft	66%	Alt-Moabit 105	10559	Berlin	5,152
Alexanderplatz D3	55%	Alexanderplatz	10117	Berlin	59,500
Herzogterrassen	94%	Herzogstraße 15	40217	Düsseldorf	55,717
Total Projects Committed					**120,369**
Beagle	100%	Groß-Berliner Damm 81	12487	Berlin	5,089
Plano	100%	Wilhelm-Kabus-Straße 11-19	10829	Berlin	14,150
Total managed projects					**19,239**

1.8.4 German Residential

Synthesis

Area	Number of units
Berlin	18,023
Dresden & Leipzig	4,355
Hamburg	2,414
North Rhine-Westphalia	16,426
• Essen	5,758
• Duisburg	3,033
• Mülheim	2,139
• Oberhausen	1,830
• Other cities	3,666
TOTAL	**41,218**

Number of units by postal Code in Berlin

Postal Code	Number of units
10115	61
10117	27
10119	31
10178	117
10179	1
10,243	91
10,245	216
10,247	195
10,249	92
10317	267
10,365	34
10405	271
10409	56
10435	11
10437	423
10439	97
10551	193
10553	128
10555	38
10557	320
10559	130
10585	72
10587	43
10589	82
10625	86
10627	21
10629	44
10707	36
10709	244
10711	47
10713	119
10715	28
10717	21
10719	51
10777	139

Postal Code	Number of units
10779	40
10781	19
10783	69
10785	172
10789	334
10823	71
10825	39
10827	115
10829	210
10961	93
10963	25
10965	169
10967	255
10969	14
10997	228
10999	219
12043	302
12045	141
12047	232
12049	517
12051	402
12053	328
12055	219
12057	15
12059	425
12099	106
12103	52
12105	105
12107	121
12109	204
12157	83
12159	68
12161	164
12163	243
12165	25

Postal Code	Number of units
12167	426
12169	96
12203	70
12205	6
12207	93
12209	13
12247	115
12249	535
12277	139
12307	5
12347	41
12351	364
12355	30
12435	6
12439	25
12459	485
12487	65
12489	40
12529	54
12555	158
12557	8
12587	16
12623	28
12683	205
13086	821
13088	37
13089	114
13156	89
13158	11
13187	99
13189	38
13347	363
13349	52
13351	302
13353	463

Postal Code	Number of units
13355	29
13357	521
13359	220
13403	280
13407	121
13409	208
13465	5
13467	8
13469	32
13507	43
13509	34
13581	43
13583	209
13585	382
13587	25
13591	49
13,595	142
13597	72
13599	20
13629	90
14052	28
14059	109
14109	12
14129	11
14163	12
14165	9
14167	18
14193	17
14195	19
14467	7
14473	108
14482	40
15537	1
15831	31

1.8.5 Hotels in Europe

A list of Hotel assets is available in the Covivio Hotels Universal Registration Document.

Hotel Palazzo Gaddi
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2

Risks and control mechanisms

2.1 Risk factors

In accordance with European regulation (EU) No. 2017/1129 of 14 June 2017, the two associated subsidiary regulations which came fully into force on 21 July 2019 (together called "Prospectus 3") and the ESMA guidelines on risk factors, the risks specific to the Covivio group, the occurrence of which could have a significant effect on the company's financial position or results, after the application of risk management measures, are presented below.

The risk mapping, which is regularly reviewed, was updated in 2022 at group level; it includes all its subsidiaries and activities and takes into account changes in the business lines and the environment in which the Group operates. Its results are presented and discussed with the Audit Committee, then with the Board of Directors.

The major risks have been identified, as have the action plans to be implemented, strengthened or applied in order to improve control.

However, investors should be aware that other risks, likely to have a significant adverse impact, may exist, even though they have not yet been identified or their occurrence had not been considered plausible on the date hereof.

2.1.1 Prioritisation and summary of the main risks

The Risk, Compliance, Audit and Internal Control Department is responsible for identifying and rating risks on the basis of.

- interviews with each operational department
- the results of the annual audit plans, which make it possible to identify their level of control through the analysis of the effectiveness of the internal control processes deployed by the Group.

The risks are presented in a limited number of categories (I. to VII.) in accordance with ESMA guidelines[1].

2.1.1.1 Methodology

The risk rating is the result of a combined analysis of their potential negative impact and their probability of occurrence, while taking into account the control measures implemented by Covivio.

2.1.1.1.1 Impact and level of control

Should it occur, the risk is likely to have an impact on the valuation of the company, on its results as well as on its image and/or on the continuity of its business. Thus, the rating of the impact results from a financial estimate of the effect of such a realisation on the NAV or EPRA Earnings consolidated as a Covivio Group share, depending on the financial flows concerned.

Certain non-quantifiable risks are estimated based on their potential impact on business continuity and/or on the image of Covivio, consequences that could hinder the Group's ability to implement its strategy and establish business relationships with its stakeholders (buyers, sellers, customers, tenants, employees, suppliers, etc.).

Once quantified, the gross impact is adjusted for the level of control and the insurance coverage system.

This results in a rating of the net impact on a scale of 1 to 4 (from the lowest to the highest).

2.1.1.1.2 Probability and level of control

The probability of occurrence of the risk is rated from 1 to 4 which also takes into account the control system put in place by Covivio, mainly based on the efficiency of its procedures and, more generally, its internal control system.

2.1.1.1.3 Overall risk assessment

The risk is classified by taking into account the combined effect of its potential net impact and its net probability:

- low risk: < 1.5
- moderate risk: between 1.6 and 2.5
- high risk: between 2.6 and 3.5
- very high risk: > 3.6.

2.1.1.2 Summary of the main risks

The main risks are identified in the table below. They are grouped into seven categories:

I. Risks linked to the environment in which Covivio operates
II. Risks related to climate change
III. Financial risks
IV. Risks related to Covivio's development
V. Risks related to information systems, data security and cybercrime
VI. Risks related to the legal and regulatory framework in which Covivio operates
VII. HR Risks.

(1) ESMA31-62-1293 FR "Guidance on risk factors in the context of the Prospectus regulation".

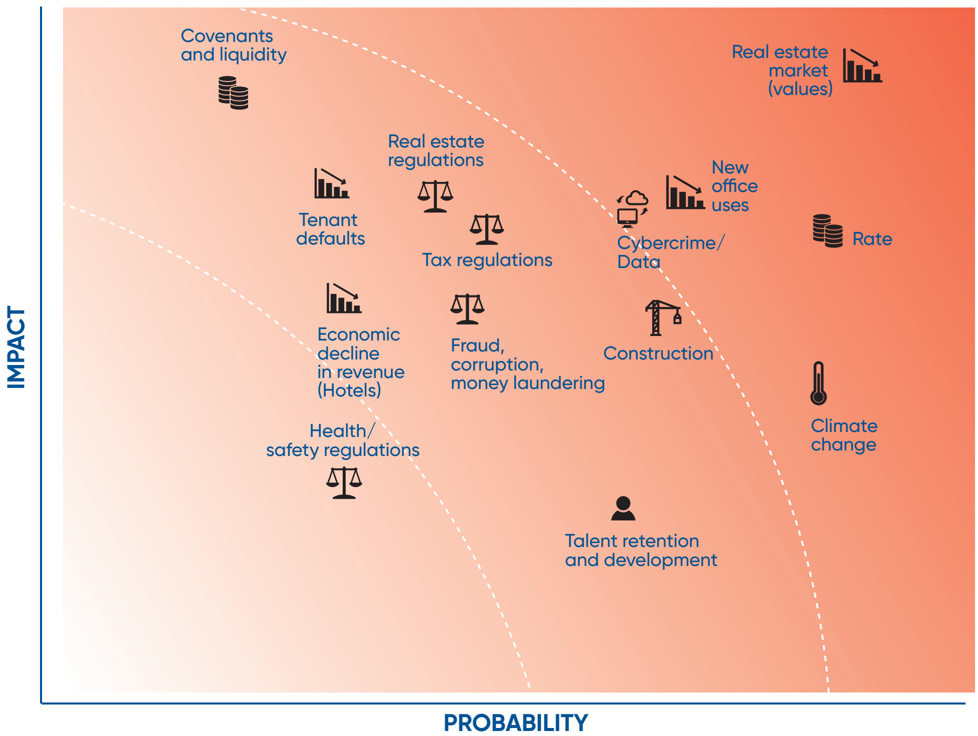
Preamble

The 2022 risk estimate mainly arises from the new geopolitical, economic and financial context in which Covivio operates and is marked in particular by:

- an increase in interest rates
- growth forecasts in the eurozone being revised downwards
- uncertainties in the real estate market (with a strong wait-and-see attitude on the part of investors) which may lead to fears of a further decline in appraisal values in the short/medium term
- a shortage of materials and labour, resulting in delays on construction sites
- an inflationary context (including construction costs)
- an energy crisis (soaring energy costs with possible shortages and restrictions).

The major risks identified in 2021 in the context of the Covid crisis have, on the other hand, been reassessed downwards in order to take into account the improvement in the global health context.

Risk category	Risks	Name of the risk (see graph)	RISK RATING Impact qualification	Probability qualification	Overall risk qualification (impact and probability)	Trend vs Y-1
I. Risks linked to the environment in which Covivio operates	• Unfavorable changes in the real estate market	Real estate market (values)	■■■■	■■■■	Very High	↗
	• Reduction in demand and risks of vacancy resulting from new practices in the Offices sector (remote working)	New office uses	■■■	■■■	Moderate	↗
	• Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest or pandemics, etc. (mainly Hotels)	Economic decline in revenue	■■■	■■	Moderate	↓
	• Default or insolvency of our tenants resulting from a difficult global economic context	Tenant defaults	■■■	■	Moderate	→
II. Risks related to climate change	• Financial consequences of climate change: "transition" risk (cost of adaptation to existing and future environmental constraints) and "active" risk	Climate change	■■	■■■■	High	
III. Financial risks	• Unfavorable change in borrowing rates: increase in financial expenses on the share of unhedged debt, hindering the ability to refinance existing debt and finance real estate development	Rate	■■■	■■■■	High	↑
	• Liquidity risk and risk of non-compliance with banking covenants (LTV, ICR) related to decreases in value and/or fall in revenues	Covenants and liquidity	■■■■	■	Moderate	↑
IV. Risks related to Covivio's development	• Risks related to construction, property development or development operations: supply disruption, delivery delays, non-compliance with budget forecasts (construction costs, vacancy on blank operation), risks related to safety on construction sites	Construction	■■	■■■	High	→
V. Risks related to information systems, data security and cybercrime	• Failure of information systems, consequences of "cyber" attacks, theft and/or alteration of data, particularly personal data	Cybercrime/ Data	■■■	■■■	High	→
VI. Risks related to the legal and regulatory framework in which Covivio operates	• Unfavourable change in tax regulations	Tax regulations	■■■	■■	Moderate	↑
	• Unfavourable change in real estate regulations	Real estate regulations	■■■	■■	Moderate	
	• Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	Fraud, Corruption, money laundering	■■	■■	Moderate	↘
	• Compliance with health and safety regulations (mainly hotels)	Health/ safety regulations	■	■■	Low	→
VI. HR Risks	• Organisational risks related to the non-retention of the most sought-after employees in the labour market	Talent retention and development	■	■■	Low	↓


Covenants and liquidity
Real estate market (values)
Real estate regulations
Tenant defaults
Tax regulations
New office uses
Cybercrime/ Data
Rate
Economic decline in revenue (Hotels)
Fraud, corruption, money laundering
Construction
Climate change
Health/ safety regulations
Talent retention and development
IMPACT
PROBABILITY

2.1.2 Description of the main risks, impacts and control

I. Risks linked to the environment in which Covivio operates

Risk	See graph	Level	Chg. /N-1
Unfavourable changes in the real estate market	Real estate market (values)	Very High	↗

Description

- Covivio's total assets at the end of 2022 (€27.7 billion in total) mainly consisted of the appraisal value of the buildings, which amounted to €26.1 billion (€17.4 billion Group share). Thus, any change in the value of real estate assets will have a direct impact on the balance sheet total.
- The value of Covivio's asset portfolio is contingent upon the performance of the real estate markets in which it operates. Both rents and market prices (and consequently the yield rates used as comparables by property experts) may be subject to fluctuations due to the economic and financial environment. Covivio recognises its investment properties at fair value in accordance with the option offered by IAS 40.
- In 2022, the value of the portfolio, Group share, changed on a like-for-like scope by +0.1% over the year (compared to +3.8% in 2021); this virtually nil annual change is essentially due to the fact that the values for the second half of 2022 take into account the sharp deterioration in the economic and financial environment, characterised by a rise in borrowing rates and a strong wait-and-see attitude among investors. The sensitivity of asset values to yield rates (corresponding to the rent/appraisal value excluding duties) is presented in Section 4.2.5.1.3 of this Document.
- Thus, a decrease in appraisal values is likely to affect the value of Covivio's net asset value and, possibly, the valuation of its share price.
- Finally, Covivio may not always be able to implement its rental, disposal and investment strategy at favourable market conditions, due to fluctuations in the real estate markets.

Summary of potential impacts

- Decrease in balance sheet value, NAV and, in certain cases, the share price.
- Impediment to the implementation of Covivio's strategy: acquisitions, disposals, leases.

Control mechanism

- Covivio is committed to maintaining a solid rental base characterised by long-term rental partnerships (occupancy rate of 96.6% at end 2022, firm residual lease term of 7.0 years).
- The Group favours development projects for the benefit of key accounts, pre-let before launch or delivery (the pre-letting rate for Office projects undertaken at the end of 2022 was 67%).
- Covivio enhances the quality of its portfolio through the development of assets with excellent environmental performances (projects aiming for HQE Excellent, BREEAM Very good or LEED Gold certification). Thus, 96% of Covivio's assets benefited from certification at the end of 2022. On its existing portfolio, Covivio is also pursuing an ongoing asset management strategy to defend the value of its portfolio.
- The diversification of Covivio's activities in terms of products and geography also significantly helps to reduce the impact of market risk.
- Lastly, an Innovation Department and a Transformation department were created to strengthen the competitive positioning of Covivio's portfolio through the implementation of an expanded service offering (digitisation, co-working spaces, etc.).

Risk	See graph	Level	Chg. /N-1
Reduction in demand and risk in vacancy resulting from new practices in the Offices sector (remote working)	New Office uses	High	↗

Description	Control mechanism
• As of 31 December 2022, office assets represented 55% of the Group's portfolio and 52% of revenues; their vacancy rate was 5.6% (compared to 1% for German Residential and 0% for Hotels in Europe). • Remote working, which was rare before the Covid-19 health crisis, increased significantly during the lockdown periods beginning in the spring of 2020. Company agreements on remote work continued to grow in 2021 and 2022; some of them have even decided to shift to a "full remote" model with all teams working from home. • Given the high level of employee satisfaction for those working remotely this phenomenon is expected to become widespread in the coming years. This trend will likely be reinforced by the fact that companies see remote working as an opportunity to significantly reduce their operating costs (in particular by deploying workstation-to-employee ratios of < 1), a significant lever for savings in an inflationary context. • However, it should be noted that this phenomenon, which has already reached a certain level of maturity, is likely to stabilise in the medium term; the use of full remote, being fairly marginal, is not currently a preferred solution for companies. • With a constant asset allocation strategy, Covivio expects a slight increase of office vacancy rate could occur over the next four to five years in France, Germany and Italy, which will then stabilise over time. For example, a one-point increase in the office vacancy rate is likely to lead to a decrease in rental income of €3.5 million. • This unfavourable change in demand could thus affect both Covivio's revenues and the valuation of its portfolio. **Summary of potential impacts** • Increase in vacancies and decrease in rental income. • Decrease in portfolio value.	• Covivio has opted for a demanding asset allocation strategy characterised by a long-term rental base and high property quality, favouring assets with excellent location. • The maintenance of a high firm residual lease term, the staggering of tenant vacations and ongoing discussions with them enable Covivio to secure its income over the long term. Thus, at the end of 2022, the firm residual term of office leases was 7.0 years. • With its integrated Property Management teams, Covivio places customer satisfaction at the heart of its priorities. The Group intends to differentiate itself from its competitors by strengthening its service offering and by pursuing its environmental ambitions through the certification of its assets.

Risk	See graph	Level	Chg. /N-1
Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest or pandemics, *etc.* (mainly Hotels).	**Economic decline in revenues (Hotels)**	Moderate	↓

Description	Control mechanism

Description

- In the event of a deterioration or instability of the political, geopolitical, health (pandemics) or social context in Europe, Covivio could experience a decrease in demand for its business property projects and, consequently, a drop in its occupancy rate and rental income.

Hotel activity

- This risk is the most significant for Covivio's hotel business (operated *via* its 43.9%-owned subsidiary Covivio Hotels), This activity is in fact partially liable to suffer from a rapid decline or even a total absence of revenue:
  - on its variable-rent assets indexed on hotel turnover
  - on its operating income for operating properties.
- The hotel portfolio represents 15% of the Group share of Covivio's portfolio and 20% of its revenues; the share of the Group's assets that do not benefit from fixed rents stands at 6.2%, *i.e.*, €1,1 billion.
- At the height of the Covid-19 crisis, only 22% (in number of rooms) of Covivio's hotel portfolio was open. Similarly, in 2018, the "Gilets jaunes" movement had an unfavourable impact on hotel occupancy resulting in a -0.5 point drop in the average occupancy rate including -3.6 points in Paris.
- The risk of an attack also has a direct impact on hotel occupancy in major cities. Thus, during the attacks of 2015, the hotel located at Brussels airport saw its occupancy decrease by 14.4 points.
- The Russian-Ukrainian conflict is also likely to have an adverse impact on international tourism without the Group being able to immediately measure the effects.

Other activities

- The Group's other activities were to a much lesser extent affected by the pandemic and are less sensitive to changes in the geopolitical context, the health situation, *etc.*
- Thus, at 31 December 2022, the total impairment of the Group's trade receivables amounted to €37.3 million, down €11.6 million compared to 31 December 2021 (including €10.5 million resulting from the payment unpaid rent for 2020/2021 on an asset in Spain).

Summary of potential impacts

- Decrease in variable revenues: variable rental income and hotel operating revenues (EBITDA).
- Financial fragility of tenants, which can go as far as bankruptcy (vacancy and unpaid rents).

Control mechanism

- The risk reduction measures put in place by Covivio consist of:
  - developing a solid, long-term rental base by maintaining a high residual lease term (7.0 firm years at the end of 2022), including 12.7 years in the hotel scope
  - putting in place prudential rules applied to development projects (monitoring of the pre-letting ratio on assets under development, limitation of equity exposed to vacancy risk, *etc.*)
  - maintaining the diversification of its activities in terms of products and geographical locations.
- In the hotel business, Covivio has chosen to forge partnerships with major hotel groups (AccorInvest, NH hotels, IHG, Marriott, B&B, RHG, Barcelo, Hotusa, *etc.*) benefiting from a solid financial base, enabling them to cope with a significant decline in their revenues in the short/medium term.
- At the same time, the Group is working to diversify its rental base and hotel facilities; for several years, Covivio has been able to expand the number of its operator partners (currently 16), the segments in which it operates (68% economic/midscale and 32% upscale) as well as its locations (presence in 12 countries).
- This diversification has enabled it to take full advantage of the "post-Covid" recovery in the tourism business on its portfolio in variable revenues.
- The risk management system is also described in the developments dedicated to risk "Default or insolvency of tenants resulting from a deteriorated global economic environment".

Risk	See graph	Level	Chg. /N-1
Default or insolvency of our tenants resulting from a difficult global economic context	**Tenant defaults**	Moderate	→

Description	Control mechanism

Description

- Covivio and its subsidiaries are subject to the risk of a deterioration in the financial soundness of their tenants, which may go as far as their insolvency.
- As a reminder, in 2019, Covivio was faced with the default of one of its tenants (Sequana) who had vacated 5,900 m² in a building located in Boulogne. The financial loss was minimised to six months' rent because the security deposit could be retained.
- In 2020, faced with WeWork's financial difficulties, Covivio had to reach an agreement resulting in the release of 21,600 m² in Dusseldorf, representing a loss of earnings of €7 million.
- In the hotel scope, the risk of insolvency of Covivio Hotels tenants is mainly related to exogenous factors that may affect hotel footfall: unfavourable geopolitical environment, terrorism, social unrest or pandemics, etc. (See "Decrease/stop of the activity resulting from an unfavourable geopolitical environment, terrorism, social unrest or pandemics, etc.) (Hotel industry essentially).

Summary of potential impacts

- Decrease in revenues resulting from increased rents and/or vacancies.

Control mechanism

- Covivio has made the strategic choice to develop rental partnerships with key accounts and large companies, while ensuring the diversification of its rental base.
- As such, for several years now, the weight of some key account tenants, such as Orange in France, Telecom Italia in Italy and AccorInvest in the hotel segment, has decreased considerably.
- The weight of the top three tenants in revenues fell from 41% in 2014 to 14% by the end of 2022.
- The "Partnership Committees" allow the company to monitor changes in the business activities of its tenants more closely.
- Rental guarantees, rental deposits and the use of an external service to carry out tenant financial strength studies allow Covivio to monitor its tenants' risk of insolvency.
- The majority of rent in the German Residential portfolio is paid by automatic transfer. A national register of payment defaults that can be consulted by lessors and financial institutions also ensures better management of the risk of payment default.

II. Risks related to climate change

Risk	See graph	Level	Chg. /N-1
Financial consequences of climate change: "transition" risk (cost of adaptation to existing and future environmental constraints) and "asset" risk	**Climate change**	High	**N/A**

Description

- Since 2020, Covivio has commissioned MSCI to conduct an MSCI Real Estate Climate-Value-at-Risk® review on its Offices portfolio in Europe. In 2022 this analysis was extended to office, hotel and residential assets in Europe. Details of this risk as well as the results of the analysis are presented in Section 3.3 of this Document.
- In a context of climate change, this risk is broken down into two sub-categories of risks likely to have financial consequences on the Group's assets or revenues: physical risk and risks of transition.

Physical risks

- The physical risk consists of the potential direct financial impact of climate change on Covivio's portfolio: coastal and river flooding, extreme cold and heat, violent winds from tropical storms and cyclones, forest fires, *etc.* The analysis model offered by MSCI is based on a 5°C - RCP 8.5 scenario, according to which there would be no reduction in carbon emissions achieved at the global level.
- The financial impacts can thus be multiple both in terms of asset value and income: loss of assets, repair or replacement costs, construction delays, costs of resizing heating/cooling facilities, increase in operating costs, decrease in occupancy rates, lower rents, *etc.*
- According to this scenario, by 2100, physical risks would represent 0.61% of the value of the assets analysed. The main risks identified are coastal and river flooding and extreme heat.

Risks of transition

- The challenge for the portfolio held by Covivio lies more in the risks transition inherent in the need to reduce greenhouse gas emissions.
- The impacts of this risk can be modelled according to different scenarios of alignment with a carbon trajectory, taking into account expected changes in terms of demographics, energy mix and carbon cost. For its portfolio, Covivio has selected an alignment with a 1.5°C trajectory.
  - According to the REMIND Orderly model (model used by the NGFS[1]), the risk of transition represents 5.92% of the value of the portfolio assets, due to the efforts to be made to align with a 1.5°C trajectory (93% reduction in the carbon intensity of the portfolio by 2050) and the assumption of an increase in the price of carbon over time.
  - According to the CRREM[2] model, the risk of transition represents 1.20% of the value of the portfolio assets (reduction of 94% in the portfolio's carbon intensity by 2050).

Summary of potential impacts

- Loss of attractiveness of the portfolio that may result in a decrease in its value and the rental income it generates.
- Increase in costs and charges.
- Weakening of the rental property base.
- Physical destruction of assets (limited).

Control mechanism

- In order to bring its portfolio into line with its low-carbon objectives and control its risk of transition, Covivio expects to implement €254 million in investment work ("green" Capex) by the end of 2030.
- Covivio's sustainable development strategy, in particular its most significant climate-related issues and its plan of action implemented, are described in Chapter 3 of this Universal Registration Document (URD).

(1) Network for Greening the Financial System.
(2) Carbon Risk Real Estate Monitor.

III. Financial risks

Risk	See graph	Level	Chg. /N-1
Unfavourable change in borrowing rates: increase in financial expenses for the share of unhedged debt, hampering the ability to refinance existing debts as well as real estate development	**Rate**	**High**	↑

Description	Control mechanism

Description

- Driven mainly by the increase in energy costs, annual inflation stood at +11.5% at the end of October 2022, of which +7.1% in France, +11.6% in Germany and +12.6% in Italy. Faced with this phenomenon, the European Central Bank raised interest rates in the Eurozone on 15 December for the fourth time since July 2022. This further increase of 50 basis points followed two increases of 75 points.
- The Group's use of debt, with €11 billion in long-term and short-term borrowings at the end of 2022 (*i.e.* a net debt of €7.6 billion compared with €7.8 billion at the end of 2021), exposes it to the risk of a rise in interest rates that could lead to a significant increase in financial expenses.
- Sensitivity to increases in the interest rate is described in Section 4.2.2.3 of this document.
- In view of the control elements detailed below and the financing schedule, Covivio's average cost of debt is expected to be 2.5% in 2026, all things being equal.

Summary of potential impacts

- Increase in financial expenses on the portion of unhedged debt.
- A brake on development capacity.

Control mechanism

- The average rate of Covivio's debt came to 1.24% at the end of 2022 (compared with 1.20% at the end of 2021).
- The average maturity of the debt is 4.8 years at 31 December 2022.
- The Group's companies use derivatives to hedge against their interest rate risk, primarily *via* cap and swap contracts. They carry out market transactions solely for the purpose of hedging their interest rate risk.
- At the end of 2022, Covivio's debt is hedged at 86% with an average duration of coverage of 6.3 years.

Risk	See graph	Level	Chg. /N-1
Liquidity risk and risk of non-compliance with banking covenants (LTV, ICR) related to decreases in value and/or fall in revenues	**Covenants and liquidity**	High	↑

Description	Control mechanism

Liquidity

Description

- The amount of long-term and short-term borrowings on Covivio's balance sheet (in full) at the end of 2022 amounted to €11 billion. The debt due in 2023 stands at €0.5 billion and €6.4 billion between 2024 and 2027 (inclusive).
- Available liquidity at 31 December 2022 was €2.5 billion, comprised of confirmed credit lines (€1.9 billion), cash and cash equivalents and unused authorised overdrafts (see Section 4.2.2.2 of this Document).
- The Group is therefore exposed to the risk of insufficient liquidity to service its debt or to refinance debts that have reached maturity.
- Such a shortfall could lead to early repayment and, if the debt were secured, the re-possession by the lending institution of the assets concerned.
- The maturity schedule of Covivio's debts (in full) is presented in Section 4.2.2.2 of this Document.

Control mechanism

- Covivio's policy of paying down debt, instituted several years ago, has minimised this risk. Thus, the ratio of net debt to asset value including taxes remained under control at 39.5% at the end of 2022 (compared with 39.1% à fin 2021). The banking LTV and EPRA LTV ratios were 42.3% and 42.6% respectively.
- These risks are managed by tracking multi-year cash management plans and, in the short term, by using confirmed and undrawn lines of credit.
- 18-month liquidity forecasts are analysed every month by the Finance Department and are submitted to General Management.
- Covivio's Investment Grade BBB+, stable outlook rating from Standard & Poor's demonstrates that this risk is properly managed.

Covenants

Description

- The risks related to changes in values and rents are detailed in the section dedicated to risk "Unfavourable development of the real estate market".
- In the event of non-compliance with a covenant, Covivio would theoretically have to repay all of its drawn debt. In practice, however, this risk appears unlikely, as banks generally prefer to renegotiate the existing financial terms of the borrowers concerned.

Control mechanism

- The systems for managing the risk of non-compliance with banking covenants (LTV, ICR) are essentially linked to the management of the following other risks:
  - "Unfavourable changes to the real estate market"
  - "Unfavourable change in borrowing rates".
- At the end of 2022, Covivio's most restrictive LTV (Loan to Value) covenant stands at 60% for an effective ratio of 42.3% (bank LTV). As a result, the company could suffer a decrease in value of its assets of 29% before reaching its LTV covenant.
- For more information, please refer to in Section 4.2.2 of this Document.

Summary of potential impacts

- Inability to service the debt: immediate repayment, seizure of assets.
- Increase in financial expenses.

IV. Risks related to Covivio's development			
Risk	**See graph**	**Level**	**Chg. /N-1**
Risks related to construction, property development or development operations: delivery delays, non-compliance with budget forecasts (construction costs, vacancy on blank operation), risks related to safety on construction sites	**Construction**	High	→

Description

- The total Offices development pipeline at the end of 2022 was €2.0 billion, corresponding to 14 projects in France, Germany and Italy. As a result, Covivio is exposed to the risks related to the development of real estate assets:
  - construction cost of an operation higher than the preliminary estimation of the project (the ICC in France increased by almost 8.1% over one year between Q3 2021 and Q3 2022)
  - construction period longer than the estimated one (technical difficulties or delay in execution due to a failure to obtain administrative authorisations, construction site delays resulting from a shortage of materials, *etc.*) which could lead to a delay in the collection of rents and, in certain cases, the payment of penalties to the future buyer in the context of development operations or to the future tenant (or even the lapse of the lease if the delay goes beyond a predetermined period)
  - risk related to the letting of assets in the event of a market downturn before project delivery
  - significant Health/Safety risk on all construction sites.

Shortage of construction materials

- The production stoppages by construction materials suppliers during the pandemic, combined with long steady demand driven by a stronger than expected economic recovery, particularly in the United States and Asia, contributed to the gap between the recovery in demand and the supply capacity.
- Since the beginning of 2021, companies have faced significant price increases and delays or even cancellations of orders from their suppliers. This situation has worsened significantly due to the Russia-Ukraine conflict and the upward pressure on energy costs.
- On a more structural basis and in the longer term, mismanagement of the resources required for construction (particularly natural resources) could lead to a shortage and, consequently, a significant and continuous increase in real estate development costs.

Summary of potential impacts

- Additional construction costs.
- Delivery delays.
- Non-compliance with commitments made to tenants (BEFA) or buyers (development) and associated penalties if applicable.
- Health and safety impacts and non-compliance with real estate and environmental regulations.

Control mechanism

- In line with thresholds defined by governance, developments are subject to a presentation and validation to the Executive Committee after review by Risk Management, then to the Strategy and Investment Committee, and finally to the Board of Directors. The risks, obstacles and opportunities are reviewed in detail during the validation procedure.
- Of the offices pipeline at the end of 2022, 67% were pre-let.
- A procedure specifies all of the studies to be carried out prior to the launch of any project, including a selection process for service providers, the monitoring of the period ranging from construction to the delivery of the asset and the market launch of "on spec" projects (with no pre-letting).
- In recent years, the development team made up of experts in their line of business has been strengthened to ensure a better management of projects, including worksite safety for which Covivio systematically uses specialist service providers.
- In addition, commitments in terms of prices and delivery deadlines are made with construction companies, including late-payment penalties.

V. Risks related to information systems, data security and cybercrime

Risk	See graph	Level	Chg. /N-1
Failure of information systems as a result of cyberattacks, theft and/or alteration of data, particularly personal data	Cybercrime/ data	High	→

Description	Control mechanism

Cyberattacks

- The amount of cash flows that Covivio may be required to disburse exposes it to the risk of cyberattacks and attempted fraud by clever engineering for the purposes of extortion, theft, and alteration or deletion of data, which may lead to an interruption of business.
- Over the last four years, Covivio has seen an increase in attempted fraud, through clever engineering and phishing operations. These attempts could intensify with the Russian-Ukrainian conflict. Depending on their extent, interruptions, violations or faulty information systems are likely to cause, in addition to significant damage to computer hardware, an image risk and significant financial consequences: expenses incurred to restore systems and reconstitute data, expert and legal fees, and, where applicable, fines for non-compliance with regulations on the protection of personal data.
- At the beginning of 2022, Covivio was the target of a ransomware cyberattack *via* the encryption of data located on some of its servers. The latter, which hosted only a small part of Covivio's data and applications, were able to be restarted without significant damage or impact on the company's activity.

Theft and/or alteration of data, particularly personal data

- Given its residential activity in Germany (almost 40,000 tenants), as a hotel operator through its subsidiary Covivio Hotels and as a co-working service provider, the company is particularly concerned with the management of personal data.
- In addition, the increasing digitalisation of its activities aimed at deploying an attractive range of services in its buildings means that Covivio uses multiple data subcontractors.
- Thus, in addition to financial, operational or image damage that could result from theft or alteration of its data (processed in its own systems or those of its subcontractors), Covivio could be liable to fines from the competent data protection supervisory authorities, which, in accordance with European regulation No. 2016/679, known as the General Data Protection Regulation (GDPR), could affect 4% of its global revenue.
- More generally, Covivio could be subject to penalties for non-compliance with the other principles of the regulation: purpose, proportionality and relevance, limited retention period, security and confidentiality, respect for data subjects' rights, including information about how their data is processed.

Summary of potential impacts

- Unavailability of systems that could seriously hamper Covivio's business in the longer or shorter term and associated image risks.
- Consulting and expert fees for data recovery.
- Sanctions related to non-compliance with the regulations on the protection of personal data.

Control mechanism

- The measures put in place to reduce this risk are further described in Section 2.2.2.1.2 of this Document:
  - contingency plan
  - business continuity plan
  - intrusion tests
  - training in and awareness-raising to cyber risks
  - cyber risk mapping
  - cyber insurance policy
  - introduction of an ISSP (Information Systems Security Policy) and a CISO (Chief Information Security Officer).
- More generally, Covivio has initiated a project to secure its data and systems by hosting its strategic applications in a network of cloud servers, using a reputable supplier with the highest security standards.
- Covivio has deployed an organisation dedicated to the protection of personal data at the European level, as detailed in paragraph 3.6.3.2 of this document. This is led by country Data Protection Officers and a Group Data Protection Officer, guaranteeing the compliance of data processing with regulations.

VI. Risks related to the legal and regulatory framework in which Covivio operates

Risk	See graph	Level	Chg. /N-1
Unfavourable change in tax regulations	Tax regulations	Moderate	↑

Description	Control mechanism

- Covivio benefits, for some of its activities, from the SIIC regime (for real estate investment companies). As a consequence of this tax relief plan, the company is required to distribute most of its profits, and its shareholders are subsequently taxed.
- A SIIC must be a listed company and must not be 60% or more owned by a majority shareholder, alone or acting in concert. The REIT activities (SIIC activities) must represent more than 80% of its activity.
- Thus, if the SIIC regime were called into question, Covivio would be subject to corporate income tax on the portion of its income that had hitherto been exempt.
- More generally, any change in tax rules applicable in the real estate sector or any failure to comply with the resulting obligations could have an adverse impact on the Group's financial results.

Summary of potential impacts

- Tax penalties.
- Tax increase.

Control mechanism

- The Group's Tax department, which is made up of dedicated professionals, is responsible for managing tax risks. They constantly monitor regulations and case law, both local and European, with the help of specialised external consultants.

Risk	See graph	Level	Chg. /N-1
Unfavourable change in real estate regulations	Real estate regulations	Moderate	N/A[(1)]

Description	Control mechanism
• Legal and regulatory changes in commercial or residential leases, particularly in terms of duration, indexation or recoverable rental charges, are likely to have negative financial consequences for Covivio. • For example, in order to limit the sharp rise in rents in recent years, the city of Berlin passed a law in February 2020 – since overturned by the German Constitutional Court – which provided for a freeze and a cap on rents in the city for five years. The impact of this regulation on Covivio's rental income for 2020 had been estimated at around -1%. • Urban planning policies in favour of Residential could also, in the event of mandatory reconversion of office assets into residential assets, affect the value of Covivio's commercial real estate portfolio. • Finally, the new construction constraints are also likely to lead to a significant increase in building construction and renovation costs, which would significantly affect the profitability of Covivio's portfolio in the least strained areas. • The other specific risks related to environmental issues are detailed in Section 3.2.4 *et seq.* of this Document.	• Covivio has integrated legal teams that closely monitor changes in property regulations. • Covivio's department of Sustainable Development is responsible for tracking any changes in environmental regulations. It manages and disseminates any information required by Covivio's real estate teams to implement objectives and associated action plans needed to anticipate future regulations.

Summary of potential impacts
• Unfavourable change in rents and expenses. • Asset obsolescence: decline in values and rents. • Increased construction and renovation costs.

(1) *In 2021, this risk included the risk of "unfavourable changes in environmental regulations". In 2022, this risk is included in the "financial consequences of climate change" risk.*

Risk	See graph	Level	Chg. /N-1
Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	Fraud, Corruption, money laundering	Moderate	↘

Description	Control mechanism

- Covivio's activities, including sales, acquisition, leasing and development activities, involve significant capital movements as well as regular contact between Covivio employees and service providers, intermediaries and/or public officials.

Fraud

- Covivio could be the victim of internal or external fraud: use of privileged access, identity theft of an employee, an executive or a service provider in order to obtain a transfer to a third-party account in exchange for a real or fictitious transaction.

Corruption and influence peddling

- Covivio employees (employees, corporate officers), directly or *via* intermediaries, could be liable to commit these offences, in their own interest, that of a third party or that of Covivio.
- For example, employees could grant donations, subsidies, gifts or other miscellaneous benefits (recruitment of a relative, *etc.*) with a view to obtaining a contract, any other favourable decision by a public official, a company officer or other decision-maker in connection with a sale, acquisition or lease.
- Similarly, Covivio employees could be granted these same benefits in order to encourage the use of a service provider.
- In the event of proven corruption or influence peddling, in addition to the penalties provided for by law, Covivio could be criticised for the weakness of its risk prevention system as defined by law No. 2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of the economy, and be subject to sanctions in this respect.

Money laundering

- Covivio could participate in or carry out transactions involving a violation of French or European laws and regulations relating to the freezing of assets or restrictive measures (embargoes). Likewise, Covivio could be penalised for failing to comply with the provisions of the French Monetary and Financial Code on anti-money laundering and terrorist financing obligations, for example by failing to carry out due diligence appropriate to the type of business operations.

Image

- In addition to the penalties (administrative, civil, criminal, *etc.*) and their financial impact, Covivio could, in the event of proven fraud, corruption or money laundering, see its image damaged, which would have the effect of limiting its ability to form business relationships, and consequently, to implement its strategy of disposal of acquisitions, development or leasing.

Summary of potential impacts

- Financial losses.
- Sanctions imposed by administrative or legal authorities.
- Damage to Covivio's image, hindering its ability to forge business relationships.

Control mechanism

- Covivio has a structured Internal Control Management System which is described in Section 2.2.
- Measures to prevent specific risks of fraud, corruption and money laundering are detailed in Section 3.6.2 of this document. This system is coordinated at the European level by the Group Compliance Officer.
- The mandatory training provided regularly to all employees at the European level as well as all the tools made available to them (Ethics charter, whistleblowing system, procedures, *etc.*) fully contribute to increasing control of these risks.

Risk	See graph	Level	Chg. /N-1
Compliance with health and safety regulations (mainly hotels)	Health/safety regulations	Low	→

Description	Control mechanism

- Through its activity, Covivio is exposed to health risks (asbestos, legionella) and environmental risks (particularly soil and subsoil pollution). These risks may incur significant remediation costs and lengthy additional delays associated with the search for and removal of toxic substances or materials when undertaking development or asset-renovation projects and lead to the civil and, potentially, the criminal liability of the company.
- Moreover, given its significant construction activity (see above), Covivio is exposed to risks related to safety on its construction sites.
- Likewise, in its hotel scope, the diversification of Covivio's accommodation offering (with alternative solutions between traditional hotels and youth hostels) as well as catering services, mainly in its capacity as an operator, imposes on the company various obligations and responsibilities related to the health and safety of its customers, which were reinforced during the Covid-19 pandemic.

Summary of potential impacts

- Additional compliance costs.
- Sanctions of the competent authorities.
- Damage to Covivio's image, hindering its ability to forge business relationships.

Control mechanism

- Covivio has integrated legal teams that closely monitor changes in health and safety regulations.
- Covivio and its partners endeavour to implement appropriate measures to guarantee the health and safety of employees on construction sites in an environment that exposes them to risks of all kinds: falls, electric shocks, exposure to chemical products, noise, vibrations, *etc.*
- More generally, in each country, the environmental unit of each Technical Department applies a rigorous policy, in particular by monitoring environmental diagnostics (lead, asbestos, soil pollution), monitoring safety commissions for hotels and Group high-rise buildings, monitoring of environmental performance certifications for assets (HQE operation, Bream In Use) as well as new certifications regarding well-being and connectivity in buildings.
- Finally, Covivio removes cooling towers likely to lead to a risk of legionella or limits those deemed necessary and whose operation is then specifically monitored.

VII. HR risks			
Risk	**See graph**	**Level**	**Chg. /N-1**
Organisational risks related to the non-retention of the most sought-after employees in the labour market	**Talent retention and development**	Low	↓

Description	Control mechanism

• The year 2022 was characterised by a recovery in activity following the health crisis as well as by an upsurge in hires at the European level. At the end of 2021-early 2022, the labour market returned to its pre-crisis situation in most European countries: the labour shortages reported by companies in the business tendency surveys are increasing sharply and the EU unemployment rate stood at 6.0%[1] in September 2022, down compared to the rate of 6.7% recorded in September 2021.
• The activities carried out within the Group, both in operational areas and in so-called "support" functions, require a high degree of employee qualification and/or concern particularly dynamic business sectors.
• On the job market, Covivio is therefore in competition with many other real estate operators (developers, construction companies, marketers, *etc.*) and also with financial groups (*e.g.* asset managers, investment funds, *etc.*).
• In addition to the temporary organisational difficulties likely to result from an excessive number of departures (loss of know-how, reallocation of workload and associated psycho-social risks, *etc.*), Covivio could, if such tension were to persist, find it difficult to implement its strategy optimally due to a lack of qualified personnel and/or be faced with a significant increase in its payroll.
• The economic and financial context, marked by a certain wait-and-see attitude on the part of real estate operators and, consequently, their activities (mainly investments), however is likely to mitigate this phenomenon during the 2023 year. The Group therefore considers this risk as having decreased compared to the previous year.
 	
Summary of potential impacts
• Temporary organisational risks (loss of know-how) and associated psychosocial risks.
• Impediment to the deployment of Covivio's strategy.
• Increase in payroll.
	• The challenges relating to skills and the attractiveness of Covivio as an employer were identified as part of the CSR risk mapping as major issues for the company.
	• The measures deployed by the Human Resources Departments in each country are detailed in Section 3.5.1.4 of this document.
	• These include, in particular:
	  • regular monitoring of HR indicators to analyse trends and anticipate employee issues (departures, absenteeism, *etc.*)
	  • systems aimed at promoting employer-employee dialogue, preventing psychosocial risks, reconciling personal and professional life (workload monitoring interviews, teleworking agreements, *etc.*)
	  • training and development plans (coaching, mentoring, sponsorship of new arrivals, *etc.*)
	  • a performance-based remuneration system incorporating a variable portion allocation policy
	  • attention paid to employee development, notably through internal promotion.
	• Identification actions (people review, succession plans) and initiatives regarding loyalty of key employees (Covivio long-term incentive plans) are also being rolled out at the European level.
	• Covivio has also developed its visibility on the job market by launching its employer brand in September 2019. The Group's 27 ambassadors (in France, Germany and Italy) are its cornerstone: participation in the *Grandes Écoles* forums, proposing profiles of people to be recruited, involvement in the various networks to promote Covivio (LinkedIn, jobteaser, advertising campaigns, *etc.*).

2.1.3 Financial risks linked to climate change

Covivio's sustainable development strategy, in particular its most significant climate-related issues, are described in the earlier Section 2.1.2 as well as in Chapter 3 of this Universal Registration Document (URD).

It constitutes Covivio's Statement of Extra-Financial Performance. This report complies in particular with the requirements of the decree of 9 August 2017 adopted for the application of the ordinance of 19 July 2017 on the publication of non-financial information, as well as the provisions of Article 173 of the French law of energy transition for green growth and its decree of 29 December 2015.

This year it also includes the first obligations related to the entry into force of the Taxonomy regulation (EU) No. 2020/852 and its delegated acts concerning the first two environmental objectives of the text related to climate change (adaptation and mitigation) and Article 8 specifying the methodology for the indicators to be published in this context.

This report details the objectives and actions that bring Covivio's low-carbon strategy into line with a trajectory of 1.5 °C for its direct activities and well-below 2 °C for all of its activities in Europe in line with the principles of the 2015 Paris Agreement and the climate reporting framework launched by the Task Force on Climate-related Financial Disclosures (TCFD).

(1) *Source: Eurostat.*

2.2 Internal control, risk management and compliance policies

2.2.1 Objectives, scope and guidelines

2.2.1.1 Objectives and limits

To respond to the risks, including those outlined in this section, Covivio has implemented an internal control and management system adapted to its activity in France, Germany and Italy. This system also serves as a tool for steering the Group's activities by improving the efficiency of its teams and making reporting more reliable.

In particular, it seeks to ensure that:

- activities comply with laws, regulations and internal procedures
- management acts correspond to the guidelines set by the corporate bodies
- assets, in particular buildings, are adequately protected
- the risks arising from the business are correctly evaluated and sufficiently controlled
- internal systems, which contribute to the establishment of financial information, are reliable.

Although this internal control system cannot, by definition, provide an absolute guarantee that all types of risks will be completely eliminated, it provides the company with a comprehensive tool that effectively protects against the major risks identified and their potential effects.

2.2.1.2 Scope under review

The internal control and risk management system applies, without exclusion of scope, to all activities covered by Covivio and its subsidiaries, in France and abroad, as well as to all controlled subsidiaries.

2.2.1.3 Standards

Covivio abides by the reference framework recommended by the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF). This AMF reference framework is based on that of COSO (Committee of Sponsoring Organisations of the Treadway Commission). It includes a set of methods, procedures and measures that should enable the Group to:

- contribute to the management and efficiency of its business activities and the efficient use of its resources
- appropriately take into account significant operational, financial and compliance risks.

2.2.2 System components

2.2.2.1 Structured organisation

In accordance with AMF recommendations, Covivio's internal control system is based, among other things, on known objectives, shared responsibility, and appropriate management of resources and skills.

2.2.2.1.1 Delegations of powers and responsibilities

Delegations and sub-delegations of powers have been put in place. They ensure better organisation of the company and a stronger correlation between the responsibilities of operational entities and the responsibilities of the executive. They are subject to regular reviews and audits.

2.2.2.1.2 Securing information systems

The features of the software applications used by Covivio employees are tailored to their various activities.

The security of the financial transactions conducted using the information systems is ensured by:

- separation of payment authorisation and the execution of payment transactions
- limits on the disbursements allowed for each employee and a dual-signature requirement when limits are exceeded.

These measures are updated in keeping with organisational changes.

The security of the Information System and its infrastructure is ensured by:

1. a contingency plan to mitigate any physical or electronic attack on the information systems. Daily back-ups are stored outside the building in which the main servers operate
2. a business continuity plan has been operational since June 2013. This plan was drawn up jointly by teams from the Covivio Information Systems and Risk, Compliance, Audit and Internal Control Departments, with the help of the global leader in business continuity solutions. The business continuity plan is described in a special procedure. In particular, it covers IT back-up in the event of an IT incident causing IT to fail to function for employees. Tests are performed annually with the service provider to ensure the efficiency of the system
3. annual intrusion tests are performed by a specialist services provider to ensure that the information system is secure. All recommendations resulting from these tests are regularly monitored until their implementation
4. a cyber-risk mapping exercise performed with the assistance of a service provider specialised in this domain. This highlighted that many management strategies were in place within the Group, and implementation recommendations are being taken into account

5. all Group employees attend training on cyber risks, and awareness-raising sessions on the issue, to remind them of best practice and the conduct to adopt
6. a Computer Charter, disseminated throughout the Group and attached to Covivio's internal rules:
   - this charter is first and foremost a Code of Conduct laying down the principles for the proper use of IT and digital resources. It also outlines the penalties applicable in the event of any infringements
   - it defines the areas of responsibility for users and for the company, in accordance with legislation, to ensure the correct use of the company's IT resources and Internet services
   - it helps to protect the integrity of the IT system, particularly with regard to data security and confidentiality, as well as the security of technical equipment.
7. the appointment of an external CISO (Chief Information Security Officer) in 2018
8. the development in 2019 of an ISSP: Information System Security Policy.

2.2.2.1.3 Updated, validated and distributed procedures

In France, Germany and Italy, the procedures are drawn up by the Risk, Compliance, Audit and Internal Control Department, in close collaboration with operational staff.

The procedures describe the risks and control points of the sensitive and manageable processes.

The procedures are presented as flowcharts that highlight:

- the risks identified and the resources employed to control such risks
- the roles and responsibilities of each individual (processing, monitoring, validating, information, archiving)
- the control points exercised.

Any procedure (creation, update, repeal) is presented to an *ad hoc* Committee composed of members representing the Group's various business lines (operational and support staff) chosen on the basis of their expertise and knowledge of the company's operations. The procedures are then approved by the Management Committee.

To strengthen their validity and relevance, procedures are also approved by the Risk, Compliance, Audit and Internal Control Department and by the member of the Management Committee responsible for the procedure.

The validated procedures can be accessed by employees on the company's Intranet in France, Germany and Italy.

2.2.2.1.4 Employee training

The Risk, Compliance, Audit and Internal Control Department organises training sessions called "Matinales du process". They are aimed at all employees in order to raise their awareness of:

- the risks inherent in their activity
- new applicable regulations
- procedures specific to each department or business line
- the components of the internal control system, including internal charters (in particular, the Ethics charter)
- the role of the Ethics Officer.

In 2021-2022, these training courses focused on the fight against fraud, cybercrime, corruption and the protection of personal data.

In addition, during their induction course all new employees of the Group meet the Risk, Compliance, Audit and Internal Control Department, which presents the department's role and the Group's procedures.

2.2.2.1.5 An established ethics and compliance system

Covivio has placed among its values not only compliance with regulations and internal procedures, but also compliance with rules of professional conduct and ethics, the proper implementation of which is ensured by the Group Compliance Officer and the Ethics Officer. The company uses a complete Europe-wide procedure that provides guidance on the regulations and proper conduct to be adhered to by the company, its managers and corporate officers, as well as all employees and partners.

This system is described in more detail in paragraph 3.6.2 of this document.

2.2.2.2 Structured organisation

2.2.2.2.1 Risk mapping

For over ten years, Covivio has been mapping risks to better understand the events which could have an impact on the company's results, monitoring changes to these risks and improving the way they are managed. Major risks are presented in Sections 2.1 and following of this Document. In addition to the mapping of general risks, a corruption risk mapping is also carried out and updated in accordance with the Sapin 2 law.

2.2.2.2.2 Incident database

Incident databases have been set up in France, Germany and Italy. They make the mechanisms for managing risks more efficient, by recording past incidents, to prevent their re-occurrence and limit their consequences.

This incident database provides Covivio's employees with the means to assess risks in a quantitative and qualitative manner, by setting the following objectives:

- supporting employees in incident management, notably regarding incidents that have never been reported
- characterising these incidents by assessing their financial impact
- producing analysis and summary reports
- proposing solutions to contain these risks and any occurrences or repeated occurrences
- allocating the necessary resources to do so.

2.2.2.2.3 The internal control manual

The internal control manual aims to improve the governance of internal control and risk management.

The manual highlights recent changes in the internal control system in terms of monitoring recommendations, implementing procedures and standards set by the AMF relating to governance, risk management and key information system elements.

2.2.2.3 Control activities proportionate to risks

The control activities in France and abroad are designed to mitigate the risks that could affect the achievement of the company's goals. The frequency of controls is adapted to the scale and nature of the risks.

2.2.2.3.1 Control of risks on investments, disposals and financing

In accordance with the rules of governance, decisions relating to the highest risks are placed, in excess of certain amounts, under the control of the Board of Directors and its specialised Committees. This concerns in particular:

- acquisitions and disposals
- medium- and long-term financing
- business plans and budget objectives
- principal strategic decisions.

Other risks fall under the control of the Chief Executive Officer. Once a month, the Directors concerned present their projects, developments and activity reports to the Chief Executive Officer.

In 2020, Covivio appointed a Group Risk Manager, a member of the Covivio Executive Committee, whose mission is to provide General Management, in addition to a detailed risk analysis, an independent insight into the risks inherent to the risks inherent in the Group's operations prior to their presentation to governance bodies.

2.2.2.3.2 Control of Group activities

Control of proprietary companies, management companies and operational departments

Control points relative to operating activities concern actions needed to:

- deliver the budgeted receipts
- control operating expenses related to assets
- control direct operating expenses (personnel costs, appraisals, *asset* management, *etc.*).

Group Management Control is responsible for controlling compliance with the budgets.

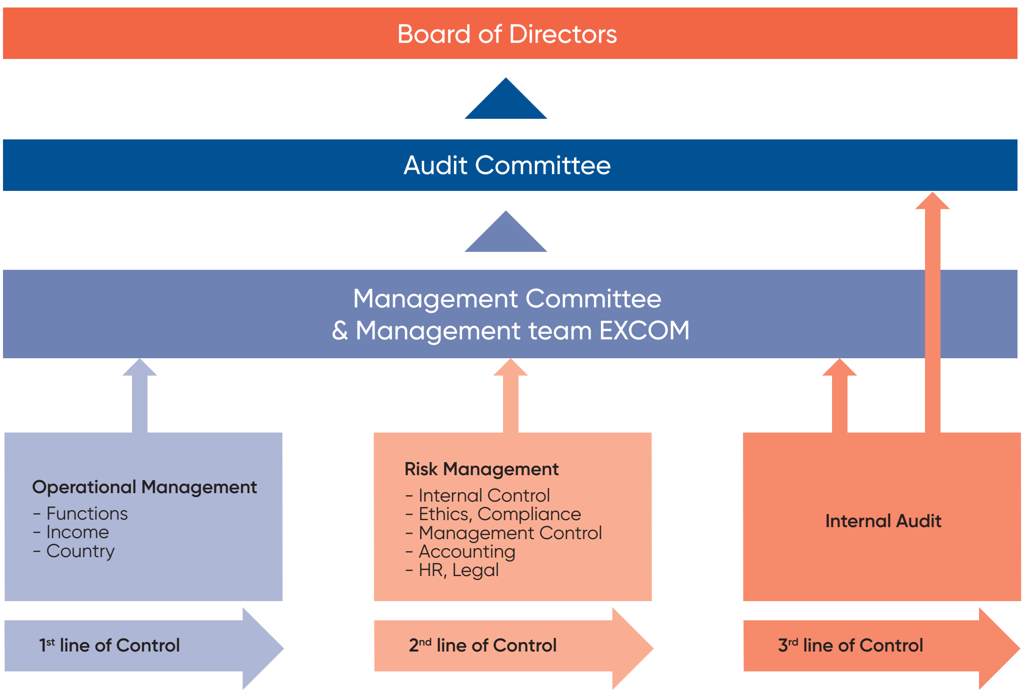
The functional departments are controlled on a monthly basis with regard to cost management and budget compliance.

2.2.2.3.3 Compliance Committee in Italy

To ensure its permanent establishment in Italy, Covivio has complied with the provisions of Legislative Decree 231 of 2001, "Modello 231", and as such relies on a Compliance Committee composed of two members appointed by the Board of Directors. It ensures that updates to the Modello 231 are applied and it monitors "sensitive activities" (corruption, insider trading, money laundering, employee health and safety, *etc.*). In this regard, it is mandated by all of the company's stakeholders regarding actual or suspected violations of provisions set out in the Ethical Charter.

2.2.2.4 Control levels and stakeholders

This system is based on the three lines of control set out in the diagram below:



2.2.3. Internal control of accounting and financial information

The internal control of the accounting and financial information of Covivio and its subsidiaries is one of the major elements of the internal control system. It is designed to ensure:

- the reliability of the published statements and the information communicated to the market
- their compliance with regulations
- the application of the instructions laid down by General Management
- the prevention and detection of fraud and accounting irregularities.

2.2.3.1 Scope

For the production of the Group's consolidated financial statements, Covivio's scope of the internal accounting and financial control includes all the consolidated subsidiaries.

2.2.3.2 Actors and governance

As the consolidating company, Covivio defines and supervises the process of preparing the accounting and financial information published. The Accounting Department is responsible for the management of this process, under the responsibility of the Chief Financial Officer. Responsibility for the production of the consolidated and parent company's financial statements of the subsidiaries is assumed by Covivio's Accounting Department, under the control of the relevant executive corporate officers.

Two persons are particularly involved:

- the Chief Executive Officer of Covivio is responsible for the organisation and implementation of the accounting and financial internal control and the preparation of the financial statements:
  - he/she presents the accounts to the Audit Committee and to the Board of Directors for its approval
  - he/she ensures that the process of preparing the accounting and financial information produces reliable data and gives a fair picture of the company's results and financial position.
- the Audit Committee, as the representative of the Board of Directors, conducts the verifications and controls it deems appropriate. It presents its findings to the Board of Directors before the closing of the financial statements.

2.2.3.3 Production of accounting and financial information

In France, as abroad, the quality of the process of producing the financial statements is the result of, in particular:

- formalisation of accounting procedures
- a consolidation manual, adapted to the functionalities of the consolidation software
- the validation and updating of accounting schemes
- the justification of the balances and the usual reconciliations of validation and controls, in conjunction with the work of Management Control
- analytical reviews to validate changes in the principal balance sheet entries and the income statement with operations staff
- separation of tasks between commitment powers and accounting activities
- review of consolidation reporting for each subsidiary
- review of the impact of taxes and disputes.

For every decisive event, a specific note is drawn up analysing its impacts on the financial statements of the entities and on the consolidated financial statements.

The reliability of processes enables Covivio teams to devote more time to control activities.

2.2.3.4 Production of the consolidated financial statements

For the preparation of the consolidated financial statements, the Accounting Department of Covivio has written a detailed consolidation manual that contains specific instructions for French and foreign subsidiaries.

The consolidated financial statements are prepared using a software package accessible to all of Covivio's accountants. This manual is updated regularly to comply with IFRS requirements and the specific characteristics of the various operational and financial activities of Covivio and its subsidiaries. The consolidated entities have a single accounting plan. The processed data is uploaded in the programme in data packages.

At each half-yearly and annual closing, the accountants of the various consolidation sub-levels receive detailed instructions prepared by the Accounting Department.

2.2.3.5 Control of the communication of financial and accounting information

The Chief Executive Officer coordinates the closing of the financial statements and conveys them to the Board of Directors, which also reads the report from the Chairman of the Audit Committee.

The Chief Executive Officer defines the financial communications strategy. The press releases about the financial and accounting information require approval from the Audit Committee and Board of Directors.

Covivio applies the EPRA Best Practice Recommendations, notably when presenting the financial statements and performance indicators. This presentation enhances readability and enables comparisons with real estate investment trusts (REITs) which publish in the same format.

2.2.4 Insurance system

2.2.4.1 General policy

Covivio has an insurance policy covering the Group's operating risks. The aim of this policy is to obtain complete cover on the insurance market appropriate to the activities carried out and the risks incurred by the company. These guarantees are taken out with leading insurers, all of which have a good financial strength rating and are part of the Group's risk management policy, which is actively and dynamically managed by the Covivio's Insurance Department. The main risks covered are property damage and acts of terrorism/attacks that could affect the Group's real estate portfolio, as well as civil liability that the company could incur in the course of its activities as a real estate professional, property owner and manager, as a co-working services provider, and also in the context of construction and real estate development operations.

Covivio has also taken out an insurance policy against cyber-risks that supplements its insurance cover against the risks of fraud and cyber-attacks.

In 2022, in the context of a general tightening of the insurance market, policies were renegotiated with coverage levels maintained and rate increases mitigated, in particular through the use of new insurers and/or co-insurers.

Covivio's insurance partners include leading insurance companies such as Allianz, Chubb, Zurich, MMA, Liberty Mutual, XL/Axa and AIG.

2.2.4.2 Description of levels of cover

2.2.4.2.1 Real estate portfolio insurance

The real estate portfolios are insured for their reconstruction value, with extended cover for "indirect losses" and "loss of rental income/operations". The contractual cover limitations on the policies taken out are all adapted to the specific features and value of the insured portfolio.

In addition, the company receives advice and support from its insurers' engineering prevention services each year. Covivio makes every effort to comply with the recommendations of its insurers and thus maintain its assets in a constant state of safety with respect to fire hazards and insurability on the market. Covivio's insurance programmes comply with the directive concerning the freedom to provide services, thus covering Covivio's assets located in the European Economic Area and the UK.

Covivio systematically takes out legal insurance coverage for all its real estate restructuring or new construction projects. Kinds of insurance include "works damage" and "property developer", "constructors all risk", "operating losses/rental losses" and "civil liability of the project owner/developer", in order to financially secure all its development operations at each stage.

2.2.4.2.2 Liability insurance

The financial consequences of any legal disputes arising from personal injury, damage to property and other types of damage suffered by third parties and attributable to misconduct in the performance of the company's activities, and the activities of its subsidiaries including Wellio, or arising from its real estate portfolio and all the equipment pertaining thereto, are insured under a specific insurance policy which provides a high level of cover in line with the scope of the portfolio and the activities carried out.

The personal civil liability of corporate officers and *de jure* or *de facto* executives of the company is covered in amounts appropriate to the financial importance of the Group as well as to all of its activities and subsidiaries.

2.2.4.2.3 Insurance of other risks

Covivio has taken the necessary measures to protect its interests and those of its shareholders with regard to exposure to financial risks resulting from acts of fraud, malfeasance or computer malpractice, by subscribing to a specific insurance programme offering the company a high level of guarantee. In response to heightened cyber-risks, Covivio has also taken out an insurance policy with an insurer enabling it to benefit from cover against cyber-risks.

In addition, in the event of events likely to affect Covivio's image and reputation, insurance coverage for certain incidents has been taken out, enabling it to finance the intervention of a communications firm specialising in crisis management. This financial solution is part of the plan established by Covivio in the event of its crisis response unit being activated.

2.2.4.2.4 Professional portfolio insurance (offices, IT, vehicles)

Covivio's business assets, which include the walls of the offices the company operates, as well as their contents (furniture, fittings) and IT equipment, are insured under specific policies offering Covivio extended coverage for various events. The specific insurance contract for damage that could affect Covivio's information systems includes additional coverage that has been adapted to the conditions and particularities of the company's "Business Continuity Plan". Company vehicles are covered for all risks by a "car fleet" policy, the insurance characteristics of which are reviewed annually, and the personal vehicles used by employees on an occasional basis in the course of their duties are covered by a "Mission Car" policy.

2.3 Trends and outlook for 2023

As a follow-up to the actions rolled out in 2022, the Risk, Compliance, Audit and Internal Control Department will ensure the full and in-depth implementation of the year's audit plan in 2023. It also plans to improve the management, identification, understanding and hedging of risks within the Group. Cyber risk management, as well as compliance with regulations on the protection of personal data as part of the Group's digital transformation, will also be major challenges in 2023.

La Defense CB21
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3

2022 Statement of Non-Financial Performance

Sustainable Development at Covivio in a few key dates

2016

Issue of the 1st Green Bond (€500 M)
Cube 2020 Trophy (energy performance) for a Covivio building

2015

Energy transition law
Paris Agreement

Publication of the procurement White Paper and signing of the Responsible Supplier Relation Charter
1st BiodiverCity-certified site
Covivio A-Leader at CDP

2014

Drafting of two Biodiversity specifications
The 2013 SD report receives the EPRA Gold (and every year since)

European Directive on CSR transparency

2013

First LCA on a development and renovation
Delivery of the first green hotel (HQE)
71st BREEAM In-Use certified buildings

2012

CSR Transparency Decree

Online publication of the 1st COP on the Global Compact website
Deployment of the Responsible Procurement policy

2011

Deployment of the Responsible Procurement policy
Signing of the Global Compact
Covivio included in FTSE4Good

2010

Grenelle II law

First environmental annexe
First LCA
Signing of the Diversity Charter

2009

Environmental and energy mapping of assets
Launch of the Passerelle programme

Grenelle I law

2008

Launch of the CSR policy
Delivery of DS Campus, Covivio's first HQE-certified building

Caption

Regulations
Strategy
Highlights

2017

"Open" BMS specifications
Drafting of Mobility Plan

Decree on CSR transparency

2018

SBTI-approved 2 °C trajectory finalised in August.
Update of Responsible procurement policy tools
CSR risk mapping at Group level

Implementation of the NFRD

2019

Deployment of supervision
Covivio expresses its Purpose
Issue of the second Green Bond (€500 M)
HQE applied to 100% of German Residential

PACTE law
Tertiary decree

2020

Mapping of CSR risks related to purchases
Resilience: Mapping of the European office portfolio
European tertiary specifications summarising Covivio's CSR standards
European Air Quality challenge with EDF

Taxonomy Regulation
Tertiary decree method order

2021

Update of the Group's carbon trajectory and new carbon commitments
CARE Programme to guarantee the safety, health and well-being of its customers.
GRESB: (Global Sector Leader)

Implementation of the EU taxonomy

2022 HIGHLIGHTS

First year of consumption declaration on OPERAT	Calculation of taxonomy eligibility indicators	
Study of Covivio's impact on biodiversity with the Global Biodiversity Score	CAPEX figures related to the achievement of the Group's carbon objectives	Greening of 100% of bond debt and new Sustainable Bond framework
Cube2020 Trophy for CB21	Best Managed Companies label	Publication of the first Climate Report

Consolidated statement of extra-financial performance

Each year, the CSR chapter (Chapter 3) of the Covivio Universal Registration Document (URD) reflects the company's sustainable development strategy. This chapter constitutes the Covivio group's Statement of Non-Financial Performance (SNFP) for the year 2022 and presents all the information required by Articles L. 225-102-1, R. 225-104, R. 225-105, R. 225-105-1 and R. 223-105-2 of the French Commercial Code. It takes into account the first provisions published as part of the European regulation on European "Green" Taxonomy.

This SNFP was prepared with support from the Group's functional and operational departments and presented at various levels within the company. The Board of Directors is particularly attentive to social and environmental issues related to the company's activity and Covivio's Purpose. It examines these issues at several annual meetings. Chapter 3 also explains how Covivio's low-carbon strategy and objectives and initiatives align with the goal of limiting global warming to 2°C as enshrined in the Paris Agreement of December 2015. In particular, it presents energy consumption and CO_2 emissions related to building use corrected for climate conditions. The reporting scope and methodology for the information in this chapter are presented in Section 3.7.1. Unless otherwise specified, the data presented in the SNFP is provided on a current basis.

Covivio presents an accurate annual report on greenhouse gas emissions for each activity, by describing the challenges associated with climate, in compliance with the provisions of Article 173 of the Energy Transition and Green Growth Act and its Decree of 29 December 2015. Since 2017, this reporting has been aligned with the 17 Sustainable Development Goals (including SDG 13 "Combating climate change") defined by the United Nations. It gathers information on the company's consideration of the social and environmental consequences of its activity, as well as the analysis of the consequences of this activity on climate change. The financial risks inherent in the effects of climate change seem limited in the short term for the Group. However, since 2017, Covivio has conducted various specific and more in-depth evaluations to this subject. The action already taken, in coordination with key tenants, associations, initiatives (IFPEB, Sekoya, etc.), and organisations such as the Building Scientific and Technical Centre (CSTB) or MSCI, aims to control these risks.

In accordance with the GRI Standards framework, the SASB[1] framework and the EPRA 2017 Best Practices Recommendations on Sustainability reporting, two reporting controls are carried out by an independent third party (3.8): the first relating to Green Bonds issued in 2016 and 2019 and the private placement of 2021 and the second relating to other aspects addressed in Chapter 3.

This information is also contained in Covivio's Annual Report on Sustainable Performance (www.Covivio.eu/fr).

Global reporting

	UNIVERSAL REGISTRATION DOCUMENT	COVIVIO ONLINE	THE MAGAZINE	ETHICAL CHARTER	RESPONSIBLE PURCHASING CHARTER
Targets/ Stakeholders	Investors/ Banks/SRI analysts/AMF/ Individual shareholders/NGOs	Investors/SRI/ Clients and partners/ Suppliers/ NGOs/ Employees/ Civil society	Investors/SRI/ Clients and partners/ Banks/ Suppliers/Shareholders/ Employees/ Civil society/NGOs	Employees/ Civil society/Shareholders/ NGOs/Rating agencies	Suppliers/ Certifiers/ Customers and partners/ Employees/ Civil society
Where can I find the information?	Financial information section	Website and social networks	Publications section	Governance section	Responsibility section

(1) *Sustainability Accounting Standards Board.*

3.1 Editorial by the Chief Executive Officer: the climate transition, a structure-defining challenge at the heart of our strategy

The climate transition is the major challenge facing humanity in the 21st century. The contributions expected from buildings and cities are considerable: reducing the carbon, energy, ecological and water footprint, promoting biodiversity, all combined with social and societal concerns. These are all challenges to which Covivio's CSR policy responds through ambitious commitments and concrete actions, as evidenced by the following pages.

2022 will be known as the year that we moved forward from the Covid pandemic, even though remaining cautious is still in order. A year marked by a return to intense activity in our office buildings and hotels. Remote working is now a clear pillar of the organisation of companies, and our buildings have been able to anticipate our customers' new expectations in terms of flexibility, scalability, à la carte services, energy performance, etc. 2022 was also marked by a tense geopolitical context, the development of the war in Ukraine, the change in interest rates and the very sharp increases in energy prices in the second half of the year. At the time of this writing, energy prices remain volatile but are on a decreasing slope and the risks of electricity cuts seem to be dissipating. Tensions over resources justified an energy conservancy plan initiated by the French State from October 2022, with corresponding measures taken in other European countries, aimed at reducing energy consumption by 10% by the end of 2024. At Covivio, this initiative was assessed along with the implementation of the provisions of the Tertiary Decree, another achievement carried out in 2022 in coordination with tenants and operators.

Over the past year, we have rolled out our carbon trajectory operationally and estimated the costs of work identified at €254 million by the end of 2030 to achieve our objectives in all our activities. Our ambition is to reduce greenhouse gas emissions by 40% between 2010 and 2030 (Scopes 1, 2 and 3) and we are targeting "net zero emissions" by 2030 on our scopes 1 and 2. We also compared the assumptions of our carbon work with those of the CRREM for our various tertiary portfolios. All of this work is presented in the following pages and will, of course, be detailed in our 2023 Climate report. Like the initial report published in June 2022, this document is in line with the recommendations issued by the Group of climate experts constituting the Task Force on Climate-related Financial Disclosures (TCFD), an initiative of which Covivio became an Official Supporter in March 2021. It is in this context that a "say on climate" resolution will be submitted to a vote of shareholders at our next General Meeting of 20 April 2023.

In 2022, we also launched a review of our biodiversity strategy, based on the approach proposed by Global Biodiversity Score (GBS). This first step led us to assess the impact of the Group's economic activities on biodiversity throughout the value chain, and to identify the main levers for reducing this impact (choice of materials, reduction of land use, etc.). This work will continue in 2023, when we will set objectives and associated action plans.

During the past year, we also continued the Group's digital transformation. In particular, we continued to consolidate our smart building approach, designed as a user-friendly service software capable of supporting the changing needs of tenants and the management of facilities. In addition to a certified portfolio share reaching 93% by the end of 2022 (target of 100% in 2025), we are gradually taking into account new criteria with the entry into force of the European "Green" Taxonomy. 22% of our revenues and 75% of our Capex are "aligned" according to the criteria of the taxonomy. The resilience analyses carried out, in particular with MSCI, make it possible to answer the questions asked in this context concerning certain physical and climate risks. They demonstrate the quality of our assets and their locations, and the relevance of our greenhouse gas reduction strategy, securing the value of our portfolio over time.

For its part, our Foundation is now a partner of 19 associations in Germany, France and Italy. Actions based on two of the Group's historical pillars: the promotion of equal opportunities (particularly access to education and training, work or help with the integration of vulnerable populations, particularly for 18-35 year-olds) and environmental protection.

In order to go further in raising employee awareness and involvement in the Group's climate strategy, we launched the "Covivio 4 Climate - C4C" project in 2022. The first step consisted of carrying out a comprehensive carbon assessment of corporate emissions in order to identify the main sources of emissions on which to act as a priority. This analysis will be translated into an operational roadmap to involve all employees throughout 2023.

With the full support of our Board of Directors and its CSR Committee, and with the strong commitment of our teams, Covivio is leading the way in a transition that is both environmental and social. It involves continuing the transformation of the company, its products, services and know-how, with agility and a long-term vision that all contribute to the Group's success and resilience.

Christophe Kullmann

Chief Executive Officer (CEO)

With a portfolio of €26 billion (€17.4 billion Group share), Covivio's success is based on a choice that sets it apart: developing simultaneously in several countries and on several products, all while maintaining the agility that has enabled it to seize development opportunities since its creation in the early 2000s. Active across the entire value chain, Covivio has evolved by cultivating its specificities and values, capitalising on its financial and real estate expertise. This dual expertise enables it to anticipate changes in its customers and markets, in order to constantly adapt its buildings, services and know-how.

3.2 A long-term strategic vision

Covivio's activity consists of investing to hold real estate assets over the long term, while developing and renovating buildings to constantly improve the performance (technical, environmental, service-related, financial) of its portfolio. Covivio's business model is based on a long-term vision, which is organised along three main lines:

- **a stronger presence in major European cities offering good market depth and attractive economic prospects**
- **development projects as a source of growth, making it possible to constantly improve the quality of the portfolio and capture greater value creation**
- **a customer-centric approach aiming to anticipate customer needs, and market and regulatory developments.**

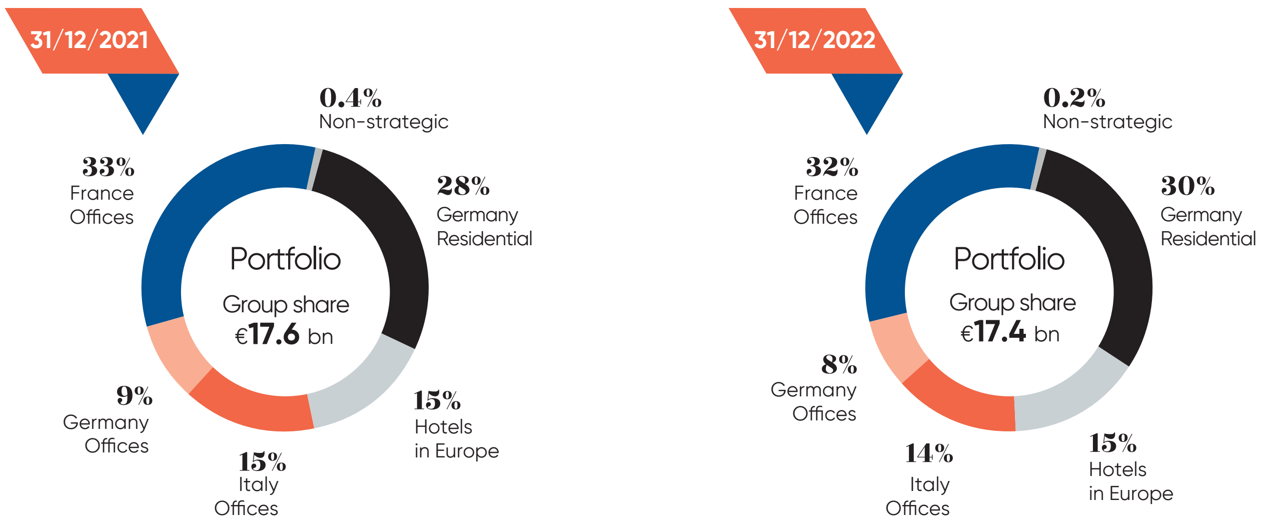
Covivio's unique profile is particularly relevant at a time when flexibility is a priority in terms of real estate, with offers such as: flexible Offices; teleworking and nomadic work; coworking, co-living and new "home-style" hotel concepts. By placing people, health and safety, the service dimension and well-being at the centre of our projects, Covivio is supporting the implementation of all transitions (energy, climate, environmental, digital, etc.).

3.2.1 Assert a role of responsible real estate operator

Covivio has established itself as the trusted partner of key accounts that it supports in their real estate strategy. As well as buying portfolios of buildings from major players (Orange, Telecom Italia, EDF, AccorHotels, etc.) under "sale and lease back" transactions, Covivio has successfully begun the development and refurbishment of buildings. Starting with its very first project in 2008, the Dassault Systèmes headquarters in Vélizy (Yvelines), Covivio has opted for eco-friendly and responsible real estate, a choice that was pioneering at the time, obtaining the HQE (*Haute Qualité Environnementale*) certification. Covivio occupies a unique position among major REITs, both in terms of its geographical allocation and European coverage and its positioning on three products: Offices, Hotels and Residential. Thanks to its integrated expertise, Covivio is able to control the entire value creation chain.

Covivio's Purpose, "Build sustainable relationships and well-being", expressed at the end of 2019, is part of this long-term vision. This vision is driven by the Group's mission, namely to build on strong know-how in long-term partnerships, and on its ability to create unique living spaces and to contribute to the emergence of more sustainable, resilient and inclusive real estate and cities.

Changes in Covivio's portfolio



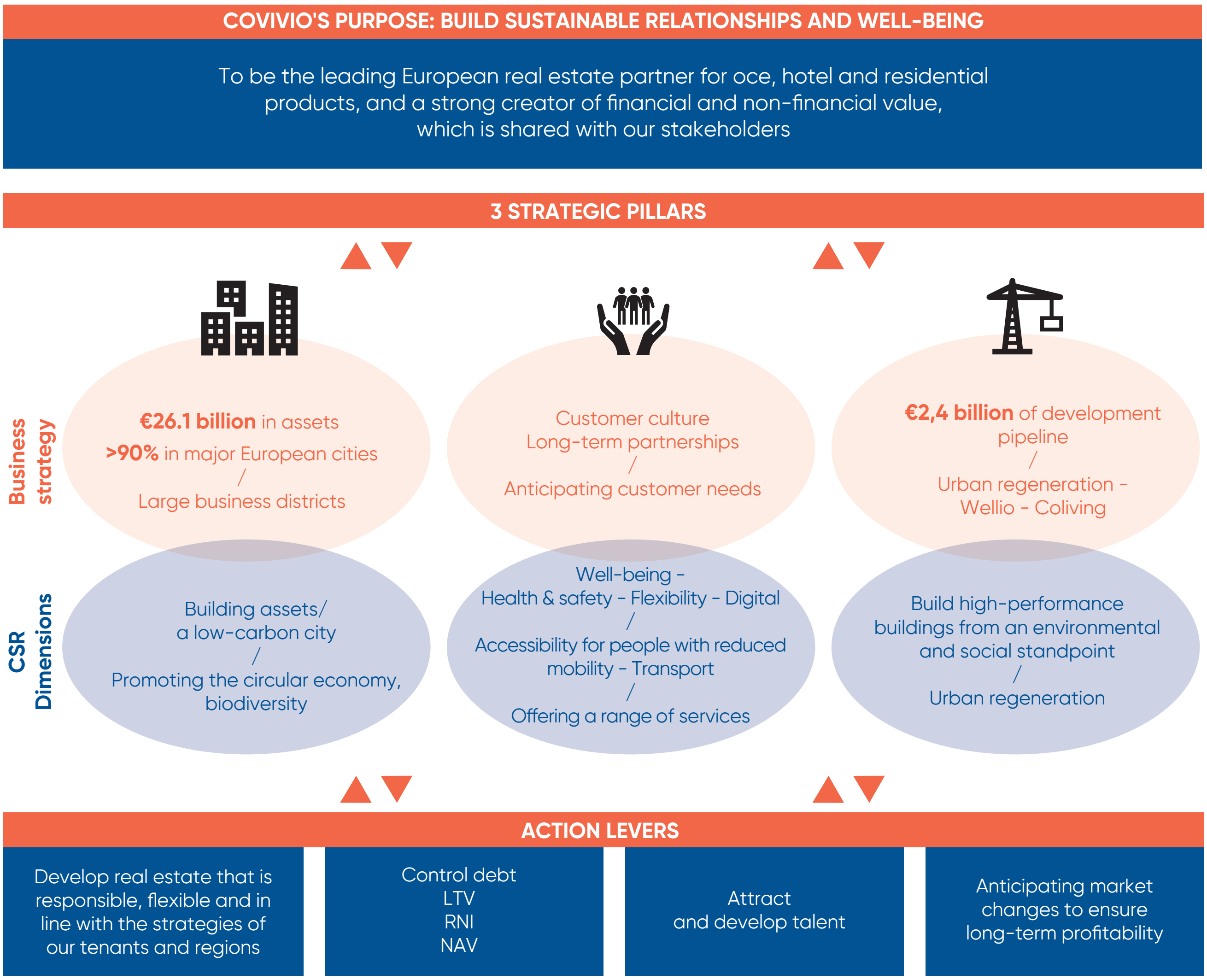
3.2.1.1 Covivio: 3 activities, 12 European countries

Covivio's strategic plan strengthens its European ambitions and its diversification, both in terms of "countries" and "products", with a leading position in:

- offices in France, Italy and more recently in Germany, deep markets in which Covivio is developing real estate with the highest international standards
- residential in Germany, via Covivio Immobilien, as well as in France, through a property development activity mainly focused on the conversion of commercial buildings into housing
- hotels in Europe, *via* Covivio Hotels, which supports leading players in the sector.

This broad range of products is accompanied by an increasingly diversified range of services: in Offices, the development of an innovative pro-working solution under the Wellio brand; in Residential, the implementation of a co-living solution; and in Hotels, support for new concepts with brands such as NH Hotel Group, Meininger, etc. Its areas of expertise in these three sectors complement each other and are driven by changes in lifestyles and work patterns, accelerated by the pandemic, and the convergence of services offered in these three categories of assets. As a major player in each of these three segments, Covivio benefits from a geographic diversification that allows it to depend upon complementary economic cycles and markets to optimise the balance of investments, reduce risks and support clients to expand internationally.

Long-term vision based on strong expertise



3.2.1.2 A sector at the heart of major transitions

Buildings and urban planning must respond to considerable challenges: revolution in lifestyles and technologies, environmental, climate and health emergencies, demographic explosion, etc. Cities and buildings must become more resilient, *i.e.* capable to offer relevant responses to these situations. It is imperative, on the one hand, to limit the factors contributing directly to the increase in outdoor temperatures (urban heat islands exacerbated by the installation of equipment that discharges heat outdoors, etc.) and the increasing number of extreme weather events (drought, heat waves, flooding, etc.), and, on the other hand, to limit the contribution of buildings to climate change *via* their greenhouse gas emissions. Social, economic and environmental dimensions are inextricably linked. The city must therefore also become more inclusive, reducing the number of those left behind, by redesigning transport or making the most of the digital revolution.

As the owner of portfolios of real estate assets built in urban areas and a player in the reconstruction of the city, Covivio is committed to combating urban sprawl and over-development. A player in major transitions, Covivio designs and manages its buildings as part of an urban ecosystem in terms of climate, culture and society, as well as in terms of well-being, connectivity, mobility, biodiversity, etc. in partnership with associations, colleagues, consultants, suppliers, local authorities, etc.

3.2.1.3 Inventing new uses for real estate

The recent global geopolitical unrest, coupled with climate threats and the consequences of the pandemic on the ways of working have had the effect of reorienting Covivio's priorities for innovation. More than ever, they focus on the implementation of concrete, sustainable solutions that add value to the client, and on the way in which buildings are designed and managed. To support this objective, Covivio's innovation strategy is based on the following areas:

Make the office more than a workplace: Covivio's "Operated office" range

Customers are looking for less space put to better use. Covivio buildings are adapting to these new demands from our customers, who want their occupied spaces to embody the culture of their company while strengthening the Group dynamic and creativity of their teams.

To meet these expectations, Covivio has innovated by developing a specific service offering known as "Operated Offices", which combines the flexibility of co-working, the professionalism of a real estate expert and the quality of service of a hotel management brand, all while drawing on the know-how and expertise of Covivio's teams. From the Consulting-DUX (Design User Experience) unit to the on-site operational service with dedicated teams, the "operated office" range is an innovative way of meeting the needs of our customers.

Enriching the customer experience through digital innovation: the Covivio/Wellio services app

The pandemic has propelled our customers into a relationship that is definitely digital and resolutely hybrid, combining the virtual with the real. To meet these new needs, Covivio has continued to roll out its building application by adding new services for Covivio and Wellio customers.

To date, more than forty buildings benefit from this service application for services related to catering, workspace reservation, access control, comfort and well-being data, and more.

Smart buildings for energy management and occupant comfort

A so-called "smart" building must meet two main challenges: on the one hand, promote better comfort for occupants and, on the other hand, offer operational solutions that optimise energy consumption.

- In terms of occupant comfort, connected technological solutions and data collection and processing make it possible to measure in real time and predict changes in the elements that affect occupant comfort. In 2022, Covivio continued its policy of measuring indoor air quality *via* the installation of specific sensors in around ten buildings. In partnership with the start-ups Octopus Lab (in France) and Enerbrain (in Italy), the aim is to manage this rather fundamental element of comfort through the real-time measurement of the CO_2 and fine particle content of the ambient air.
- In terms of optimising energy consumption, the monitoring system deployed in around twenty office buildings in France and Italy makes it possible to report energy consumption in real time *via* the Powerbat digital platform.
- In addition, and on a more prospective basis, Covivio has launched an experiment to roll out a specific building data management tool, also known by the acronym BOS (Building Operating System). Currently being tested on the Silex[2] tower in Lyon, this experiment aims to collect, aggregate and then process specific information on this building in four areas: monitoring energy consumption, monitoring space occupancy, monitoring comfort and quality of the indoor air and ticketing. By providing a common reference framework and bringing together all the data produced by a building, regardless of the applications installed, the BOS will provide additional use value thanks to the reuse of the very large amount of data collected.

Create and grow partnerships for innovation

To identify new players in innovation and support their development, Covivio has set up several innovation partnerships: in Germany with the Proptech1 investment fund, in Italy with the Politecnico di Milano Foundation (dedicated to urban planning and the city of tomorrow), and in France with Impulse Partners, the accelerator for start-ups specialising in construction and real estate. By collaborating with around fifty PropTechs in Europe, Covivio is nurturing its potential for innovation.

In addition, and in order to assess the relevance of the solutions and services developed by start-ups, Covivio does not hesitate to test them on its own operational buildings. This essential experimentation phase makes it possible, thanks to direct feedback, to verify the potential of these innovations, then to offer them to customers.

Three examples of Covivio - start-up partnerships

Circouleur	Octopus Lab	SofiaLocks
Circouleur manufactures recycled paints. These are then reformulated to create a new premium quality paint. They collaborated with Covivio in 2021 on the entire site (30,000 m²) of the So Pop building in Paris/Saint-Ouen.	Octopus Lab is a developer of indoor air quality forecasting software, which also makes it possible to limit the energy consumption of buildings. In 2020, Octopus Lab won the "Air Quality Challenge" launched by Covivio in partnership with EDF and Impulse Partners. To date, around ten Covivio buildings benefit from the Octopus Lab technology.	Founded in 2015 in Milan, SofiaLocks develops an innovative system for the management and access control of office buildings. Based on IoT and Cloud technologies, it automates building access authorisations, space reservations and payment systems. In 2019, SofiaLocks was selected by Covivio as the access solution for several of its Wellio pro-working spaces.

In addition, and on the specific subject of low-carbon construction, Covivio is a partner of Sekoya, the leading French platform dedicated to this issue. The Sekoya ecosystem, as a "low-carbon industrial club", brings together large groups, SMEs and start-ups with low-carbon technical solutions. Sekoya identifies and showcases the solutions that the most innovative companies have developed to manage carbon emissions.

Organise the culture of innovation

The constant improvement of Covivio's real estate products, services and operating model are at the centre of its innovation and digital transformation strategy.

To support this objective, Covivio relies in particular on a specific innovation governance designed to identify new trends, whether in service, technical or digital areas. To this end, an Innovation Committee is organised every two months. Bringing together all operational departments, this body defines, prioritises and implements the company's innovation strategy.

3.2.1.4 The UN's 17 Sustainable Development Goals for 2030

Signatory of the Global Compact in 2011 and having attained GC Advanced status in 2018, Covivio has explicitly referred to the UN's 17 SDGs since 2016, in particular in its various CSR publications, such as Universal Registration Documents, Sustainable Performance reports, and in its communications available on the UN's dedicated website[1]. Covivio's multi-year CSR objectives presented in this document are consistent with the 17 UN 2030 SDGs to which they contribute, the 10 principles of the Global Compact, and the 2°C trajectory of the December 2015 Paris Agreement.

The study conducted internally in 2017 and added to in 2018 and again in 2020, based on an analysis matrix, made it possible to characterise the nine major SDGs for Covivio, given its targets:

The challenges represented by each of these objectives occupy an important place in Covivio's CSR policy and its business model. Each refers to the actions carried out within the portfolios of buildings developed and held by Covivio as well as internally, within the corporate scope of the company, as an employer.

(1) *https://www.unglobalcompact.org/participation/report/cop/create-and-submit/advanced/445826*

Appropriation of the nine major SDGs by Covivio

The following pages show how the actions carried out by Covivio contribute positively to these nine SDGs as well as the eight others, with variable impacts.

3 - Good health/well-being: provide the occupants of Covivio buildings and its own employees with premises that prioritise comfort, health and safety, as well as well-being, based in particular on the choice of materials, layout and optimisation of spaces, which have a positive impact on well-being, work capacity, the ability to attract talent, and ultimately, health. Example target: 3.9 - By 2030, significantly reduce the number of deaths and illnesses due to hazardous chemicals, pollution and contamination of air, water and soil. (3.3.3.3) as well as concrete actions to fight Covid, for example.

5 - Gender equality: Achieve gender equality and pay equity. Example of target: 5.5 - Ensure that women participate fully and effectively in management positions at all levels of decision-making, in political, economic and public life, and have access to these positions on an equal footing. (3.5.1.5)

7 - Clean and affordable energy: implement an ambitious policy of reducing energy consumption (building certifications, green electricity contracts, etc.) and participate in working groups to gradually integrate concrete solutions in buildings to meet the challenges of the energy transition. Example of target: 7.2 - By 2030, significantly increase the share of renewable energy. (3.3.2.3.3)

8 - Decent work and economic growth: contribute to the dynamism and economic growth of the regions by supporting several thousand jobs in Europe, through its various business lines. Example target: 8.5 - Achieve full and productive employment by 2030 and ensure decent work and equal pay for work of value for all women and men, including young people and people with disabilities. (3.5.1.5)

9 - Industry, innovation and infrastructure: be part of a more sustainable and resilient city approach, by designing and renovating its buildings in the most circular and socially acceptable way possible, while taking into account the environment and stakeholders and supporting innovation within the value chain. Example target: 9.1 - Build quality, reliable, sustainable and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human well-being, with a focus on universal access, at an affordable cost and under conditions of equity. (3.3.1)

11 - Sustainable cities and communities: creating responsible real estate and promoting a more resilient and inclusive city by being a player in the construction and growth of major European cities. Example of target: 11.6 - By 2030, reduce the negative environmental impact of cities per capita, including by paying particular attention to air quality and management of waste, particularly by municipalities. (3.4.1)

12 - Responsible consumption and production: commit, *via* development and asset management activities, as well as *via* the supplier chain, to responsible production and consumption. Example target: 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to include sustainability information in their reports. (3.4.1.1)

13 - Measures to combat climate change: adopt a global vision to reduce the carbon footprint and that of buildings, at each stage of their life cycle. Example target: 13.2 - Incorporate climate change actions into national policies, strategies and planning. (3.3.3.1)

15 - Life on land: commit to the fight against urban sprawl, the preservation of biodiversity, the emergence of the circular economy, etc., based on an action plan shared at European level. Example of target: 15.5 - Take urgent action to reduce the degradation of the natural environment, halt the loss of biodiversity and, by 2020, protect endangered species and prevent their extinction. (3.4.1.4)

3.2.2 A resilient business model

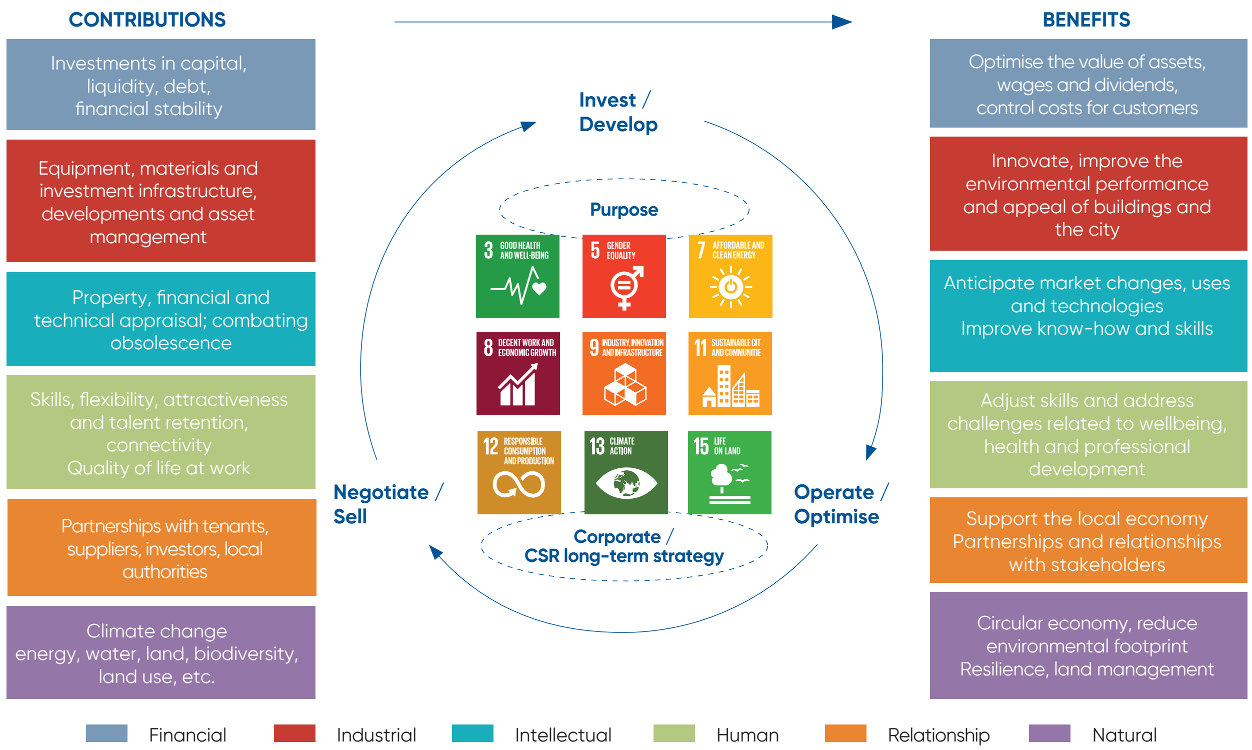
Since it was created, Covivio has invented a robust business model and occupies a pioneering position in how it develops its business lines. The Group has a recognised ability, among others, to build strong links with companies and local authorities which it supports in their real estate strategies (sales and lease back, modernisation, management, development, etc.). The quality of the partnerships established with key account tenants in Europe, combined with long-term leases, distinguishes Covivio from its peers.

Chapter 3 of the URD provides comprehensive and transparent information on the company's economic and portfolio situation.

3.2.2.1 A business model that creates value in a sustainable way

The Covivio business model is a creator of value at every stage of the real estate cycle: acquisition or development, management and arbitrage. Profitable for stakeholders, this value creation takes place responsibly and is part of a long-term strategy. The illustration below summarises Covivio's model. It uses the six capitals of the Integrated reporting < IR > (IIRC[1]) framework as well as the colour Code. At the heart of the business model are the nine UN Sustainable Development Goals that are emphasised as part of its activities (3.2.1.4).

The Covivio business model



The financial and non-financial indicators presented in the URD are closely and regularly monitored to optimise the benefits drawn from these six types of capital and to ensure the durability of the Covivio business model.

3.2.2.2 Creating lasting value

Supported by a high average occupancy rate (97%) and revenues secured over the long term (average residual lease term of 7 years), Covivio is deploying a sustainable investment strategy. The Group's European development will also be supported by the €2 billion pipeline at the end of 2022. Covivio selects buildings with the best assets in terms of location, accessibility and attractiveness, and strives to improve the level of services and tenant satisfaction. When a building becomes vacant, Covivio studies the need to restructure it to bring it up to the highest international standards. Covivio is developing environmentally-friendly, flexible and innovative real estate, which maximises both its value in use and financial value. The financial rating assigned to Covivio by the agency Standard & Poor's, BBB+, stable outlook, confirms the quality of the portfolio and the robustness of the economic and financial model.

(1) *International Integrated reporting Council (IIRC).*

A policy of asset rotation to serve the Group's ambitions

From its main platforms, historically established in France, Germany and Italy, Covivio works in markets where the Group has a significant size and is continuing to develop.

2022 was rich in disposals, in line with Covivio's strategy to refocus its activity on core assets in major European cities. During the year, the Group delivered five new office assets with the highest environmental performance, mainly in the city centres of Paris, Milan and Lyon. In German residential, more than 120 units were delivered, mainly in Berlin, the city with the largest housing deficit in Germany. Lastly, several asset management operations were carried out in the hotel sector, improving the quality of assets held and responding to changes in user demand. At the same time, disposals of mature assets that have often undergone major renovation work were carried out.

Improve value in use

Building performance, whether in terms of environmental matters (energy, carbon etc.), social matters (well-being, services etc.), or societal matters (culture, accessibility etc.), is likely to create additional value for a building, known as environmental value, even if it is not currently recognised as a separate value by experts responsible for property valuations.

For the tenant company, the gains in terms of comfort, well-being, and health and safety of its employees translate into a reduction in work stoppages and an increase in their concentration, creativity and ultimately productivity. This economic dimension is called value-in-use, or immaterial value. Since 2014, Covivio has been involved, together with Goodwill Management and several partners, in a working group (VIBEO) to analyse the correlation between productivity and themes such as well-being, biophilia, new layouts of premises, art and architecture, etc. Thesaurus VIBEO is a unique framework for responsible, sustainable and social building design. It is enriched within the framework of the working group. In 2020 it became the "VIBEO Value in Use Hub", created and run by Goodwill Management and the IFPEB, and supported by around ten members[1] including Covivio. The work carried out in 2020/2021 focuses in particular on the impacts of teleworking on changes in terms of organisation and company expectations[2]. By integrating all aspects of CSR and innovation into its strategy, Covivio has an economic model that is creating long-term value – one of the most material issues for the Group. In addition, in the context of creating and sharing value, Covivio measures the socio-economic impacts and territorial anchoring of its activities (3.4.1.2.1).

3.2.3 A performance built jointly with stakeholders

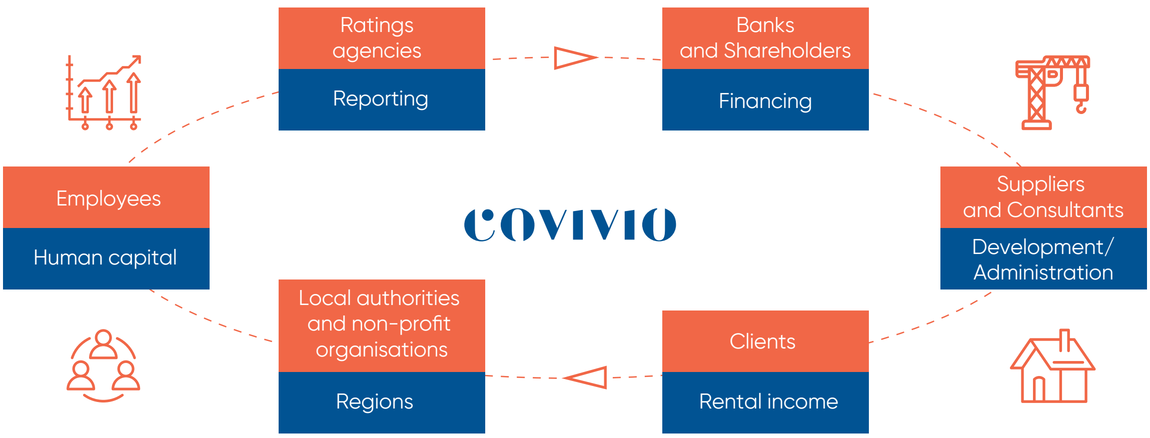
To reach high levels of financial and non-financial performance, Covivio is attentive to its stakeholders and works in close collaboration with them to develop the most appropriate real estate solutions together. In 2012, Covivio carried out a materiality analysis, which has been regularly updated to take into account the challenges faced by each of the stakeholders.

3.2.3.1 A driving force at the heart of the sector

The building and real estate sector brings together extremely diverse business lines and expertise, benefiting the activity of each of them: architects, technical design offices, communities, surveyors, bankers, suppliers, marketeers, legal professionals, client users, investors, associations, media – and of course employees and tenants.

Covivio is located at the heart of this relationship network. Aware of its economic weight and leadership role, the Group wants to be exemplary in the management of its activities and its relationship with its various stakeholders.

Positioning of Covivio in the building/real estate sector



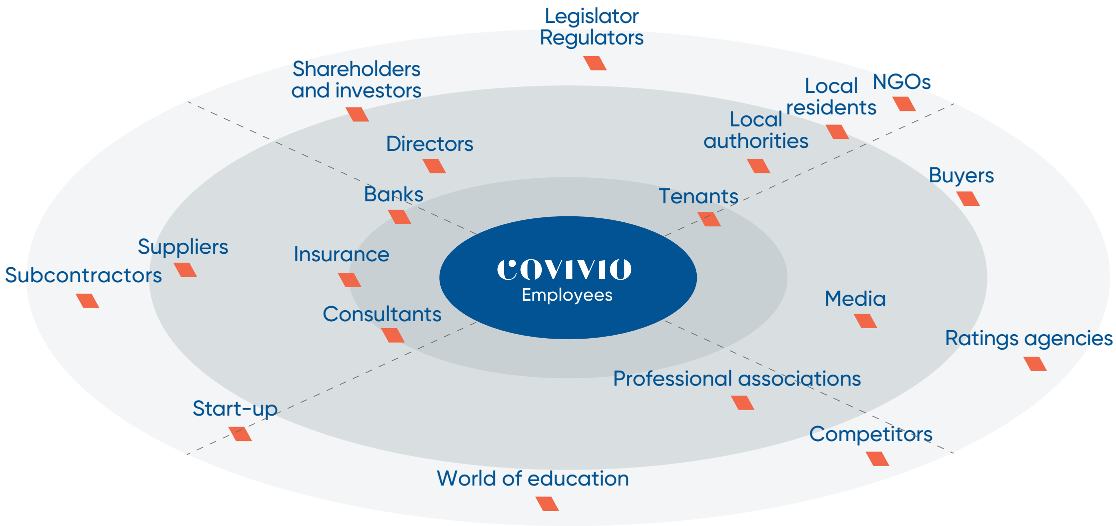
Covivio relies on the complementarity of its traditional lease and flexible contract offers, as well as on its service culture to provide ever more tailored solutions to its customers. Customer surveys, satisfaction surveys and design thinking workshops enable the Group to go further and involve its stakeholders in the design of the spaces and services of tomorrow that it develops.

(1) In 2021: BNP Paribas RE, Bouygues Construction, Bouygues Immobilier, Covivio, Dalkia, EDF, Ivanohé Cambridge Korus, Orange, Poste-Immo, Sercib.
(2) https://www.ifpeb.fr/wp-content/uploads/2021/02/Rapport-teletravailV3_planche.pdf

3.2.3.2 Meeting stakeholders' expectations (GRI 102-40; GRI 102-42; GRI 102-43; GRI 102-44)

Since 2010, a mapping of the Group's stakeholders has made it possible to improve how their expectations are taken into account and create a materiality matrix. The main stakeholders were first selected from among the commercial community (key account tenants, suppliers), the financial community (shareholders), Human Resources (managers, employees), public authorities (local governments), and civil society (associations, media). Interviews with internal and external stakeholders have identified their CSR expectations, constraints and priorities. These stakeholder groups were then ranked according to their interest and impact on the company's business, resulting in the mapping shown below as well as the introduction of appropriate tools for dialogue. They were reviewed when the Group's purpose was announced.

Mapping of Covivio's main stakeholders



Shareholders and investors given the diverse range of main stakeholders identified and their expectations, Covivio has gradually introduced communication tailored to each stakeholder. To do this, the Group has used both internal and external communication methods, notably social networks such as tenant extranets, Twitter, LinkedIn, Yammer, etc.

As part of the expression of its purpose, Covivio has decided to create a Stakeholders Committee.

Its missions: monitor, challenge and renew the commitments made when the Group expressed it purpose, and to reflect on the future challenges facing Covivio and their inclusion in the strategy.

Its objectives: involve partners and customers in reflections on the Covivio product; Monitor major disruptions and long-term trends; Review the views of stakeholders to ensure that these disruptions are taken into account in the Group's development projects and strategy.

Covivio's Stakeholders Committee met twice in 2022 to conduct a forward-looking review of ongoing disruptions that may affect Covivio's strategy. These discussions focused on topics such as the reversibility of buildings, mixed uses and urban mobility. A report on this work was made to the Board of Directors in October 2022, which was also an opportunity to validate the new guidelines for the Stakeholders Committee's missions (5.3.2.3.3).

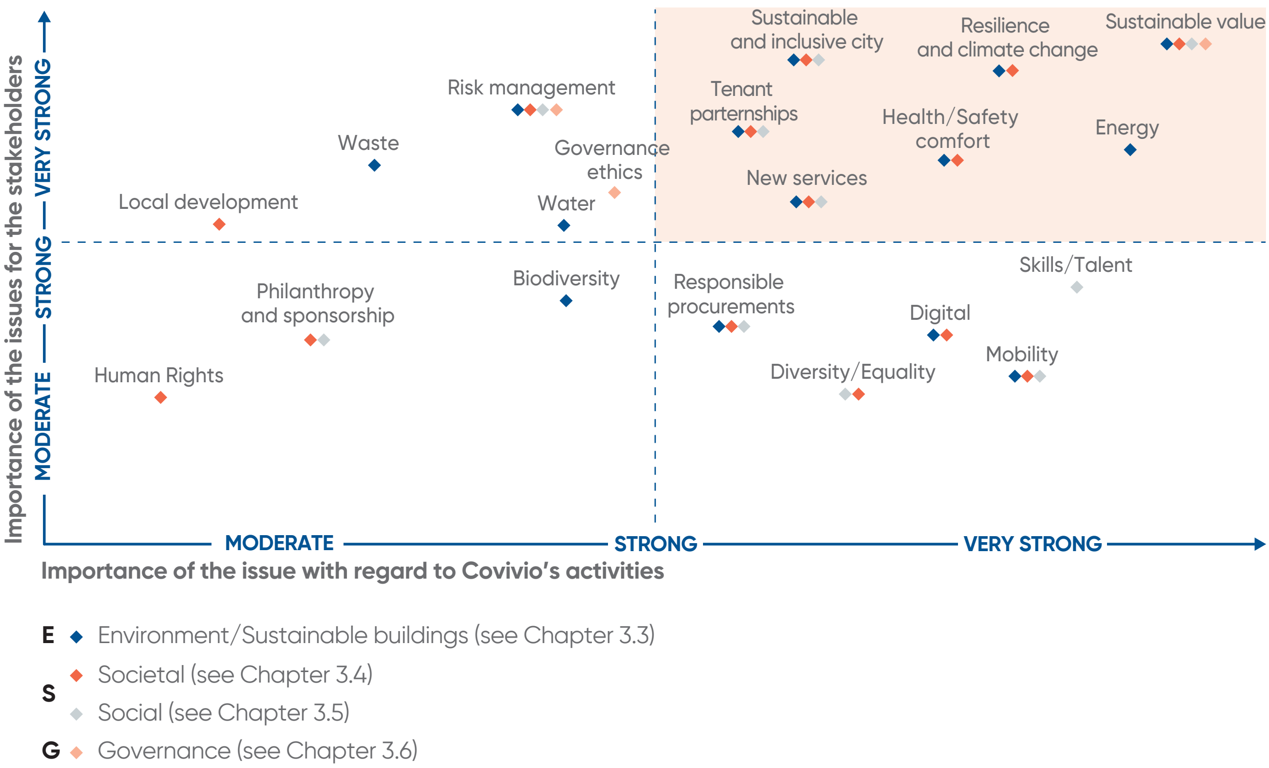
Tailored communication methods

Main stakeholders	Expectations of stakeholders	Communication method	Chapter
Trade receivables	Co-construction of innovative, tailored solutions to support each stakeholder's real estate strategy in the best possible way	Partnership Committees and Sustainable Development Committees	3.4.3
Shareholders	Visibility and longevity of the business model and profitability	Letter to shareholders, press releases, financial releases, road shows, investor days, website, etc.	3.6.1.5
Ratings agencies	Transparency of financial and non-financial communications	Universal Registration Document, report on sustainable performance, climate report	3.6.1.1
Employees	Follow-up support for professional development and training	Intranet site and internal communications tools	3.5
Local authorities and non-profit organisations	Awareness of their socio-economic challenges	Sustainable performance report, climate report Involvement in various collaborative projects, conferences, etc.	3.4.1.1
Suppliers	Fair business practices	White paper on supplier relations Responsible Purchasing Charter	3.4.2

3.2.3.3 Covivio's material CSR challenges (GRI 102-46; GRI 102-48; GRI 102-49)

The CSR issues identified by external stakeholders were ranked and cross-referenced with those of Covivio, to create the materiality matrix shown below. Reassessed each year to ensure that results remain relevant over time, this study enables Covivio to focus concrete actions on the most significant challenges for Covivio and its main stakeholders. This approach is taken with a view to continuously improving upon our ability to respond to stakeholders. It has enabled policies and relevant performance indicators to be established based on GRI, IIRC and SNFP guidelines.

Covivio materiality matrix



This matrix is gradually changing with the rise of new transformations and challenges: digital technology, new services, resilience, inclusive and sustainable cities, etc. Covivio's CSR policy covers all issues present in this matrix, with greater emphasis on the most significant ones. The challenges identified here are consistent with the major CSR risks identified during the risk map created in 2018 (3.2.4), demonstrating the alignment of the most material issues with the Group's business and strategy.

As for Human Rights, Covivio is a signatory of the Global Compact (GC Advanced), respects its 10 principles and applies the eight fundamental conventions of the International Labour Organization. In addition, the Group operates in countries with very protective laws in this area. This issue is therefore moderate in the performance of its activities, but Covivio remains, of course, very attentive to these subjects. In addition, Covivio implements an active policy in terms of philanthropy and skills-based sponsorship via its Corporate Foundation (3.4.1.3.3).

The priorities in the matrix are cross-referenced with the GRI Standards in an attached section (3.7.5).

3.2.4 Identifying risks and seizing opportunities

Chapter 2 of this 2022 Universal Registration Document describes the risk factors which may have a significant effect on the financial and non-financial position of Covivio or on its results. These risks are mapped according to their potential impact and probability of occurrence. They are explained along with their impacts and the control mechanisms put in place by the Group to prevent them. The corresponding action plans are periodically followed up on by General Management, the Audit Committee and the Board of Directors. In 2020 and 2021, the implementation of health measures was facilitated by the implementation of an already operational continuity plan, the practice of teleworking, which is already widespread within the Group, the flexibility of IT tools and the strong commitment of teams and management.

Specific mappings are also carried out to cover specific families of risks. Thus, in 2018, a specific mapping of CSR risks was carried out internally at Covivio. A study on cyber risks was carried out in 2022 on the France Offices portfolio. This enabled the company to characterise the solutions to be prioritised in order to reduce the risk for building management networks and equipment. This audit also confirmed the quality of connectivity services offered to occupants in these buildings. In addition, and in addition to regulations, a risk mapping related to purchases was carried out within the Group for the first time in 2020, with the support of a specialist advisor; it is presented in Chapter 3.4.2.4. Covivio remains attentive to regulatory changes, in particular concerning the future Corporate Sustainability reporting Directive (CSRD), which will replace the current regulations in this area.

Corporate risk monitoring process

3.2.4.1 Methodology for selecting and ranking the main CSR risks

Conducted by the Sustainable Development Department in coordination with the Internal Audit and Control department, to ensure compliance with the framework defined for the SNFP. This study was conducted in 2018 with a panel of French, German and Italian Covivio managers in charge of operational or functional departments exposed to the identified risks. The first stage consisted of a series of interviews conducted internally with the panel to define the universe of CSR risks on a European scale. The second stage focused on the rating of the risks identified, according to three parameters: reputation, frequency and level of control.

The CSR mapping therefore distinguishes between:

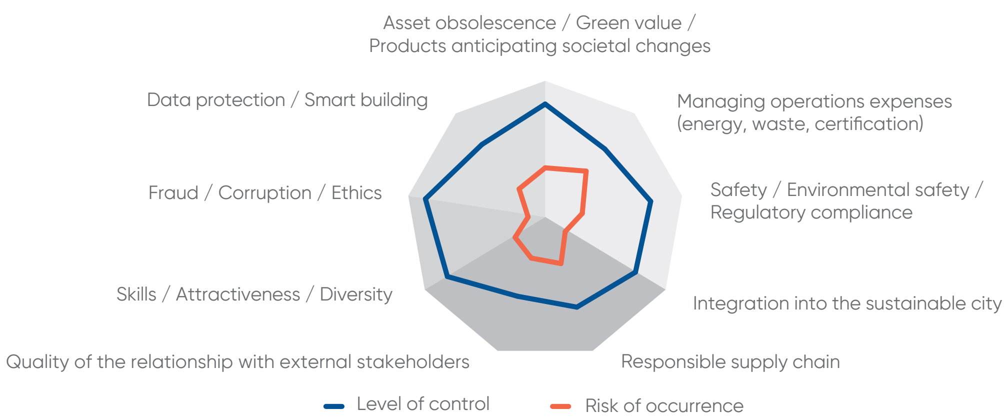
- inherent risks, considered in absolute terms given Covivio's industry and activities
- residual risks, assessed after consideration of the actions conducted by Covivio to control those risks.

This mapping was validated by the Executive Committee and reported to the Board of Directors. Since it failed to reveal any major deficiencies in controlling inherent risks, the study did not result in immediate corrective measures. In accordance with the requirements of the SNFP, specific interviews are conducted between the independent third party as part of its annual audit and the employees most affected by the nine risks identified.

3.2.4.2 List and description of the main CSR risks and opportunities

The risk mapping study revealed nine major CSR risks. Issues such as resilience and well-being and health are characterised by several of these nine risks, which is why they do not appear as such.

Summary of Covivio CSR risks



The Task Force on Climate-related Financial Disclosures (TCFD) recommends the quantification, financial or otherwise, of certain carbon-related risks. Reporting based on the TCFD is presented in the introduction to Chapter 3.3 and gives rise to the publication of Covivio's climate report, available on its website.

3.2.5 Putting CSR at the heart of the business model

By communicating its purpose statement at the end of 2019, Covivio confirmed the importance placed on social and environmental issues at the core of its corporate and portfolio strategies. By developing its economic model, Covivio goes beyond the mere search for profit, considering that this objective must form part of a broader mission including all those participating in the success of the company.

3.2.5.1 A comprehensive and European Sustainable Development strategy

Covivio's sustainable development strategy covers all its activities in Europe and all levels of the company. Built on the experience from the analysis of material issues and CSR risks, this strategy sets out an action plan (3.2.6) that echoes the various objectives conveyed by the mission statement.

The four components of this CSR strategy are common to each of the activities: Sustainable buildings, Societal, Social and Governance.

SUSTAINABLE BUILDINGS

UPDATE THE PORTFOLIO TO INCLUDE THE CHANGES THAT AFFECT SUSTAINABLE BUILDINGS, USES AND HEALTH

Promote responsible and high-performing real estate in the areas of energy, the environment and society and which creates long-term value for the Company and the community

SOCIETAL

BUILD A SMARTER, MORE INCLUSIVE AND SUSTAINABLE CITY

Encourage eco-responsible practices and innovation in transport, biodiversity and waste, and take part in sharing knowledge alongside local stakeholders

SOCIAL

DEVELOP, DIVERSIFY AND RETAIN HUMAN CAPITAL

Enhance employees' skills through innovative policies and encourage their mobility, diversity and ability to adapt to change

GOVERNANCE

GUARANTEE ETHICAL PRACTICES

Guarantee an ethical and transparent framework that ensures exemplary practices at all levels of the Company

3.2.5.2 European planning and coordination of Covivio's CSR strategy

The definition, monitoring and operational deployment of the CSR policy are based on several mechanisms at all levels of the company.

The Sustainable Development Department

It drives and coordinates initiatives within the various levels of the Group's activities, in direct contact with General Management and the Board of Directors *via* the CSR Committee. This dedicated, interdisciplinary team engages with all of the Group's business lines, providing technical expertise to their various departments, and playing an instrumental role in terms of innovation, raising awareness and reporting.

Country Green Committees and operational Committees

In each country, "Green Committees" enable actions and achievements to be noted by the CEO and local managers, in coordination with the business lines and support functions, and with the support of awareness-raising actions (*e.g.* Green Meetings) and training (led by HR). In order to apply the strategy at the operational level, the Sustainable Development Director is in charge of a network of nearly thirty representatives within the Group. In France, in connection with the environmental annexes, he or she jointly chairs the Sustainable Development Partnership Committees with the asset manager and technical manager of the asset, as well as the representatives of the key account tenants involved.

The Sustainable Development Committee

It brings together monthly meetings including Christophe Kullmann (Chief Executive Officer), Yves Marque (Chief Operating Officer) and Jean-Éric Fournier (Sustainable Development Director). It makes it possible to review the progress of the CSR action plan, to take note of the measures to be taken to implement the sustainable development strategy and to give these decisions the necessary echo from the Executive Committee and the Board of Directors.

The Board of Directors and the CSR Committee

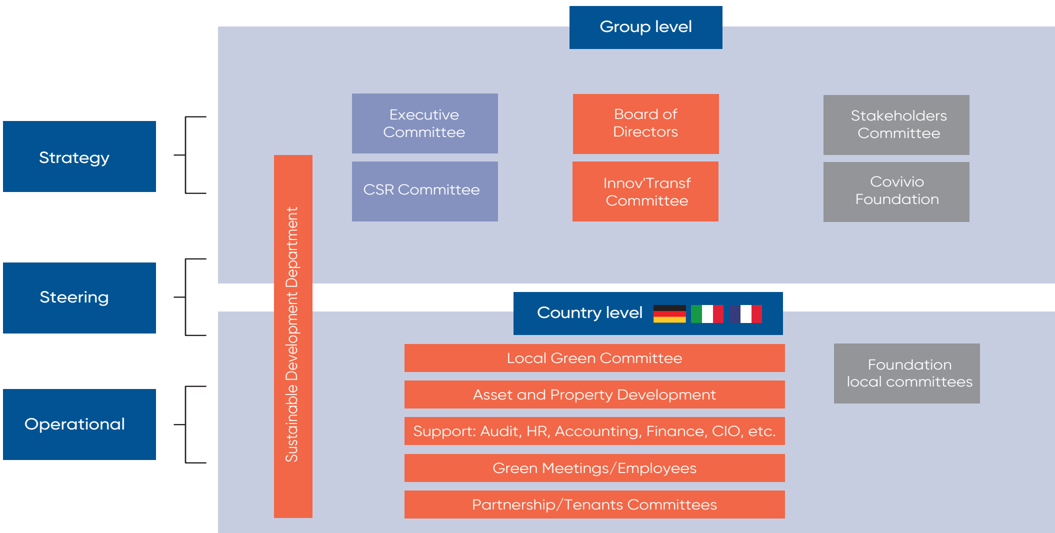
Each year, the Board of Directors reviews the Group's CSR strategy and approves this Statement of Non-Financial Performance. In order to formalise the Board of Directors' commitment to the Group's sustainable development strategy, a CSR Committee was created in July 2021. The first meeting made it possible to define its main missions: validation of the CSR strategy and monitoring of its implementation, to have a forward-looking role on major social and environmental trends, to provide expertise to the Board and the other Board Committees. To this end, the CSR Committee interacts with the Audit Committee to review ESG risks and with the Appointments and Remunerations Committee concerning CSR criteria in executive remuneration. Chaired by Alix d'Ocagne, the CSR Committee will take into account the expectations of stakeholders and the alignment of the strategy with Covivio's Purpose (3.6.1).

Cross-functional and external Committees involved in the CSR strategy

The purpose of the Innovation-Transformation Committee is to share information on innovation topics and to validate certain operational choices and tools, particularly with regard to sustainable development (carbon trajectory, etc.), digital technology (BIM, BOS, etc.) or services (implementation of solutions). This Committee brings together Olivier Estève (Deputy CEO), the managers of Development, Asset Management, DSI, Wellio, Innovation and Sustainable Development as well as Laurie Goudallier, Chief Transformation Officer.

In addition to this organisation, a Stakeholders Committee was created in 2020, chaired by Bertrand de Feydeau, as well as the Covivio Corporate Foundation, whose Board of Directors has eight members, including five internal members: Alix d'Ocagne (Chairwoman – independent Director), Géraldine Lemoine (Vice-Chairwoman, Chief Communication Officer), Yves Marque (Chief Operating Officer), Tugdual Millet (CEO Hotels Europe), Giovanna Ruda (Chief corporate officer Italy), and three qualified external persons: Nathalie Blum (Chief Executive Officer of Don en Confiance), Marion Chapulut (Chairwoman and Founder of CitizensCorp – consultant for the development of non-profit organisations) and Anne Lhuillier (independent consultant in sponsorship and philanthropy). In France, Germany and Italy, Local Committees guarantee a strong local presence, good responsiveness and long-term leadership. Each is composed of four employees from different Covivio business lines and has a wide variety of profiles: expertise, seniority, diversity, length of service, etc.

Managing Sustainable Development at Covivio



3.2.5.3 A calibrated and reliable performance

The tables presented in Chapter 3.7 provide an overview of the indicators used by Covivio to measure its environmental and social performance, particularly with respect to the targets that have been set. These indicators were chosen based on international standards: GRI Standards and the CRESD[1] sector supplement, EPRA Best Practices Recommendations on Sustainability reporting (EPRA sBPR), or annual studies such as CDP and GRESB. The reporting scope for each business activity is detailed in Chapter 3.7. Covivio's CSR reporting is audited by an independent external third party (EY) in order to ensure the alignment of Covivio's reporting with regulations (Decree of 9 August 2017), EPRA recommendations (sBPR), as well as the GRI Standards and SASB. The Statutory Auditors also issue an opinion on the alignment of green emissions with the Sustainable Bond Framework of 2022 (3.8).

3.2.5.4 A CSR strategy recognised by the non-financial ratings agencies

For many years, Covivio's sustainable development policy has been recognised internationally by non-financial rating agencies. The gradual greening of Covivio's debt (3.3.4) provides another example of the value of this policy and its results.

Covivio ranks well in the DJSI World and Europe, Euronext Environment CDP, Ethibel Sustainability Index, FTSE4Good, Gaïa de Ethifinance, MSCI, STOXX Europe Sustainability and Global ESG Impact, and the Vigeo-Eiris 20 France, 120 Europe, 120 Eurozone and 120 World indices.

In addition, Covivio regularly receives trophies and awards in the various CSR compartments, such as the Grand Prix Compliance in 2020 for the AGEFI corporate governance Grand Prix, or a new EPRA Gold Award for its non-financial reporting.

Covivio has seen a slight decline in its ratings with certain agencies this year. This is mainly due to the rebound effect on consumption related to the post-Covid business recovery in the office sector as well as the integration of the office portfolio in Germany (mainly multi-tenant).

(1) CRESD: Construction and Real Estate Sector Disclosures.

Change in non-financial ratings 2021-2022

	2021	2022
V.E part of Moody's ESG Solutions First ESG rating requested in 2019	A1+ Sector rank: 1/90 World: 10/4,931	
S&P Global Ratings First rating requested in 2021	83/100 Sector Leader	
CDP Participant since 2012	A-	B
ISS-ESG Prime rating since 2015	B-	B-
GRESB Green Star since 2013	90/100 (Global Sector Leader)	88/100 (5-stars)
CSA S&P (Ex DJSI) World index since 2013, Europe index since 2016	74/100 (Percentile 97)	69/100 (Percentile 96)
Gaïa RATING Included in the index since 2013	74/100	80/100
Ecovadis Gold since the first participation in 2018	81/100	81/100
MSCI	AAA	AAA
Sustainanalytics ESG Risk Rating *(scale reversed from 0 to 100, where 0 qualifies as zero risk)*	8.3 Sector rank: 11/1,043 World: 59/14,647	7.9 Sector rank: 16/1,040 World: 67/15,061

3.2.6 An ambitious European CSR action plan

The CSR Europe 2020/2025/2030 action plan for Covivio's various activities is presented below. It is based on the major risks revealed by the CSR risk mapping conducted in 2018, in accordance with the SNFP framework. The actions performed for risks deemed a lower priority but still important are also traced.

This action plan details the main multi-year objectives and their progress by activity. The various objectives are reported internally and are monitored at all levels of Governance of the Group.

RISK FAMILY	RISK	COMMITMENT	OBJECTIVES		
SUSTAINABLE BUILDING	**AREA 1 – REDUCE PROPERTIES' ENVIRONMENTAL FOOTPRINT, MAINTAINING THEIR ATTRACTIVENESS AND RETAINING THEIR VALUE**				
Obsolescence of stock, energy and carbon transitions, and resilient city	Asset obsolescence/ Green value/Products anticipating societal changes	Improve the portfolio's environmental performance	Hold environmentally certified assets at:	100% R	
			Develop and restore environmentally certified assets at:	100% N/A	
		Guarantee customer well-being	Develop assets labelled for well-being	100% R	
	Managing operating expenses (energy, waste, certifications)	Improve energy performance and reduce CO_2 emissions	**Reduce energy consumption in the portfolio as a whole**	-25%	
			Objective: 270 kWhpe/m²SHON/year	-50%	
			Objective: 137 kWhpe/m²GLA/year	-30%	
			Objective: 194 kWhpe/m²Nütz/year	-15%	
			Objective: 308 kWhpe/m²/year	2010/2030 -50% (hotels)	
			Reduce CO_2 emissions:	2010/2030 -40% R	
			Objective: 7.9 kgCO_2e/m²SHON/year (Operating carbon trajectory)	-70%	
			Objective: 13.4 KgCO_2e/m²GLA/year (Operating carbon trajectory)	-68%	
			Objective: 15.4 KgCO_2e/m²GLA/year (Operating carbon trajectory)	-66%	
			Objective: 29 KgCO_2e/m²Nütz/year (representative panel reporting)	-30%	
			Objective: 14.6 kgCO_2e/m²/year (Operating carbon trajectory)	-60%	

◆ Challenge ◆◆ Objective in progress ◆◆◆ Target met or exceeded

SCOPE	DELIVERY DATE	2022 ACHIEVEMENTS	PROGRESS	REFERENCE
Core European assets	2025	• Portfolio total: 93.2% of buildings certified at the end of 2022 (compared to 88.1% in 2021)	◆◆	3.3.1.3.1
		• France Offices: 100% of buildings certified at the end of 2022 (compared to 99.3% at the end of 2021)	◆◆◆	
		• Italy Offices: 98% of buildings certified at the end of 2022 (compared to 93.6% in 2021)	◆◆	
		• Germany Offices: 46.1% of buildings certified at the end of 2021 (compared to 34.2% in 2012)	◆	
		• German Residential: 100% of buildings certified HQE Exploitation by the end of 2019 (target 100% achieved)	◆◆◆	
		• Hotels: 87.5% of buildings certified at the end of 2022 (compared to 80.4% in 2021)	◆◆	
Commercial portfolio	2025	• 100% of the buildings delivered or renovated in 2022 benefited from an HQE or BREEAM or LEED certification higher than Excellent/Gold	◆◆◆	3.3.1.3.2
German Residential	2025	• Piloting of a project to develop 106 residential units in Berlin (HQE certification obtained in 2022) and launch of two new HQE-certified projects	◆◆	3.3.1.3.1
Offices	2020/2030	• Covivio expérimente les labels WELL, Osmoz et Fitwel sur plusieurs opérations, 260 000 m² sont concernés à fin 2021, et 43% du pipeline de développement. Sa politique de labellisation « bien-être » sera décidée sur la base de cette expérimentation.	◆◆	3.3.1.3
Group	2019/2030	• 247.9 kWhpe/m² in 2022 (-24% compared to 2019)		3.3.2.2
France Offices	2010/2030	• 237 kWhpe/m² in 2022 -56% compared to 2010	◆◆	
Italy Offices (Operational control)	2015/2030	• 116 kWhpe/m² in 2022 -41% compared to 2015	◆◆	
German Residential	2017/2025	• 195 kWhpe/m² in 2022 -14% compared to 2017	◆◆	
Hotels in Europe	2010/2030	• 273.2 kWhpe/m² in 2022 -56% compared to 2010	◆◆	
Group: construction, operation, renovation	2030	• Carbon trajectory (Scope 1, 2, 3) updated in 2021	◆◆	3.3.2.3
France Offices	2010/2030	• 9.9 $kgCO_2e/m^2$ in 2022 -60% compared to 2010	◆◆	
Italy Offices (Operational control)	2015-2030	• 7.3 $kgCO_2e/m^2$ in 2022 -82% compared to 2015 Second year of reporting on non-operational scope (private and single-tenant areas): 26.3 $kgCO_2e/m^2$/year in total with a coverage rate of 84%	◆◆	
Germany Offices	2020/2030	• First year of reporting: 8.9 $kgCO_2e/m^2$ in the operational scope	◆	
German Residential*	2017/2025	• 28.8 $kgCO_2e/m^2$ in 2022 -16% compared to 2017	◆◆	
Hotels in Europe	2010/2030	• 25 $kgCO_2e/m^2$ in 2022 -49% compared to 2010	◆◆	

* Representative panel

R Objective linked to Covivio's purpose (see Appendices)

RISK FAMILY	RISK	COMMITMENT	OBJECTIVES	
Obsolescence of stock, energy and carbon transitions, and resilient city	Managing operating expenses (energy, waste, certifications)	Lead the eco-transition	Keep water consumption below:	≤0.5m³/m²SHON/year ≤1m³/m²GLA/year ≤1.5m³/m²Nütz/year ≤2m³/m²/year
			Reduce the production of waste from directly managed assets	2019/2030 -15%
			Cut waste and promote recycling across 100% of the portfolio and 100% of development and renovation projects	100%
Health, safety, well-being	Security/Environmental safety/Regulatory compliance	Control health and safety related risks	Manage health and environmental risks	NA
			Health and safety	NA
			Hold assets accessible to people with reduced mobility at:	80%
SOCIETAL	**AREA 2 - CONTRIBUTE TO THE DISSEMINATION OF ECO-FRIENDLY PRACTICES AND TAKE AN ACTIVE ROLE IN CITY LIFE IN PARTNERSHIP WITH STAKEHOLDERS**			
Sustainable and inclusive city	Responsible supply chain	Communication with suppliers and clients	Obtain signatures on Responsible Purchasing Charter from all of our key suppliers [4]	
			Innovate with our suppliers on Group values	
	Quality of relations with external stakeholders (customers, suppliers, etc.)		Optimise tenant satisfaction R	
			Innovate with our clients R	
	Integration within the sustainable city	Action for a sustainable city	Participate in initiatives to boost the regions	
			Co-construct a space with our stakeholders coherent and collaborative urban R	
			Promote human rights and equal opportunities R	

◆ Challenge ◆◆ Objective in progress ◆◆◆ Target met or exceeded

SCOPE	DELIVERY DATE	2022 ACHIEVEMENTS	PROGRESS	REFERENCE
France Offices	2025	• 0.26 m³/m² in 2022 (0.22 m³/m² in 2021) -38% compared to 2008	◆◆◆	3.3.2.4
Italy Offices (Operational control)	2025	• 0.88 m³/m² in 2022 (0.89 m³/m² in 2021) -5% compared to 2015	◆◆◆	
German Residential*	2025	• 1.23 m³/m² in 2022 (1.24 m³/m² in 2021) -5% compared to 2016	◆◆	
Hotels in Europe	2025	• 1.55 m³/m² in 2022 (1.09 m³/m² in 2021) -9% compared to 2008	◆◆◆	
Group	2030	• 85% of buildings under direct management benefit from waste reporting (9 kg/m²/year in 2022, compared to 7.2 kg in 2020, inclusion of the German portfolio in 2022)	◆◆	3.3.2.5
Group	Permanent	• 100% of assets are fitted with selective waste collection systems	◆◆	
Group	Permanent	• 100% of sites are monitored and checked • Carrying out resilience audits to understand the various impacts of climate change on our portfolio	◆◆◆	3.3.3
Directly managed and corporate buildings	Permanent	• Air Quality Challenge in 2020 to identify and test innovative indoor air quality solutions; POC in 2021 for the Octopus Lab solution on three office buildings located in the Paris region. In 2022, roll-out to six new French sites • Care Programme certified by Bureau Veritas guaranteeing compliance with a health protocol in buildings under direct management	◆◆	3.3.3.3.3
France Offices	Permanent	• Compliance within the framework of each restructuring operation 82% (in Group share value) of offices accessible at the end of 2022 (83% in 2021)	◆◆◆	3.4.1.5.2
Italy Offices	Permanent	• Bringing into compliance as part of each restructuring operation 100% (in Group share value) of the offices directly managed by Covivio in Italy were accessible at the end of 2022	◆◆◆	
Group	2025	• Responsible purchasing policy launched in France in 2010/2011. New system launched in 2022 based on the EcoVadis solution Completion of a European procurement risk map at the end of 2020	◆◆	3.4.2
Bureaux France	Permanent	• Participation in various working groups in conjunction with our suppliers: energy flexibility, carbon, intangible value, etc. Carrying out the Air Quality Challenge in partnership with EDF and Impulse Partner in 2020, which led to experiments in 2021 followed by deployment in 2022	◆◆◆	3.4.1.1
Group	Permanent	• Launch of a new program to measure the satisfaction of office tenants at the European level, Covivio Immobilien again given the "Fairest Landlord" award by Focus Money magazine.	◆◆	3.4.3.1
Group	Permanent	• Development of new service concepts: Continued development of Wellio: delivery of Wellio Duomo in Milan Covivio Immobilien smartphone app in Germany Launch of the MonBuilding application on multi-tenant office buildings	◆◆	3.4.3.2
Group	Permanent	• Study on socio-economic impacts for all Group activities in Europe 15,100 jobs provided in 2018	◆◆◆	3.4.1.2.1
		• Making our projects real parts of the city integrating different urban uses: co-working, connectivity, etc.: Symbiosis in Milan, Euratlantique in Bordeaux, Euromed in Marseille Creation of a Stakeholders Committee - first meetings in 2021	◆◆	3.4.1.3.1
		• Adherence to the principles and values of the UN Global Compact: GC Advanced level since 2018 Creation of the Covivio Corporate Foundation in 2020 bringing together all actions in favour of equal opportunities and environmental protection	◆◆◆	3.2.1.4

* Representative panel

Ⓡ Objective linked to Covivio's purpose (see Appendices)

RISK FAMILY	RISK	COMMITMENT	OBJECTIVES
Sustainable and inclusive city	Integration within the sustainable city	Turn each site into a biodiversity driver	Participate in the integration of biodiversity in cities and conduct innovative initiatives on the subject
		Own assets with good accessibility	100% of assets located within a 10-minute walk from public transports
SOCIAL	**AREA 3 - ENRICH, THROUGH INNOVATIVE POLICIES, THE SKILLS OF EMPLOYEES, THEIR MOBILITY, THEIR DIVERSITY AND THEIR CAPACITY TO ADAPT, IN ORDER TO RESPOND TO DIFFERENT CHANGES**		
Quality of human capital	Skills/Attractiveness/Diversity	Develop human capital	Attract, develop and retain talent
			Promote diversity and equality
			Improve the quality of life at work and achieve work-life balance
			Measure the well-being of teams every two years
		Be exemplary in the application of our CSR values	Cut CO_2 emissions generated by our employees
			Make every employee a player in sustainable development
			Involve employees in the Group's commitments
GOVERNANCE	**AREA 4 - GUARANTEE AN ETHICAL AND TRANSPARENT FRAMEWORK TO ENSURE EXEMPLARY PRACTICES AT ALL LEVELS OF THE COMPANY**		
Effective and ethically-aware governance	Fraud/Corruption/Ethics	Conduct effective governance	Optimise the performance of the Board of Directors
			Remain the leader in terms of the transparency of our business activities reporting
			40% women on the Board of Directors
		Promote ethical values	45% of Board of Directors independent members
			Disseminate and share ethics/anti-corruption best practices with all employees
	Data protection/Smart building	Improve the connectivity of buildings	Develop innovation and undertake forward-looking studies with a view to value creation
			Provide a high level of connectivity in our buildings
			Carry out pilot tests relating to the introduction of systems for the remote monitoring of consumption (smart *metering*)

◆ Challenge ◆◆ Objective in progress ◆◆◆ Target met or exceeded

SCOPE	DELIVERY DATE	2022 ACHIEVEMENTS	PROGRESS	REFERENCE
Group	Permanent	• First European mapping exercise of the Group's business impacts on biodiversity Calculation of the Global Biodiversity score More than 75% of the sites studied at more than 1 kilometre from areas of ecological interest In 2021: trial of the CES calculation on the Majoria site and new projects tested in 2022 • 220,000 m² of offices have the BiodiverCity or EcoJardin label Starting 2020, all new development projects have had green spaces (terraces, patios, roof-tops, urban agriculture, etc.)	◆◆◆	3.4.1.4
Group	2025	• 96.9% of the portfolio within a 5-minute walk of public transports, and 99.8% within a 10-minute walk of public transports In the Offices portfolio in Europe, 94.3% of assets have at least one means of transport by rail (metro or RER) within a radius of 1 km and 84.9% within a radius of 500 m and are located on average 171 metres from public transport	◆◆◆	3.4.1.5.1
Group	Permanent	• 1,050 employees (50% women and 50% men) of which 93.4% on permanent contracts Sharing know-how and knowledge at Group level and multiplication of cross-functional projects between the three European entities	◆◆◆	3.5.1.1
		• Ex-aequo programme: raising employee awareness about gender equality; mentoring programme benefiting 22 French, Italian and German employees	◆◆◆	3.5.1.5
		• Quality of Life at Work Agreement in France, Senior Agreement in 2020 Implementation of teleworking since 2018 - Generalised since the start of the Covid crisis	◆◆◆	3.5.2.1
		• Employee satisfaction survey conducted since 2019 at Group level	◆◆	3.5.1.4
Group	Permanent	• Launch of the Covivio 4 Climate project to raise all employees' awareness of climate issues Corporate carbon footprint measured at the European level including not only travel (business travel and commuting) but also areas such as IT, catering and procurement in general Roadmap currently being developed	◆◆	3.5.2.2.1
Group	Permanent	• Organization of green meetings, sustainable development week with a European challenge	◆◆	3.5.2.2.3
Group	Permanent	• Involve employees in the Group's involvement in different actions: Palladio, Article.1, Passerelle, etc. First SoCovivio Week in 2022 with a number of solidarity events held for charitable associations	◆◆	3.4.1.3.2
Covivio	Permanent	• Assessment of the members of the Board of Directors annually and, formally, every three years 7 Directors have CSR skills/expertise	◆◆◆	3.6.1.2
		• Observation of the best international benchmarks: EPRA, Afep-Medef, GRI, SASB, etc. Strong recognition from non-financial rating organisations (ratings still rising in 2020)	◆◆◆	3.6.1.1
		• 43% female members on the Board of Directors since 2017	◆◆◆	3.6.1.2.1
Covivio	Permanent	• 50% independent members on the Board of Directors since 2017	◆◆◆	3.6.1.2.1
Group		• In 2019: update and distribution of the Ethics Charter to all Group employees 100% of employees trained in these principles	◆◆◆	3.6.2.1
Group	Permanent	• Studies carried out in partnership with the non-profit organisations SBA, Oree, Alliance, HQE-GBC, IFPEB, etc. on various topics: BIM, BOS, biodiversity, AVC, energy flexibility, carbon, etc.	◆◆	3.4.1.3
Group	Permanent	• Riverside in Toulouse, the first building to receive the R2S label in France All Wellio sites have the R2S or WiredScore label Wellio Dante first Wiredscore labelled building in Italy	◆◆	3.6.3.1
Group	2022	• Implementation of the PowerBat Supervision system on core tertiary buildings under direct management. In 2020/2021: completion of 21 pilot projects in France, one in Germany and two in Italy, followed by roll-out in 2022.	◆◆	3.6.3.1

* Representative panel

Ⓡ Objective linked to Covivio's purpose (see Appendices)

3.3 Environmental policy: sustainable building

Buildings may be confronted with the risk of obsolescence, with a resulting loss of value, if they do not meet the challenges related to the ecological and digital transformation or do not sufficiently take into account societal changes or the need for flexibility and services (3.3.1). In addition to these challenges which affect the appeal and liquidity of buildings, CSR risk mapping carried out at Covivio underscored the importance of properly managing operating expenses (energy, waste, certifications) both in terms of property operating costs (such as reducing the consumption of energy, water) and reducing the asset's environmental footprint (3.3.2). The third risk covered by this section concerns the environmental safety dimension, and in particular regulatory compliance with respect to asbestos, legionella, soil pollution, etc. (3.3.3).

Key performance indicators for sustainable buildings (at 31 December 2022)

"ASSET OBSOLESCENCE/GREEN VALUE/ PRODUCTS ANTICIPATING SOCIETAL CHANGES" RISK

100% OF CORE OFFICES IN FRANCE ARE CERTIFIED

98% OF CORE OFFICES IN ITALY ARE CERTIFIED

100% OF GERMAN RESIDENTIAL ASSETS ARE CERTIFIED FOR OPERATIONS

87.5% OF HOTELS IN EUROPE ARE CERTIFIED

46.1% OF OFFICES IN GERMANY ARE CERTIFIED

"MANAGING OPERATING EXPENSES" RISK

248 kWhpe/m^2 INTENSITY AVERAGE ENERGY

21.4 kgCO_2e/m^2 AVERAGE CARBON INTENSITY

100% OF ASSETS BENEFIT FROM SELECTIVE WASTE COLLECTION

"SECURITY/ENVIRONMENTAL SAFETY/REGULATORY COMPLIANCE" RISK

100% OF TERTIARY ASSETS BENEFIT FROM HEALTH AND SAFEY MONTIORING AND CONTROLS

<2% OF PROPERTIES AFFECTED BY 1 METRE RISE IN SEA LEVEL

Through the implementation of its committed projects pipeline (3.2.4) amounting to €2 billion at the end of 2022, Covivio ensures that its portfolio is evolving on a trajectory compatible with the 2015 Paris Climate Agreement. For this, Covivio has set itself ambitious objectives and action plans consistent with its activities in Europe, which consider the risks related to climate change. Climate risk was the subject of particular attention in 2019 with the production of a dedicated report, presented below in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and detailed in the Group climate report. In 2020 various studies completed this reflection, and were continued in 2021, in particular to measure the impacts on the portfolio, in quantitative and financial terms, and to anticipate the criteria being defined in the framework of the European taxonomy (3.3.4.1).

Alignment with the recommendations of the TCFD

In March 2021, Covivio became an official supporter of the TCFD (https://www.fsb-tcfd.org/supporters/).

Governance

Covivio's governance and organisation are structured to strategically address climate issues. The various bodies presented below have clearly defined roles in order to ensure the implementation of Covivio's objectives in this area.

- The **Board of Directors** controls the risks and opportunities related to climate change by monitoring the CSR performance of the company, and the strategic policies given to the Group. The Chief Executive Officer himself deals with the issues of sustainable development and climate change on the Board, supported in particular by Directors experienced in CSR issues. In 2021, a work session of the Board's strategic seminar was entirely devoted to climate issues and the update of the Group's carbon trajectory. Subsequently, an additional step was taken to formalise the Board's commitment to sustainable development issues, with the creation in July 2021 of a **CSR Committee,** whose purpose is to assist the Board in the conduct of its Meetings in the area of CSR in order to enable it to go even further in the analysis of environmental, social and societal issues. The climate naturally occupies an important place in the subjects dealt with by the CSR Committee.
- The **Executive Committee** is in charge of the deployment of the Group's strategy, to implement the Group's climate objectives in particular. The members of the Executive Committee have objectives related to this action plan, in particular their variable remuneration. The portfolio certification rate accounts for up to 15% of the long-term incentive scheme of corporate officers (Chapter 6).
- The **Sustainable Development Department** proposes and coordinates, with the support of General Management and the CSR Committee, initiatives concerning the fight against climate change in the Group's activities. The Sustainable Development Department works in particular, in a continuous liaison with the Executive Committee, on the implementation of the approved plans.

Risk management

In 2021, Covivio updated its risk mapping at the Group level, including all its subsidiaries and activities. The results were presented to, and shared with the Covivio Audit Committee in September 2021. This made it possible to take stock of the improvement in the level of control of risks for which specific action plans had been defined and implemented, and to share the levels of control as well as the action plans put in place to deal with the company's major risks.

The Sustainable Development Department, in coordination with the Risks, Compliance, Audit and Internal Control Department, carried out a CSR risk mapping in 2018, validated by the Management Committee, to identify the inherent and residual risks affecting Covivio's activities, then in 2020/2021, a risk mapping attached to purchases (3.4.2.4).

Of the risks identified by Covivio, the "Asset obsolescence/Green value/Products anticipating societal changes", "Control of operating expenses" and "Safety/Environmental safety/Regulatory compliance" risks are related to climate risks. The plans to manage these risks are specified in their respective sections.

Strategy

Climate-related risks

	Risks	Description of risks	Potential financial impact	Covivio's strategy	Indicators monitored
Physical Risks	**Extreme (medium-term)**				
	Climatic phenomena: • storms • hail • fires • flood • drought	Material destruction, including the destruction of assets Disruption of transport Difficulties in the supply of water and power	**Construction:** • loss of assets • costs of repair or replacement • construction delays **Operation:** • loss of assets • loss of value • business interruption	Gradual adaptation of the portfolio Targeted resilience studies Choice of location Switching assets	Reporting on environmental risks Share of certified buildings (HQE, BREEAM, LEED, etc.) Energy consumption CO_2 emissions
	Temperature changes: • heat wave • cold wave	Loss of thermal comfort Risk to the health of tenants	**Construction:** • dimensioning heating/cooling installations • additional costs **Operation:** • increase in operational costs • drop in occupancy rates • drop in rents	Analysis of the scaling of equipment/installations Regulatory monitoring and anticipation	
	Chronic (long-term)				
	Increase in temperatures	Drop in air quality Proliferation of insects Destruction of green spaces	**Operation:** • operating costs	Biodiversity Charters BiodiverCity label Green spaces objective	Energy consumption CO_2 emissions
	Rise in water levels	Submersion of assets	**Operation:** • loss of assets • business interruption	Switching assets Choice of location Targeted resilience studies	Study on the submersion of the portfolio/statistics
Transition Risks	**Political and legal (medium-term)**				
	Fossil fuel/carbon taxation	Implementation of carbon taxation on construction, on carbon-emitting buildings and fossil fuels	**Construction:** • increase in costs **Operation:** • increase in costs	Low carbon construction policy Calculation of the CO_2 impact of the choice of materials	Percentage of certified buildings
	Regulatory developments	Risk of non-compliance	**Operation:** • legal risks leading to penalties and excess costs.	Calculation of the CO_2 impact of energy efficiency actions	Amount of penalties
	Development of the market (long-term)				
	Obsolescence	Loss of attractiveness of the portfolio	**Operation:** • increase in operating costs • drop in liquidity	Refurbishment policy	Percentage of certified buildings
	Economic slowdown	Drop in purchasing power	**Operation:** • inability to pay rent	Diversification policy	Revenue per activity/per country, etc.
	Demand for 'green' buildings	Reputational risk	**Operation:** • loss of attractiveness of assets	Certification of buildings	Percentage of certified buildings

Assessing the potential impact of climate change risks

In December 2020, Covivio commissioned MSCI to conduct an MSCI Real Estate Climate-Value-at-Risk® study on its portfolio. This tool was designed to calculate the financial impact of physical and transition climate risks using a series of recognised scientific models and used on a global scale.

The Climate Value-at-Risk® represents the discounted costs (to 2050 and 2100). It is expressed as a percentage of the value of the asset or portfolio.

In 2022, Covivio decided to extend the scope of this analysis to its consolidated portfolio of office, hotel and residential assets in Europe (5,347 assets with a value of more than €16.8bn Group share at the end of December 2021). MSCI used data specific to Covivio's assets (location, surface area, building type, energy consumption and CO_2 emissions).

The model analyses the main physical risks: coastal and river flooding, extreme cold and heat, violent winds from tropical storms and cyclones, forest fires. The analysis of physical risks is carried out on the basis of a 5°C - RCP 8.5 scenario, according to which there would be no reduction in carbon emissions achieved at the global level.

According to this scenario, by 2100, physical risks would represent 0.61% of the value of the assets analysed. The main risks identified are coastal and river flooding and extreme heat. Very few Covivio assets are exposed to physical risks (four assets exposed to the risk of coastal flooding and one to the risk of river flooding).

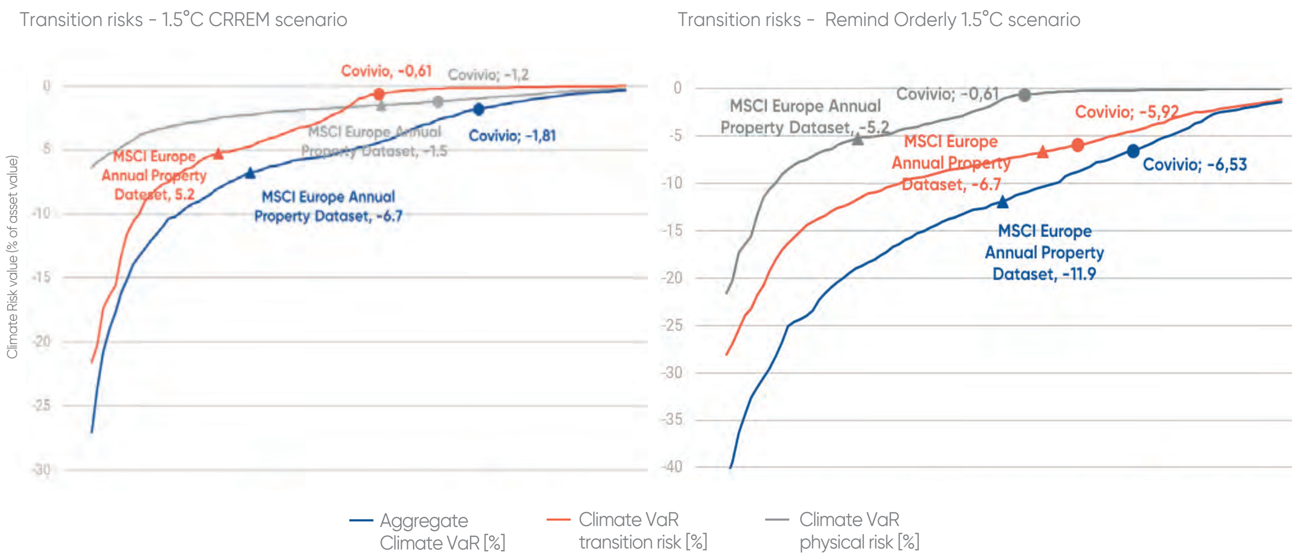
The challenge at the portfolio level is more at the level of transition risks, inherent in the need to reduce greenhouse gas emissions. The analysis of transition risks can be modeled according to different scenarios of alignment with a carbon trajectory, taking into account expected changes in terms of demographics, energy mix and carbon costs. For its portfolio, Covivio has selected an alignment with a 1.5°C trajectory.

According to the REMIND Orderly model (model used by the NGFS network), the transition risk represents 5.92% of the value of the portfolio assets, *i.e.* the cost of the efforts to be made to align with a 1.5°C trajectory (decrease of 93% of the portfolio's carbon intensity by 2050). This cost takes into account the assumption of an increase in the price of carbon over time. According to the CRREM model, the transition risk represents 1.20% of the value of the portfolio's assets (reduction of 94% in the portfolio's carbon intensity by 2050). This risk range [1.2-5.9%] by 2100 according to the selected transition scenarios expresses in monetary terms the cost associated with the risk of inaction, based on the current level of carbon intensity of the assets. The Group's carbon trajectory and related investment plans (see below) aimed at reducing the level of transition risk are not taken into account in these calculations.

In summary, by combining the costs associated with the physical risks assessed for a warming scenario of 5°C (high assumption) and the costs associated with the transition risks assessed for a scenario where the public policies in place aim to limit global warming to 1.5°C (REMIND Orderly), the maximum total Climate Value-at-Risk® by 2100 would be -6.53% (maximum of the range, not including the €254 million of improvements planned by Covivio in its green Capex plan by 2030). With the same scenario for physical risks and a 1.5°C CRREM scenario (at the end of 2022) for transition risks, the Climate Value-at-Risk® would be -1.81%.

At present, the portfolio's current emissions correspond to potential warming of 2.5°C by 2100. The carbon action plan rolled out by Covivio must therefore continue to achieve the objectives that the Group has set itself in order to aim for a limited warming potential of 1.5 °C.

Comparison of the results of Covivio and MSCI Annual Europe Property Dataset* (December 2021 values) on the CRREM and Remind Orderly 1.5°C scenarios - Physical risks scenario 5°C - RCP 8.5



* Comparison made with the MSCI Europe Annual Property Dataset composed of more than 35,000 assets for a value of €875.5 billion at the end of 2021.

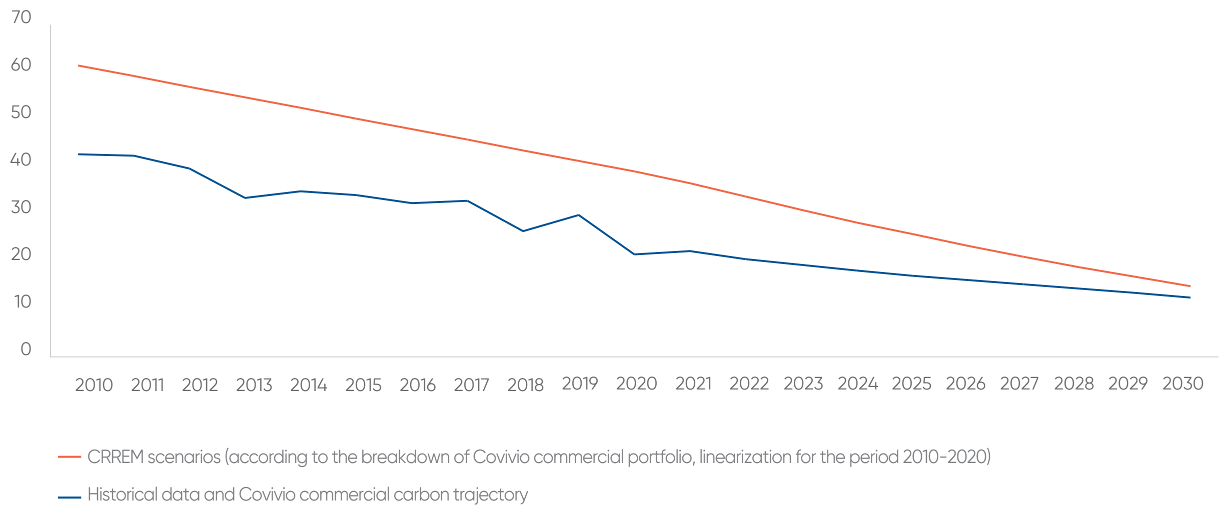
Focus on the CRREM scenarios

As part of its work with MSCI on climate risk, Covivio selected the 1.5°C CRREM trajectory as its reference scenario. The resulting climate risk value remains fairly limited up to 2100: -1.20% for transition risks.

For each portfolio, Covivio compared the CRREM scenarios to the historical GHG emissions data already published each year and to the data calculated by 2030 as part of its carbon trajectory. This made it possible to validate the consistency of the GHG emissions reduction targets for the tertiary portfolios, which are below the "tipping point" levels[1] identified by CRREM. The scenarios used are those published by CRREM on 11 January 2023 and are at a more ambitious level than the previous ones.

The elements proposed by CRREM concerning residential are still too recent to have the same analysis at this stage.

Reconciliation of CRREM scenarios with the Covivio carbon trajectory on its tertiary portfolios (CRREM version 2 of 11.01.2023)



Indicators and Objectives

Covivio's various CSR objectives are presented in the CSR action plan (3.2.6). The state of progress of these objectives is detailed in the sections concerned, notably the main indicators related to Covivio's strategy for the fight against climate change:

- energy intensity of the portfolio (3.3.2.2): 248kWhpe/m^2 at 31 December 2022, *i.e.* -24% compared to 2019 - Objective -25% by 2030 (*vs* 2019)
- greenhouse gas emissions generated by the activity (3.3.2.2): 57.4kgCO_2e/m^2 at 31 December 2022, *i.e.* -25% compared to 2010 - Objective -40% by 2030 (*vs* 2010)
- certification of the European portfolio (3.3.1.3): 93.2% of certified buildings as of 31 December 2022 - Objective 100% by 2025.

Fundamental for the activity of the Group, the work carried out to prepare the 2030 carbon trajectory, updated in 2021, and the objectives arising from it are presented below.

(1) *Tipping point: year in which the asset emits more CO2 than the level required to comply with a 1.5°C trajectory.*

Carbon footprint of the activity

Capitalising on feedback regarding reducing energy consumption and greenhouse gas emissions, Covivio decided in 2021 to accelerate its transition by raising the level of its ambitions across its entire portfolio of assets in the commercial portfolio under direct management, to align with a 1.5°C trajectory (based on the IPCC scenarios) and achieve a "net zero emissions" contribution by 2030 on scopes 1 and 2.

Less than three years after the publication of its first trajectory for reducing its carbon emissions, whose compatibility with the 2°C scenario of the Paris Agreement had been recognised in the summer of 2018 by the Science Based Target initiative (SBTi), Covivio has thus raised the level of its ambitions and is once again positioning itself as a major player in the low-carbon transition. Covering all of Covivio's activities in Europe, this trajectory, updated at the end of 2021, takes into account the Group's experience in low-carbon construction and additional experiments on materials, the circular economy and biodiversity. These objectives were approved by the SBT initiative in the first weeks of 2022, validating their alignment with a 1.5°C trajectory (scopes 1 and 2).

Two prospective scenarios for 2030 were constructed, in order to take into account the changes likely to impact Covivio's carbon performance, whether they be internal or external. This was done by modelling in seven large areas: roadways, pipes, conduits and cabling; infrastructure; superstructure; building shell; finishing work; equipment; and local energy production. An innovative approach to modelling carbon intensity has been adopted in order to monitor the Group's carbon performance by comparing it to a composite square meter, and this by integrating all activities (offices, residential, hotels) in Europe, over the entire life cycle of assets: materials, construction, restructuring and operation. These models are based on various scientific scenarios taking into account the decarbonisation rates of the energy mixes in the countries where Covivio operates, as well as the various sectors that impact the business. These scientific models were consolidated by CSTB, which also used its experience in the construction sector to best adapt them to the Group's specificities. The parameters have been defined by taking into account Covivio's current portfolio in Europe as well as projections of this portfolio by 2030. The 2021 update made it possible to integrate the Group's new orientations, in particular following the acquisition of offices in Germany in 2020.

By being involved in initiatives such as the HQE-GBC Alliance, the BBCA association, SEKOYA and the Low-Carbon Specifiers Hub (see 3.2.1.4), Covivio has strong expertise on the subject, enabling it to consolidate its 10 years vision. The internal carbon tools, developed with the CSTB, will help to inform and guide decisions from the design to the operation of buildings. For example, the "LCA Express", covering construction and renovation makes it possible to estimate the carbon performance upstream of a project and to determine the sensitivities to the impacts of the choice of materials or the shape of the building.

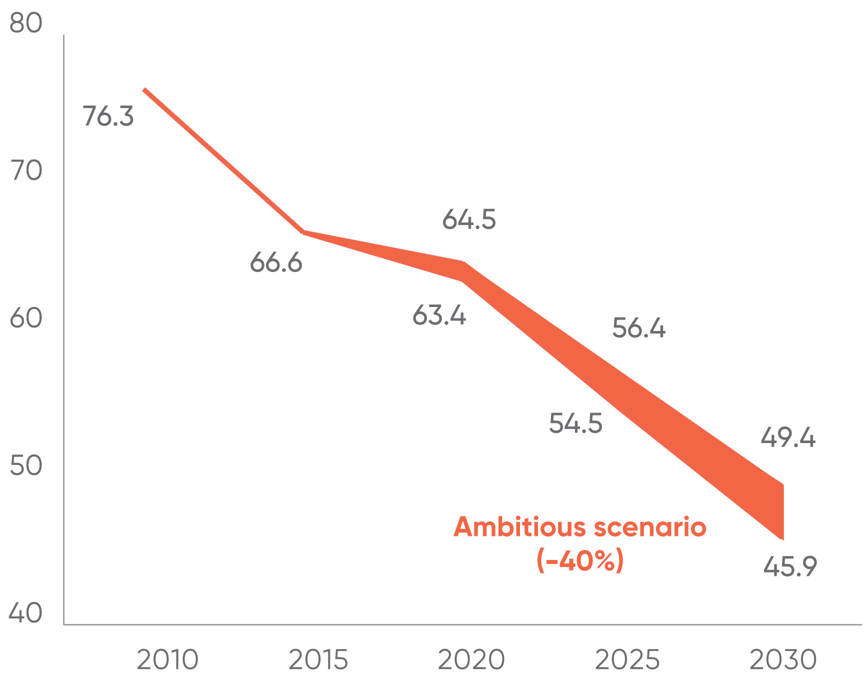
The update of Covivio's carbon trajectory has thus led to the definition of the following objectives:

- reduce greenhouse gas emissions by 40% between 2010 and 2030 (Scopes 1, 2 and 3) in terms of carbon intensity
- make a "Net Zero Carbon" contribution from 2030 and align its directly managed activities on a 1.5°C trajectory, *i.e.* a 63% reduction in absolute emissions between 2015 and 2030 on scopes 1 and 2 (operation of common areas) multi-tenant buildings and head offices
- aim to align with the "Well-Below 2°C" scenario (between 1.5 and 2°C) on scope 3 (construction, renovation, operation of private spaces in multi-tenant buildings, single-tenant offices, residential and hotels).

Achieving the carbon trajectory for each activity involves the implementation of various actions, in particular the completion of works (Capex) on the portfolio. In 2022, this work was identified and quantified by portfolio (3.3.2.1).

2030 trajectory of average carbon weight per m² (construction + restructuring + operation)

(Summary of Covivio's various activities in Europe, in carbon intensity $kgCO_2e/m^2/year$)



Breakdown of the Group's carbon footprint in 2022 and levers for implementing the carbon strategy

210,757 tCO_2eq
Emissions related to the construction and renovation of assets in Europe

5,788 tCO_2eq
Energy consumption in the "operational control" scope (common areas of multi-tenant offices and head offices)
Scopes 1 & 2

160,173 tCO_2eq
Energy consumption of all assets held in Europe (excluding "operational control" scope)
Scope 3

Objectives

Alignment with 1.5° C and Net Zero carbon contribution in 2030

Alignment with well below 2° C

Levers

#1 Focus on renovation and fight against urban sprawl
> 50% of operations are refurbishment, moving towards Zero net artificialisation, a circular economy and sustainable materials

#2 Committing to low-carbon construction in Europe
LCA Europe specifications, BBCA label on > 75% of projects in France and > 50% in Germany and Italy

#3 New tools
Developed by CSTB in 2020: calculation of the financial and carbon impact of energy efficiency actions; LCA Express in the design phase

#4 Promote the use of renewable energies
Installation of equipment on developments, 100% renewable electricity supply by 2030

#5 Mobilise all our stakeholders for a successful transition
Responsible procurement policy, partnership strategy with tenants integrating CSR issues, governance body involved

** Items selected for the development of the trajectory as material for our activities. The items not selected have been calculated and represent less than 15% of the Group's total emissions. Emissions related to the "corporate" carbon footprint are discussed in section 2.5.3.*
(1) Including 726 tCO_2 extrapolated for the Germany Offices portfolio

3.3.1 A sustainable vision of the building over its entire life cycle

Combating the obsolescence of Covivio's portfolio involves a high level of ambition as much as the design and management of buildings. To this end, Covivio is developing buildings with excellent accessibility and meeting high standards, particularly in terms of connectivity, comfort and well-being. The buildings are designed to offer maximum flexibility to accommodate different types of users and organisations and assist tenants with their changing needs over the long term. Open to the city, their gardens and terraces have been created to act as real drivers of biodiversity and contribute to the occupants' well-being. Eco-designed and then eco-managed, the buildings developed or renovated by Covivio provide solutions tailored to each user, while ensuring greater integration of the building into its environment.

Identified as a major inherent risk as part of the CSR risk mapping exercise (3.2.4.2), the "Asset obsolescence/Green value/Products anticipating societal changes" topic covers a range of challenges that are central to the company's concerns and portfolio strategy. If these challenges are not met, the company could be exposed to myriad adverse impacts, including owning certain assets with little potential for value creation; loss of the portfolio's attractiveness or the need for additional work due to a lack of maintenance and upkeep; and competitive disadvantages due to a lack of certification or poor locations. To respond to the potential risks and better anticipate their impact, Covivio tries to anticipates regulatory changes and commits to the highest international standards in terms of construction and service, with strong long-term partnerships that rely on a good understanding of each and every client and their needs (3.2.3.1). By managing the entire value-creation chain, Covivio ensures that the quality of its buildings meets both client and market expectations. Lastly, Covivio optimises the value of its assets and the company's reputation whilst participating in the transition towards a circular, low-carbon economy and factoring in resilience issues (3.3.3.1) to better adapt its portfolio to climate change.

3.3.1.1 Co-inventing new commercial and residential real estate

In several programmes developed by Covivio, emphasis has been placed on mixed functions: offices, co-working areas, residential, ground-floor shops, hotels and co-living. This new market trend is reflected in Covivio's numerous operations: Stream Building in Paris, Symbiosis in Milan and Alexanderplatz in Berlin. These programmes are designed for the purpose of cooperation with stakeholders and contribute to strengthening the attractiveness and influence of the districts in which they are built. Proximity and personalised customer relations are at the heart of Covivio's culture. To continually meet client expectations and develop the Group's offering, services and processes, Covivio regularly conducts satisfaction surveys on various topics. Action plans are rolled out following these surveys, ensuring that customers are listened to and that their needs are rapidly taken into account. The service offering emphasises a simple and fluid experience as well as flexible and personalised spaces for an ever-changing experience throughout the day.

Towards greater flexibility and service for customised projects

By capitalising on the experience of its subsidiary Wellio, a specialist in flexible pro-working spaces launched in 2017, and on its skills acquired in the hotel industry, Covivio continues to develop its solutions to better meet the needs of its customers. The study commissioned by Covivio in 2020, "Flexibility First[1]!", from Opinion Way had highlighted the fact that employees and managers have common expectations and requirements as regards the evolution of the office towards more flexibility, and also concerning the working atmosphere, the provision of varied spaces adapted to changes in working methods. Convinced that flexibility and services will in the future be decisive in the collective performance of organisations, Covivio is combining its leases and service contracts in order to offer mixed offerings. The Group is also adapting its processes in order to involve users as early as possible in the design of projects developed through design thinking workshops or work sessions with innovative partners, particularly in the field of services.

The Stream Building project, winner of the "Réinventer Paris" award, is an example of this approach by combining Covivio's different skills and know-how. This 9,500 m^2 modular mixed-use complex has been designed to easily adapt to the future needs of its occupants. Delivered in September 2022, it is built half of a mixed structure with a wooden frame and concrete floor and the other half of solid wood panels. The project also offers 1,200 m^2 of green spaces and has exemplary environmental qualities as it is certified HQE Exceptional, BREEAM Excellent and BBCA and E+C- certified.

In addition, in 2017, Covivio launched a co-living offer in Germany. Between a hotel and traditional shared flat, the co-living apartments offer a "home-from-home" experience, with a well-equipped kitchen, modern decoration, quality furniture, Wi-Fi, etc. Covivio manages around 250 rooms in Berlin under the "Covivio to share" brand.

(1) *https://www.covivio.eu/en/wp-content/uploads/sites/3/2020/11/PRESS-KIT_-Survey.pdf*

3.3.1.2 Beyond construction standards

For many key account tenants, energy and environmental performance has become a prerequisite that impacts on their choice of location. In addition, criteria contributing to the well-being of their employees are becoming increasingly important to their choice of location (user-friendliness, services, connectivity, accessibility, etc.). Covivio incorporates these new expectations into the buildings it develops, manages and renovates by exceeding construction standards, with the use of certifications and labels 3.3.1.3, as well as innovative solutions that go beyond legal obligations and anticipate changes in regulations.

For Covivio, the building of tomorrow is both sustainable and smart and must simultaneously display the following five features:

THE BUILDING OF TOMORROW

FLEXIBLE: innovative construction choices fostering fluidity, mixed uses and flexible spaces

SERVICIEL: menu of à la carte services based on the tenant's needs and accessible through a special app

OPEN TO THE REGION in terms of architecture as well as dialogue with local authorities

CONNECTED: "ready for" real estate in terms of building management (BMS, BIM, supervision etc.)

ENVIRONMENTALLY EFFICIENT: comprehensive eco-design approach, use of new materials, biophilia, renewable energy, etc.

These characteristics were defined in 2017 by a dedicated internal working group composed of representatives of the Technical, Innovation, Sustainable Development, Asset and Property Management departments. A grid showing the innovation criteria constituting the building of tomorrow was created. Each renovation or development project is compared with these standards by the Investment Committee, to ensure compliance with the strategic and essential criteria defined by Covivio and to incorporate, where appropriate, additional features in terms of sustainability.

In 2020/2021, CSR specifications were drafted in coordination with the European teams, in order to define the types and levels of labels and certifications used for Covivio's developments and renovations; this framework is intended to be shared internally with the technical teams (and management given its educational nature) and externally with architects and engineering consultants, in order to inform them of the company's standards.

As a developer, Covivio engages its stakeholders as part of its construction projects through a strong partnership-focused relationship and detailed procedures. For each certified project: four key documents detail technical and environmental performance: environmental notice, management system of the operation, assessment of the environmental quality of the building (HQE or BREEAM), Low Nuisance Site charter. The latter commits all those involved in the project and details the environmental principles to be followed as well as specific objectives adapted to each project. It draws up a list of recommendations on the following subjects (at a minimum): waste, acoustics, consumption of resources, communication with local residents, materials, social aspects (comfort, safety, well-being). The charter explains each person's roles and sets specific objectives: for example, aiming for an 85% recovery of construction waste, limiting the maximum noise level on the construction site to 80 dB (A), using 80% PEFC or FSC certified wood, etc.

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Commitment to the well-being of clients

People in the northern hemisphere spend around 90% of their time of their time in an interior environment (ADEME). A building has an impact on health and well-being of its occupants, due to its temperature, indoor air quality, the quality of its lighting, noise and the amount In the framework of its Purpose, since 2020, Covivio is committed to have a well-being-related label for all new office development projects.

A health and safety policy for assets under direct management

In addition to building and/or operation certifications, the international health crisis linked to the Coronavirus has led Covivio to strengthen prevention and hygiene practices in its office buildings under direct management (multi-tenant). The certification developed with Bureau Veritas, as part of Covivio's CARE programme, includes the drafting of a strict health protocol and the performance of audits to ensure its proper deployment on site. It also takes into account the training of operational teams. The health protocol is shared with the tenants of the sites as well as all the service providers required to work on the buildings.

In total, at the end of 2022, 22% (in Group share value) of the Group's office assets were certified on well-being and 40% of the development pipeline (in Group share value).

These labels make it possible to measure and improve the human factors considered during the construction (WELL, OsmoZ) and management (Fitwel) of a building.

Accelerating the transition to the circular economy

The design and management of Covivio's buildings address the challenges posed by the circular economy as ways to consistently implement its CSR policy. This approach[1] aims to separate economic growth from the depletion of natural resources by creating innovative products, services, business models and public policies. According to the French Circular Economy Institute, this includes "extending the life of materials (reuse, recycling) and products (eco-design without in-built obsolescence) throughout the life of a product or service".

Awareness-raising actions are carried out with the teams, in order to integrate the challenges of the circular economy into the activities and day-to-day operations of the company. The use of sustainable and more easily recyclable materials is now widespread in Covivio's practices, in line with the environmental certifications targeted by the Group. For example, as part of Covivio renovation projects in Germany, glass wool and other recyclable materials are systematically used to insulate façades and roofs of housing. In addition, all of these priorities are covered by targets set out in the certifications Covivio hopes to obtain for its development projects, such as HQE Target 3: "Low-impact work site", with respect to optimising waste management, minimising on-site noise and other forms of pollution and reducing on-site resource consumption.

As another example, as part of the So Pop project in Saint-Ouen, a site vacated by Citroën, Covivio organised the demolition of this 20,000 m^2 building by using blockchain to draw up works contracts, thus improving coordination before launching the construction of over 30,000 m^2 of offices. Also, a specific audit of all equipment that could be reused or recycled was carried out before clearance. The list of equipment was uploaded to a dedicated online platform (Cycle Up) to be sold, in order to give it a second life. This prevented equipment that was still in working order from being thrown away and promoted employment and supported local organisations (associations, start-ups and local authorities). During the construction phase 3,000 m^2 of used suspended ceiling came from the circular economy sector, *i.e.*, 10% of the total covering. Likewise, the site used recycled acrylic paint, which made it possible to divide by 12 the carbon impact on this item.

Low-Nuisance Site charters drafted by Covivio for all its certified developments in France cover these circular economy aspects. Targets in this area are set to ensure that all stakeholders on the site comply with a high level of environmental performance. For example, for the IRO project in Châtillon, the target for recycling site waste was set at 85%, including 50% material recovery. Precise monitoring of waste by stream is also specified in these charters, recalling the best practices to be adopted.

In Italy, a partnership with Politecnico di Milano (3.4.1.3) has resulted in the creation of a database that contains a wide range of sustainable building materials. Available on the University's Intranet site, the database is constantly updated with new sustainable materials, bringing them to the attention of the technical teams.

In addition, Covivio conducted a "Cradle to Cradle" (C2C) study (pilot site: Motel One Porte Dorée). The concept of "cradle-to-cradle" underlies the idea that in the future, raw materials used in the construction of new buildings will be largely taken from deconstructed buildings. This study resulted in a C2C guide that is used to select virtuous, healthy materials that provide added value by protecting the health of the building's occupants. To continue to make progress towards a circular economy, Covivio takes part in projects with organisations (Orée, IFPEB, etc.), suppliers and universities. It was therefore in 2020 that Covivio's So Pop project took part in the HQE Circular Economy Performance test organised by the HQE-GBC Alliance, which tested the analysis of material flows (Building MFA), which calculates circularity indicators over the entire life of a building.

Optimising the management of development and operation through BIM (Building Information Modelling)

BIM builds a comprehensive and consistent 3D building database and maintains it throughout the lifetime of a real estate project: design, completion, operation, and deconstruction. BIM also improves operational management of the building by facilitating interior design and access to fixtures (geolocation of equipment). As part of a circular economy approach, BIM is also a tool that enables traceability of materials and equipment so they can be reused. Covivio already owns buildings constructed using BIM and most of its recent development projects now use this technology. On the strength of its experience in this area, Covivio won the Silver BIM in 2021 for the Streambuilding project in Paris. The digital model made it possible to anticipate the technical constraints related to the project's environment and to involve all project stakeholders in a collaborative approach.

> At the end of 2022, 100% (by surface area) of new development operations in France, Germany and Italy were implemented with the help of BIM i.e. five operations representing more than 170,000 m^2.

In 2020/2021, with the help of an external consultant and in conjunction with the various technical, asset and property management teams, a European BIM/BOS[2] technical specification (3.3.1.3) as drawn up in order to better characterise Covivio's needs in this area and the profile of BIM environments that will be created as part of future projects in France, Germany and Italy. This document also aims to better link BIM in the design phase and BOS in the operational phase in order to optimise the services provided. On this basis, testing of a BOS solution was launched in 2022 on the Silex² building and then on the Paris Saint-Lazare site, Covivio's next Paris headquarters, in order to test the functionalities offered by the BOS. The BOS makes it possible to collect, enhance and distribute data from various tools and equipment in order to optimise management processes, implement services and enhance the appeal of their assets.

(1) http://www.institut-economie-circulaire.fr/Qu-est-ce-que-l-economie-circulaire_a361.html
(2) BOS: Building Operating System

Laying the groundwork for the "Smart City" of the future

Gradually, buildings will become part of the energy distribution network: sometimes producers and sometimes consumers, smart buildings will be an integral part of smart grids managed at the scale of neighbourhoods, cities, themselves elements of larger entities. Covivio is actively involved in energy flexibility studies, in particular FlexEner, in partnership with IFPEB[1], RTE and Enedis, in order to lay the groundwork for the smart city of the future.

In 2020, Covivio tested R2S-4Grids, a label created by the Smart Building Alliance (SBA) and supported by Certivea, as part of its Toulouse office building "21 Marquette", the first building to be given the R2S label (2018). This same building was used to test the new R2S4Grids label, which promotes energy management and energy demand response. To qualify the performance in terms of connectivity of a certain number of sites under development or renovation, in particular on 100% of its Wellio sites, Covivio uses dedicated labels: R2S in particular in Paris on Jean Goujon, So Pop and the Covivio's future Paris headquarters, for example, Wiredscore on Flow in Montrouge, Wellio Dante and Wellio Duomo in Milan, SmartScore as part of the Alexanderplatz project in Berlin.

3.3.1.3 Towards 100% certified buildings

Since its first development project, the Dassault Systèmes headquarters completed in 2008, Covivio has chosen to measure the performance of its new buildings through global, internationally recognised certifications, such as HQE, BREEAM or LEED. Likewise, in order to improve the performance of its assets already in operation, Covivio has the HQE Exploitation, BREEAM In-Use and ISO 50001 certifications to highlight the quality of its energy management. Furthermore, certain tenants use labels that are particularly suited to their activities, particularly in the hotel sector.

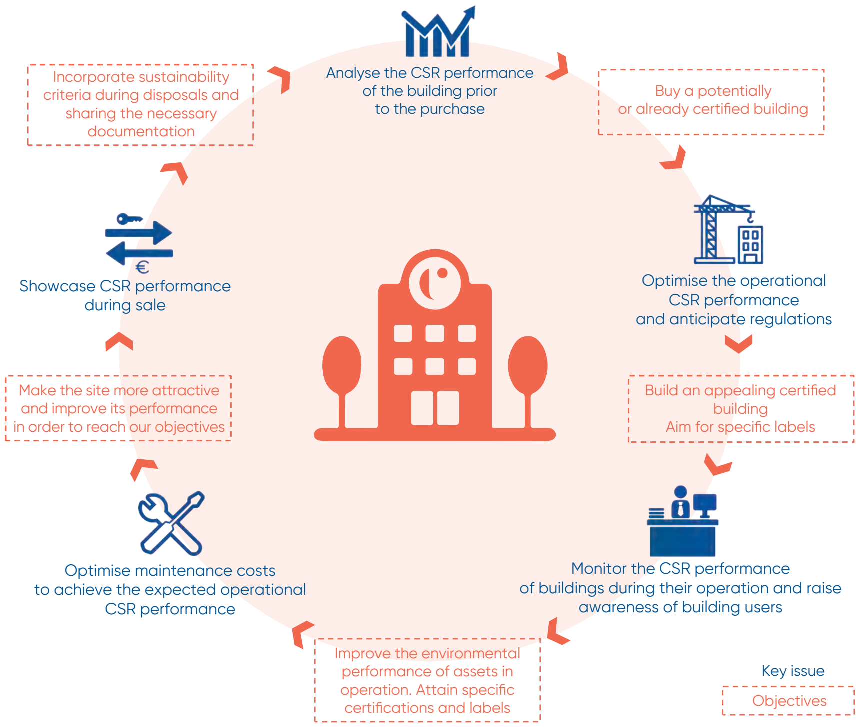
As a partner in the development of certain labels, Covivio is also a pioneer in testing new standards such as R2S, Biodivercity or even more recently by committing to the creation of a pan-European low-carbon label with the support of the BBCA association. Covivio is one of the few players who have experimented with Level(s), launched in 2017 by the European Commission to promote sustainable construction and the transition to the circular economy. This system, based on various indicators (energy, water, carbon, etc.), aims to define a common language. Level(s) is cited several times in the first texts organising the European Taxonomy.

For Covivio, the reliance on certifications and labels meets a dual requirement of transparency and accountability. For Covivio, these markers are part of its global and sustainable vision of for buildings.

A GLOBAL AND SUSTAINABLE VISION OF THE BUILDING

CONTRIBUTIONS TO SUSTAINABLE DEVELOPMENT

- Anticipating regulations, incorporating constraints relating to the market and changes in lifestyles and work practices
- Reducing the environmental footprint of the building throughout its life cycle
- Maximising social and societal contributions with regards to its occupants, local residents, the housing market, etc.
- Placing the criteria of comfort, health and well-being of the end-user and environmental issues at the heart of the project
- Using solutions which encourage diverse uses, players, energies, etc.



(1) *French Institute for Environmental Performance in Construction.*

3.3.1.3.1 Environmental certifications of the portfolio as of 31/12/2022

The certification rate is the proportion of buildings certified for their construction (HQE, BREEAM, LEED) and/or their operation (BREEAM In-Use, HQE Exploitation, etc.).

Covivio has set itself the target of having 100% of its core assets certified by the end of 2025. At the end of 2022, this rate was 93.2% (90.7% at the end of 2021). By exceeding regulatory standards, Covivio is helping to create an offer that meets new market expectations. These global certifications are recognised by the chain of players in the sector: builders, consultants, real estate companies, tenants, bankers, shareholders. The framework for defining green products is set to evolve under the impetus of the European Green Taxonomy (3.3.4.1).

In addition to these global certifications, new labels have been created that focus on a building's performance in terms of specific issues, namely energy with BBC renovation, Effinergie+, E+C-; carbon footprint with BBCA (3.3.2.3); biodiversity with BiodiverCity (3.4.1.4); connectivity with R2S or WiredScore (3.3.1.3); and well-being and health with Well, OsmoZ or Fitwell, etc. Covivio is regularly a pioneer in the experimentation of these labels, even collaborating in the drafting of some of them.

Covivio experiments with the Effinergie Patrimoine label

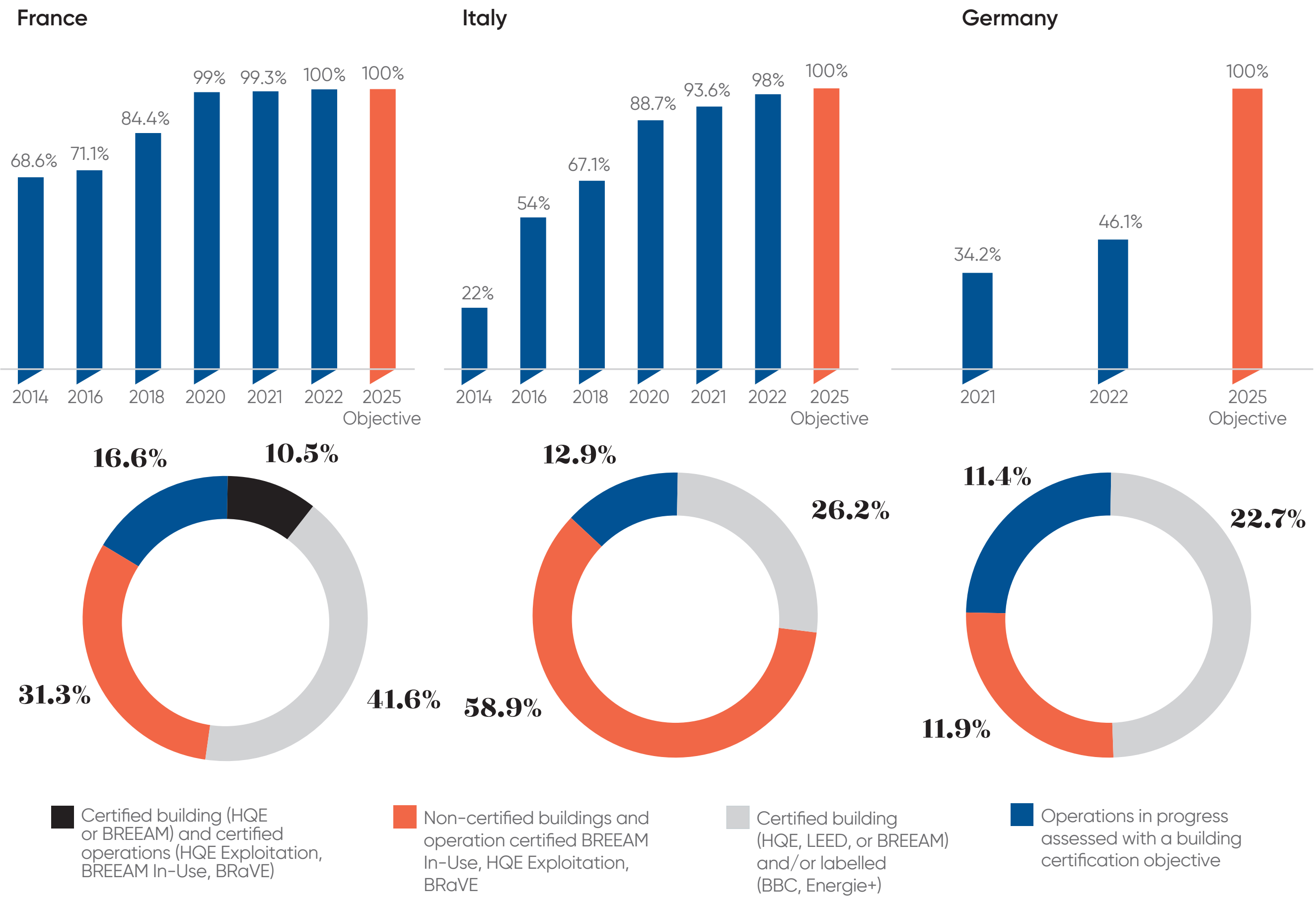
Launched in 2020, the Effinergie Patrimoine experiment aimed to "encourage the completion of demonstration projects, promote feedback and the emergence of best practices and thus remove existing obstacles to the efficient energy rehabilitation of heritage buildings[1]". Two Covivio renovation projects are among the nine winners of this experiment: the Paris-Monceau project and L'Atelier, Covivio's future headquarters in the 8th arrondissement.

Change in environmental certification rates for the various portfolios

Performance against this indicator is monitored as part of monthly internal CSR reporting and plays a decisive role in development, upgrade and asset replacement policies. This indicator is also used in calculating the long-term incentive/variable remuneration of the corporate officers and managers concerned.

Offices

Share of certified buildings and distribution by type of certification *(Group share value)*



(1) https://www.effinergie.org/web/les-labels-effinergie/le-label-effinergie-patrimoine

2022 was an opportunity to make progress in the portfolio of offices acquired in 2020 in Germany. The operations certification programme (BREEAM In-Use) initiated last year resulted in the certification of the first three assets in the portfolio, thus increasing the rate to 46.1% at the end of 2022. The programme will continue over the next two years in order to achieve the Group's objective by 2025. All development projects are also aiming for certification at a level greater than or equal to Gold.

Operation Plano in Berlin - Schöneberg

This new construction project of 14,150 m² relies on reversibility and was designed as an innovative and sustainable ecosystem, focusing on warm and bright spaces and large green terraces:

- use of geothermal energy for heating and cooling, thanks to heat pumps and radiant ceilings operating at low temperatures, thus more energy-efficient
- 1,200 m² of photovoltaic panels with a capacity of 100 kW (*i.e.* 125 MWh/year)
- a fully planted and permeable terrace thanks to retention and drainage trenches, and green spaces designed with an ecologist/ornithologist
- up to 80% recycled concrete with the CSC label (certified sustainable concrete label)
- direct access to public transport and 50% of spaces are for charging electric vehicles.

The project is also aiming for DGNB Platinum, KFW Efficiency Building 40 + Renewable energy and Wiredscore Gold certifications and labels.

German Residential

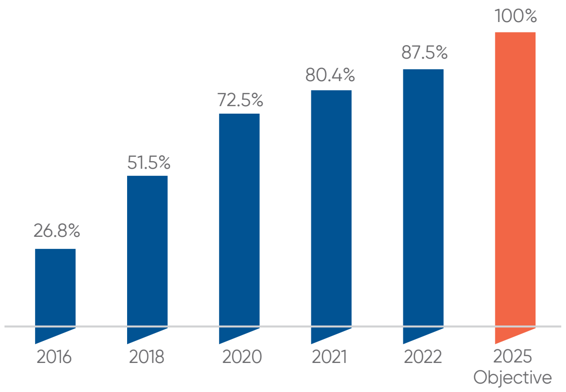
In 2018, Covivio began a process of certification of the whole of its residential portfolio in Germany according to the NF Habitat HQE™ standard which certifies the environmental performance of assets. This approach establishes a management system that is regularly assessed and based on four commitments: Responsible management relating to the project owner's organisation; Quality of life; Respect for the environment; Economic performance. Certification of the entire portfolio was achieved in December 2019 following 481 site visits and a management audit which revealed very good quality of the portfolio and its management.

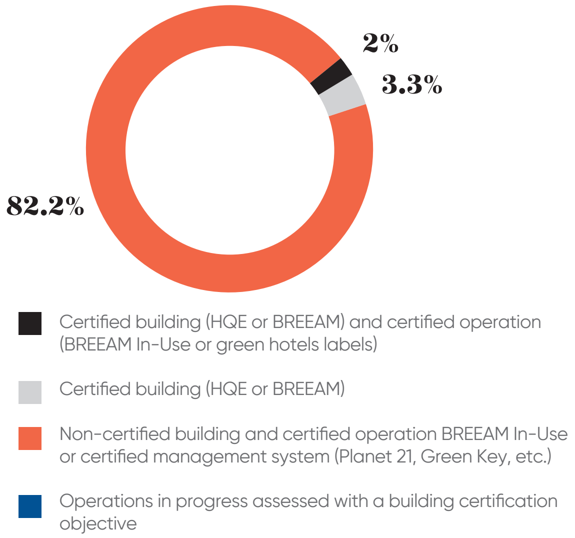
The third sustainable management system monitoring audit, which took place in 2021, highlighted the continuous improvement dynamic driven by Covivio since the first year of certification. After implementing Cerway's first recommendations in 2020 by modifying its framework contracts with its suppliers to use more sustainable products, this year Covivio presented its smart consumption metering project for nearly 5,000 homes in the portfolio, and the installation of charging stations for electric vehicles in its fleet.

Covivio is also testing the HQE Sustainable Building certification for the Berlin Biesdorf development. With very good access to public transport and numerous green spaces nearby, this project consists of 106 housing units over four new buildings with ground floor and two or three floors in a residential zone where Covivio already owns eight buildings. The project is targeting "Exceptional" status and should be delivered in early 2022. On the strength of this first experience, two new development projects in Berlin will be HQE certified.

Hotels in Europe

Share of certified buildings and distribution by type of certification (Group share value)





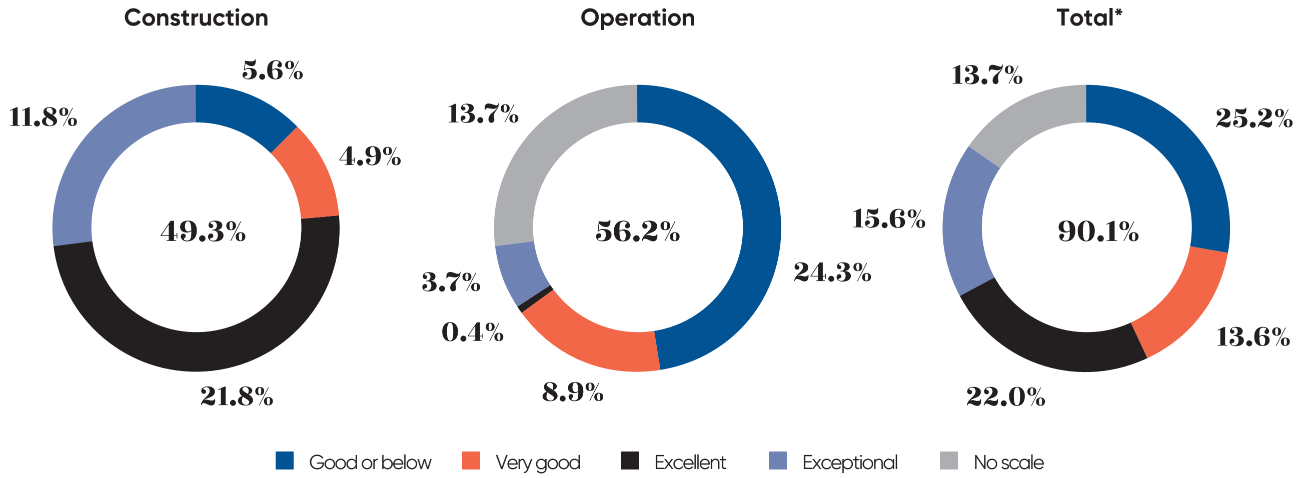
The environmental certification of the hotel portfolio benefits from the environmental commitment of tenants, major operators developing their own sustainable development strategies. Some use labels specific to hotels (Green Key, GSTC, Green Hotel) and leisure (Green Globe), or have established systems equivalent to environmental operation certifications, like Planet 21 for Accor or Green Engage for IHG. Moreover, and without this being taken into account in the calculation of the certification rate of Covivio's assets, it should be noted that 26% of the hotels owned have the Green Leader status of TripAdvisor.

3.3.1.3.2 Profile of environmental certifications obtained and targeted for the tertiary assets

The table below presents the various levels of certification obtained or targeted for the projects developed by Covivio. The certifications used for the construction or renovation phase are mainly HQE, LEED, DGNB and BREEAM. An Italian asset was also certified ITACA, level Good. These certifications cover various themes concerning integrating environmental and social issues into development projects.

In Group share value, 51.2% of tertiary assets have HQE/LEED/BREEAM certification with a level greater than or equal to Very Good (the best level is given in the event of dual Operations/Construction certification). In 2015, this share was only 18%.

Summary of certifications obtained and targeted for the Group's tertiary assets or projects



**Restated for assets certified for operation and construction*

3.3.2 Managing operating expenses

The CSR risk mapping carried out by Covivio in 2018 underscored the importance of managing operating expenses, especially owing to the implications in terms of client satisfaction. The expenses relate to energy, water, waste and certifications for buildings in operation. This subject took on a particular importance from mid-2022, with very sharp increases in already volatile energy prices.

As Covivio is both the owner/landlord and often the developer of its own buildings, issues concerning operating expenses are addressed from the beginning of the project, and then for any asset replacement which is carried out during its construction and, of course, during the management phase. Obtaining environmental certification (HQE, BREEAM, LEED) for 100% of projects under development enables high levels of performance to be achieved, notably in terms of consumption of energy and water. Covivio also often chooses to supplement these certifications with specific labels, notably on energy with effinergie+, E+C- or ISO 50 001 for buildings in operation. In addition, these initiatives reduce the financial consequences that might arise if a carbon tax is introduced. The costs generated by certifications in the form of property and facility management fees and auditing and certification fees (certification body, support services) are offset by the reduction in consumption, particularly in light of the current rise in energy and water prices. In addition to energy, carbon and water performance, the operational certifications (HQE Exploitation or BREEAM In-Use) cover many other subjects: quality of life, environment, responsible management, etc. As of 2010, Covivio has considered that these certifications constitute a relevant tool to monitor and improve the CSR performance of its portfolio. The feedback is very positive, in terms of the momentum created with tenants and suppliers, recognition from analysts and the world of finance, and, of course, the improvement of the environmental performance of buildings.

2022, a year of energy sobriety

In response to the energy and climate crisis, the French government requires energy consumption to be reduced by 10% by 2024. Companies are thus called upon to identify and activate all the levers at their disposal to reduce consumption.

Covivio has already implemented a number of levers, in particular through client awareness (environmental Committees, technical meetings on the tertiary eco-energy system (tertiary decree) and building maintenance, environmental certification), its work plan and development by integrating energy performance or the implementation of supervision and an energy management contract.

In September 2022, Covivio sent a letter to the tenants of the tertiary buildings it manages directly concerning the energy efficiency plan. This approach was part of the awareness-raising process carried out on the implementation of the provisions of the tertiary decree. This letter recalls the main eco-friendly actions to be implemented in the office to reduce and optimise energy consumption in three areas:

- adjustment of the settings (heating and air conditioning): during working hours, the heating will be at 19° and that of the air conditioning at 26°, with the possibility to use remote controls to for +/-1.5°C. When the building is unoccupied (non-working hours, weekends, and public holidays), the heating will be set at 18°C and the air conditioning suspended (or modulated). Air conditioning must be turned off when windows are open
- lighting: switching off of lighting in common areas (except security lighting) and illuminated signs from 9 p.m. to 7 a.m. Switching off lights in shared meeting rooms outside periods of use and installation of presence detectors. If necessary, shutdown of façade lighting
- office: switching off office equipment including digital screens (rather than putting it on standby).

Clients are also invited to share any suggestions that could help achieve this energy efficiency objective.

3.3.2.1 Improving the portfolio's environmental performance

Improving the portfolio's environmental performance aims to reduce its footprint in terms of energy (3.3.2.2), carbon (3.3.2.3), water (3.3.2.4), and waste (3.3.2.5), as well as to increase its occupants' comfort and well-being, through the choice of materials, the quality of space and air in the building and the care given to issues such as proximity to nature and services.

For each portfolio, Covivio's multi-year work plan includes energy and, more generally, environmental performance as a priority objective. The installation, maintenance or replacement of more efficient equipment contributes directly to the reduction of greenhouse gas emissions from assets. The strong partnership dynamic at the heart of the Group's strategy is also an important lever for achieving its objectives. In order to better characterise the risks and opportunities related to its carbon trajectory, Covivio calculated the investments necessary to achieve its GHG emissions reduction targets in 2022.

Methodology used

- Review of portfolio performance based on historical data and *via* interviews with operational staff, and energy audits (Hotels in Europe, Italy Offices, Germany Offices).
  - *Special case France: work concomitant with the implementation of the tertiary decree and the study carried out on the portfolio by E-nergy to verify the compliance of the assets with the objectives of the tertiary decree.*
  - *Special case Germany: work with an external service provider to set up a platform to monitor consumption and determine green Capex per asset.*
- Consolidation and extrapolation of the measures to be implemented to achieve the carbon targets by portfolio. All assets were included in the study's scope, some benefited from in-depth energy audits, which were extrapolated to other assets. The measures identified were broken down as follows, in order to best guide the multi-year work plans:
  - quickwins (ROI < 2 years): optimisation of BMS, tenant awareness, sub-metering, equipment maintenance, occupancy sensors, automatic temperature adjustment according to the weather
  - medium-term (ROI 2-9 years): deployment of LED, heat pumps, more efficient heating equipment, installation of solar panels, solar protection systems

- long-term (ROI > 9 years): thermal insulation, replacement and modernisation of windows, installation of building management systems, installation or replacement of various equipment
- the study also identifies the purchase of green electricity as an additional lever for reducing emissions.

The study resulted in the costing of a works plan of €254 million in Capex to achieve the carbon targets that the Group set for itself, *i.e.* €32 million per year, making it possible to reduce the carbon intensity on the operation phase between 2020 and 2030 by 44% (2019 year of study for hotels and 2021 for France and Italy Offices).

	GREEN CAPEX (CEO)	€M/year	% OF PORTFOLIO VALUE (CEO)		
OFFICES	€95 M	€12 M	~1%	10% short-term actions	*e.g.* optimisation of supervision systems
GERMAN RESIDENTIAL	€138 M	€17 M	~2.5%	45% medium-term actions	*e.g.* technical improvements or installation of solar panels
HOTELS	€21 M	€3 M	<1%	45% long-term actions	*e.g.* installation of new equipment (geothermal, free cooling, heat recovery)
TOTAL →	€254 M	€32 M	~1.5%		

In 2022, €408 million was invested for environmental improvement of our portfolio in Europe by including developments (taxonomy definition).

An ambitious multi-year work plan

Given the number of residential assets held in Germany, the energy renovation programmes for buildings are spread over several years in line with the Group's targets for reducing energy consumption and greenhouse gas emissions. In 2022, the value of renovations improving the environmental performance of assets reached €13 million. In concrete terms, this work plan resulted in the replacement of energy-intensive equipment, the installation of double or even triple glazed windows, or even the insulation through façades or roofs and of course the switch to LED to light the common areas. In line with previous years, Covivio replaced old boilers with modern ones, enabling a reduction in the capacity of the equipment installed by an average of 15%.

3.3.2.2 Energy trajectory

The energy and environmental mapping study carried out with the CSTB in 2009/2010 is updated every year. Based on a set of twenty indicators, this mapping allowed Covivio to set out its multi-year objectives in terms of its portfolio's energy and carbon performance (3.2.6).

EcoWatt, a warning system that accelerates the energy transition

Led by RTE and ADEME, EcoWatt is a citizen scheme that enables French people, companies and local authorities to adopt responsible energy consumption and thus contribute to ensuring the proper supply of electricity to all in a critical period. As a true electricity weather forecaster, EcoWatt assesses in real time the level of electricity available to supply French consumers. At all times, clear signals guide consumers to adopt the right actions to limit national electricity consumption. A warning system indicates the periods when French people are called upon to reduce or postpone their electricity consumption to avoid blackouts or to reduce their duration.

For Covivio, this system is part of the deployment of best practices in terms of energy consumption, shared with the tenants and operators of its buildings:

- through awareness-raising actions as an employer for its employees/partners/suppliers
- through relaying the Ecowatt signal to their clients
- through actions to moderate or delay their electricity consumption as a responsible consumer.

3.3.2.2.1 Main indicators at Group level

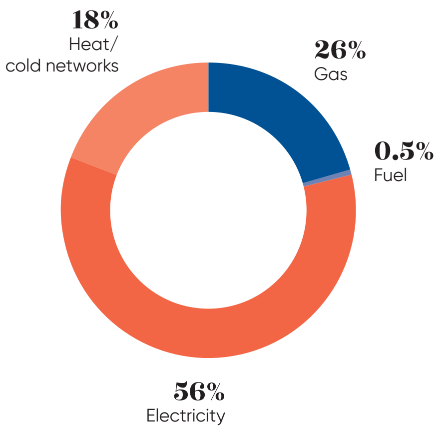
Reporting scope: 3,004,343.88 m²

Final energy consumption: 493,951,366 kWhef

of which share of renewable energy: 16.7%

Primary energy consumption: 744,878,660 KWhep

Energy intensity of the portfolio: 247.9 KWhep/m²



3.3.2.2.2 Change in the energy consumption of the various portfolios

In France, the tertiary eco-energy system (attached to the so-called "tertiary" decree, published in July 2019), in line with the ELAN[1] law requires, for any building, part of a building or real estate complex of at least 1,000 m² of floor area, a reduction in energy consumption of 40% by 2030, 50% by 2040 and 60% by 2050. This decree was supplemented by the "method" and "absolute values" orders in 2020, defining energy consumption thresholds (depending on the type, geographical area, etc.), expressed in absolute value (kWh/m²/year). These thresholds may be chosen as alternative targets to the -40% target, particularly for already high performing buuildings. Covivio has anticipated these measures in the context of discussions with tenants, in particular within the framework of the related environmental Committees. At the end of 2020/beginning of 2021, a first newsletter was distributed to more than 300 tenants to inform them of the implementation of this system, which plans for the introduction of an obligation to annually report energy consumption on the OPERAT platform (Observatory of Energy Performance, Renovation and Tertiary Actions). More than 130 tenant meetings were conducted in 2021 on this subject, covering 100% of office clients in France. In 2022, an audit of office buildings was carried out to ensure the conditions under which the objectives of the decree and its decrees could be achieved. For hotels, the thresholds expressed in absolute value have not yet been published at the end of 2022, which pushes back an analysis identical to that carried out for offices until 2023. In addition, given the electricity and gas supply tensions, with the corollary of very sharp increase in prices and the fear of possible power cuts in the first quarter of 2023, the government has launched an energy efficiency plan and the EcoWatt system. Covivio played its full part in this initiative, in coordination with tenants and operators in particular. Since 2019, Covivio has had a monitoring platform, PowerBat, enabling it to collect real-time consumption data. Their analysis is carried out with the assistance of a single energy manager for the portfolio. This makes it possible to optimise the energy management of the sites, identify any deviations, and ensure the achievement of the objectives set.

As part of its work to quantify the investments necessary to achieve the CO_2 reduction targets, Covivio had 33 new energy audits carried out on its tertiary portfolios, supplementing the 100 already carried out. These audits made it possible to gain knowledge about these assets and to identify the most appropriate measures to reduce the consumption of buildings.

The graphs below show the energy consumption history of the four portfolios analysed.

Energy and water consumption was affected this year by various factors impacting the various tertiary portfolios, mainly:

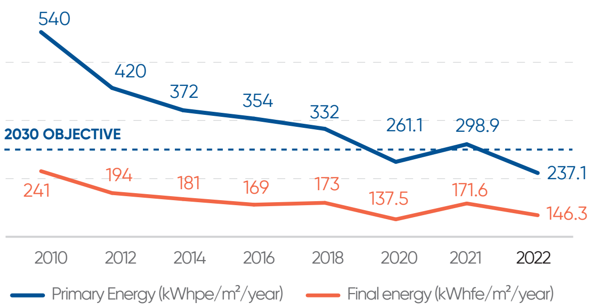
- the resumption of activity at pre-health crisis levels, causing an increase in consumption compared to 2021. In the case of offices, the trend is less marked due to the health procedures implemented in 2021 to operate air units at full capacity ("100% fresh air") in a certain number of buildings
- the additional efforts made in the end-of-year 2022 energy-efficiency plan have led to significant reductions in energy consumption (3.3.2).

Lastly, in accordance with its protocol, Covivio publishes climate-corrected data (methodology based on that of the OPERAT platform). As 2022 was characterised by record warmth and a relatively mild winter, the impact of the climate correction is unusually high this year and is expressed in favour of a significant underestimation of the climate-corrected consumption data. Unadjusted climate data are published in section 3.7.1.7 at Group level. In addition, the primary energy coefficients have changed this year (1kWhfe = 2.3 kWhpe *vs* 2.58 for France and harmonisation in Europe to 2.1 kWhpe).

(1) The law of 23 November 2018 on the evolution of housing, development and digital world, (the ELAN law).

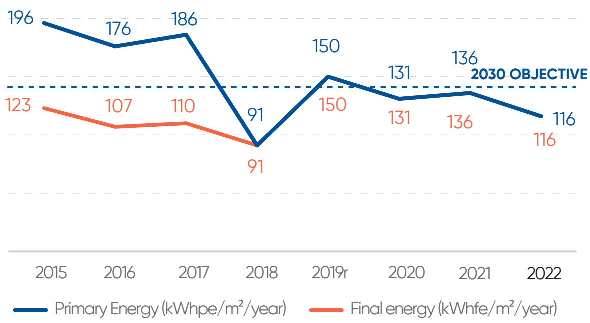
France Offices

2010/2030 objective: -50%, ie 270 kWhpe/m²/year
Achieved: -56% at 31/12/2022
Perimeter: 47 buildings, 542,841 m²
(of which 196,947 m² under operational control)
Collection rate: 88% (100% on the operational control perimeter)



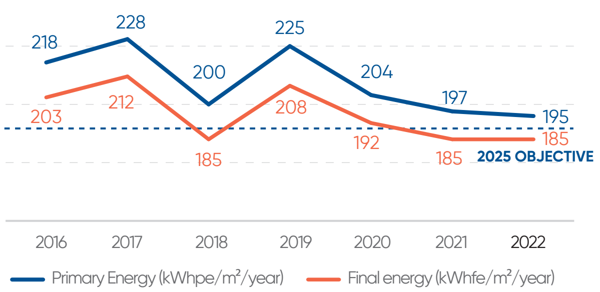
Italy Offices

2015/2030 objective: -30%, ie 137 kWhpe/m²/year
Achieved: -41% at 31/12/2022
Perimeter: 11 buildings under operational control, ie 133,308 m²
Collection rate: 100%
Total perimeter (2nd year) : 437,863 m² (84%) : 233,4 kWhpe/m²



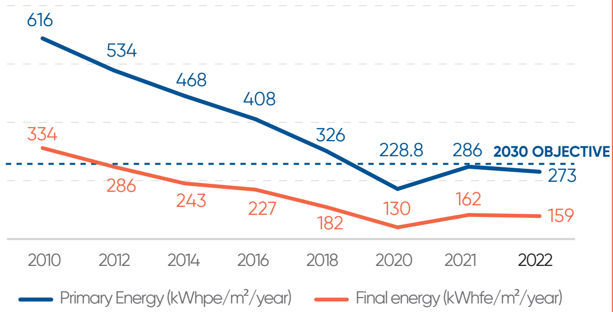
German Residential

2017/2025 objective: -15%, ie 194 kWhpe/m²
Achieved: -14.4% at 31/12/2022
Perimeter: Representative panel of 201 buildings
Collection rate: 84% (164 buildings, ie 112,756 m²)

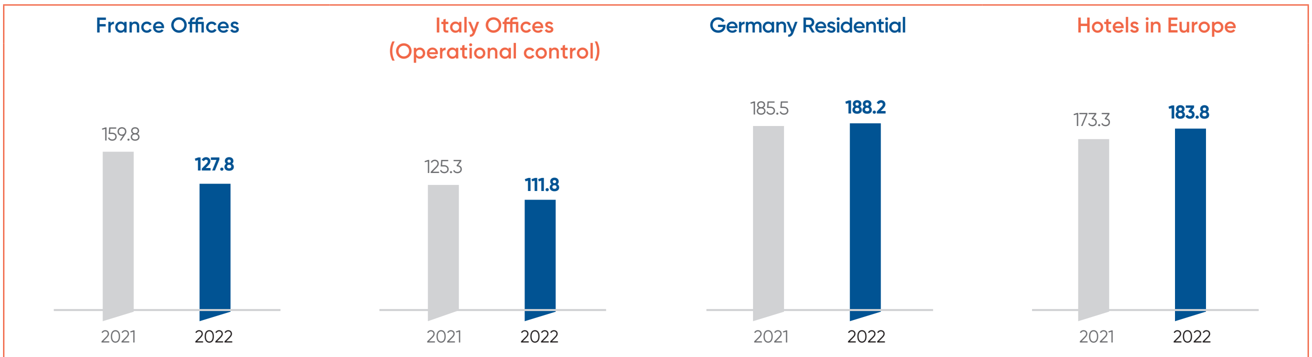


Hotels in Europe

2010/2030 objective: -50%, ie 308 kWhpe/m²/year
Achieved: -55.6% at 31/12/2022
Perimeter: 271 buildings, ie 1,666,246 m²
Collection rate: 91%



Evolution of the energy consumption of the portfolio on a Like-for-like basis (in kWhfe/m²)



The Germany Offices portfolio was reported for the first time in 2022, the data is published in 3.7.1.4. Based on this data and the studies carried out as part of the carbon trajectory, an energy consumption reduction target may also be set.

CB21 wins 1st place in the CUBE competition, Building category of the CUBE Paris La Défense league

Organised by the IFPEB and A4MT, this competition rewards buildings that reduce their energy impact according to three factors: the quality of the structure, the technical operation and the proper use made of them by the occupants. A showcase for Covivio's know-how, CB21 capitalises in particular on:

- efficient management: HQE Operations level Excellent certification
- an energy performance contract for more than three years, which enabled a gain of 26% in the first year
- innovative equipment such as energy recovery elevators installed in 2021
- a low-carbon policy: multi-year works plan, 100% green electricity consumption.

CB21 was able to save energy by 23% and reduce CO_2 emissions by 17.5% over the last year.

3.3.2.2.3 Energy performance diagnostics

In accordance with the European Directive on the energy performance of buildings and its transposition into national law in the countries where Covivio operates, the Group ensures that energy performance diagnostics are carried out on its buildings (Energieausweis in Germany, Attestato di Prestazione Energetica in Italy). As the methodologies adopted by each country are different, it is difficult to make comparisons between performance levels. Particular attention has been paid to the change in the score obtained following a renovation, to assess the gain in energy performance.

Rate of diagnostics performed per activity

France Offices: 100% by value/100% by surface area

Italy Offices: 100% by value/100% by surface area

Germany Offices: 97.2% by value/94.7% by surface area

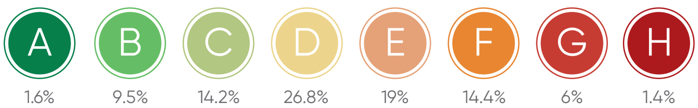
German Residential: 92.2% by value/92.9% by surface area

Hotels in Europe: 83.4% by value/81.2% by surface area (Hotels France: 100%)

Focus on the *Energieausweis* of the German Residential portfolio

At 31 December 2022, 4,445 residential buildings were subject to an *Energieausweis* (Energy Performance Certificate) and in total had the following scores:

Share of residential buildings per score obtained in the Energy Performance Certificate (by number of buildings)



Ultimately, around 52% of residential buildings that were subject to the diagnostic obtained a score between A and D.

3.3.2.3 Low-carbon transition

The greenhouse gas emissions presented below are directly related to energy consumption in the operation of buildings, while the data used to calculate the Group's carbon trajectory cover the entire life cycle and therefore include building and materials.

3.3.2.3.1 Main indicators at Group level

Reporting scope: 3,004,334 m²

Total GHG emissions: 64,290 tCO_2e[(1)]

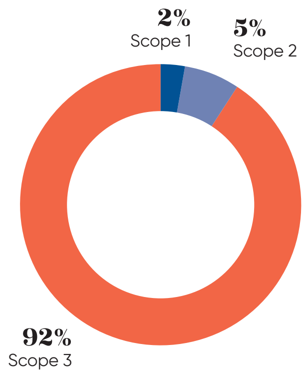
Of which corporate emissions: 448 $teqCO_2$

Scope 1: 1,542 $teqCO_2$

Scope 2: 3,521 $teqCO_2$

Scope 3: 59,227 $teqCO_2$

Carbon intensity of the assets: 21.4 $kgCO_2e/m^2$



By breaking down the CO_2 intensity = 19.398; CH_4 = 1.704; NO_2 = 0.114; HFC = 0.001; PFC = 0; SF_6 = 0.004; NF_3 = 0; Other GHGs = 0.179.

3

3.3.2.3.2 Change in the greenhouse gas emissions of the various portfolios

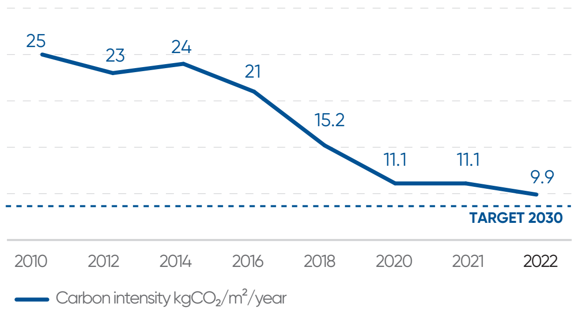
The ratios set out below have been calculated using energy consumption data collected for Covivio's various portfolios. These calculations include greenhouse gas emission ratios specific to each country and climate adjustments to allow data to be compared between years (3.7.1). Reporting scopes for each portfolio are the same as those referred to in the section on energy (3.3.2.2).

Despite a slight increase in consumption, in particular due to health advice and the resumption of activity, CO_2 emissions observed a more moderate increase at Group level. This is mainly due to the increase in the use of green electricity contracts, including by tenants, bringing the share of renewable energy to 17% of the Group's total consumption (compared to 8.8% at the end of 2020). The update of the carbon conversion factors for heating and cooling networks in particular also led to a decrease in emissions on a like-for-like basis.

(1) The emissions published here come from environmental reporting (3.7.1) and do not cover all the elements of the carbon trajectory (3.3). By extrapolating consumption to all surface area owned by Covivio (including German Residential based on the panel representative) and by reintegrating upstream emissions (scope 3) related to energy production, total emissions related to operations would amount to 165,960 CO2teq and 25.2 $kgCO_2e/m^2$/year. By also reintegrating scope 3 emissions related to construction/renovation, scope 3 would then represent 98% of total emissions.

France Offices

2010/2030 target: -70% (i.e. 7.9 kgCO_2e/m²)
Achieved 31/12/2022: -60%
Scope: 47 buildings, 542,841 m² (including 196,947m² under operational control)
Collection rate: 88% (100% on the operational control scope)

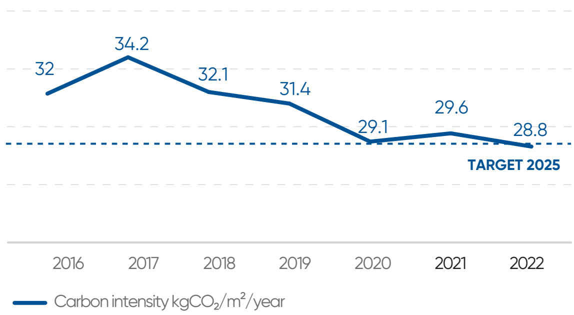


Italy Offices (Operational control)

2015/2030 target: -68% (i.e. 13.4 kgCO_2e/m²)
Achieved 12/31/2022: 82%
Scope: 11 buildings under operational control, i.e. 133,308 m²
Collection rate: 100%
Total scope (2nd year): 437,863 m² (84%): 233.4kWhpe/m²

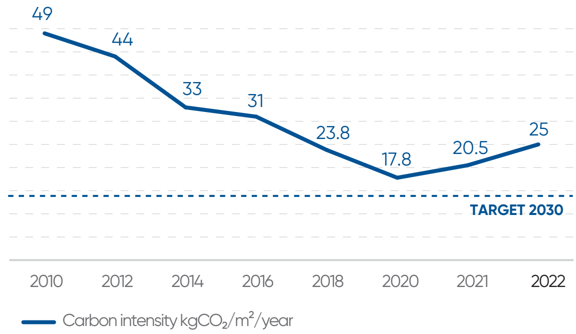
German Residential

2017/2025 target: -15% (i.e. 29 kgCO_2e/m²)
Achieved 12/31/2021: -15.7%
Scope: Representative panel of 201 buildings
Collection rate: 86% (164 buildings, i.e. 112,756m²)

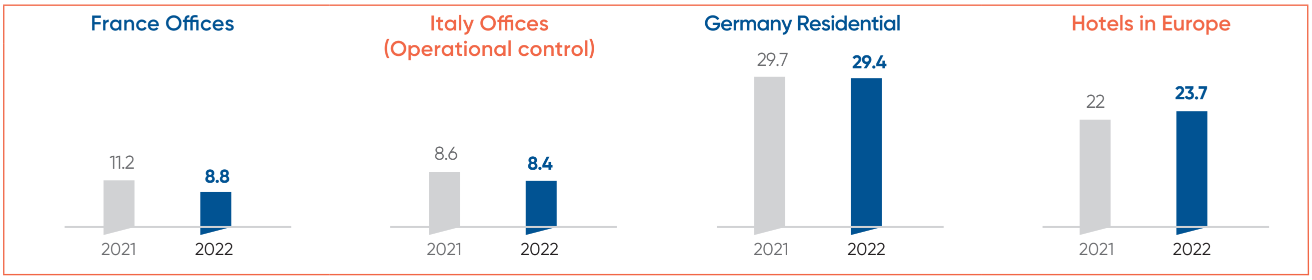


Hotels in Europe

2010/2030 target: -70% (14.6 kgCO_2e/m²)
Achieved 12/31/2022: -56%
Scope: 271 buildings, i.e. 1,666,246m²
Collection rate: 91%



Change in GHG emissions on a Like-for-like basis for the portfolios (in kgCO_2e/m²)



3.3.2.3.3 Harnessing renewable energy

Renewable energy has great potential to reduce the carbon footprint of a building. In the various development and renovation projects conducted by Covivio, the use of renewable energies is systematically studied in order to determine the possibilities offered by taking into account the specificities of the environment and the regulatory context: geothermal, photovoltaic, etc.

Many Covivio buildings benefit from a green electricity contract, a choice made in conjunction with the tenants or by themselves in the case of multi-tenant buildings. In Italy, Covivio has chosen green electricity for all its assets under direct management since December 2015. At the end of 2022, the share of green electricity in total electricity consumption was 26.5% of the total portfolio (data from environmental reporting) and **79% of the directly managed portfolio**, up compared to 2021 (to 75%). The Group has set itself a target of 100% of the electricity used in the scope of assets under direct management (scope 2) being green by 2030.

Several sites were also equipped with thermal solar panels (domestic hot water) or photovoltaic panels (production of renewable energy). Use of geothermal energy is also widespread, as well as innovative initiatives such as Massileo© in Marseille, a warm water system managed by Dalkia, which supplies Euromed Center buildings with hot and cold water based from a 100% renewable energy source: ocean thermal energy conversion.

Carbon neutrality cannot be envisaged at the time the building is built or renovated, except through offsetting. On the other hand, the operation of the building can aim for neutrality by using renewable energies to meet its various needs: lighting, clean hot water, heating, etc. Some of Covivio's tertiary buildings have these characteristics thanks to green electricity contracts on all-electric assets. In the operational control scope, 24% of the assets (excluding the tenant areas) are concerned. By adding very low-intensity buildings (2 $kgCO_2e/m^2$/year), this rate rises to 36%.

Photovoltaic production in the German Residential portfolio

47 residential buildings are equipped with photovoltaic panels in Germany. An investment made by Covivio since 2012 (with an average cost of €436/m^2 excl. VAT, depreciated over nine years on average) which has enabled development of know-how in the field, and anticipated the shift in regulations towards passive buildings. This energy is sold to local networks and is not consumed on its own. A total of 973,820 kWh was generated this year, up compared to 2021 due to solar irradiation (862,156 kWh in 2021).

Evolution of production and gains related to photovoltaic production for the German Residential portfolio

Since 2014, Covivio Immobilien has chosen, when possible, to connect its buildings to urban heating networks that use co-generation. This solution has been used many times in cities such as Berlin, Oberhausen and Mulheim, where Covivio holds a large number of assets. These renovations also provide an opportunity to implement new solutions.

In Italy, the Garibaldi Towers were equipped with 804 m^2 of photovoltaic panels on the façades and solar water heaters on the roof in 2010 (58 MWh produced in 2022). Encouraged by strong regulations on the subject (60% of the building's energy needs must be provided by renewable sources), the developments recently delivered and those under development in Milan also include photovoltaic equipment, such as the buildings in the Symbiosis district (68 MWh produced in 2022 on buildings A, B and ICS).

3.3.2.3.4 Life Cycle Analyses (LCAs)

Covivio has carried out Life Cycle Analyses (LCAs) since 2010 in order to quantify the environmental impact of operations at each stage of their life cycle (construction, operation and ultimately deconstruction). These LCAs are carried out by analysing six modules (materials, energy, water, travel, building sites and waste). In 2013, Covivio commissioned France's first LCA on a property renovation (Steel building, Paris 16th) and in 2014, France's first LCA on a hotel (B&B Porte des Lilas).

Today, the RE2020 thermal and environmental regulation includes the need to use LCA to combine energy and carbon performance. LCA is also at the heart of the Low-Carbon Building (BBCA) initiative, led by the eponymous association, of which Covivio is one of the founding members.

Calculation of greenhouse gas emissions avoided for two renovations ("SIMI 2021 Grand Prix", each in their category)

Covivio commissioned a third party to estimate the avoided emissions thanks to the environmentally ambitious construction choices for the Silex² and Gobelins projects. By comparing the emissions generated by these operations with different scenarios during the construction and then operation phases, the study made it possible to qualify their carbon performance.

- Thus, the renovation of the Paris Gobelins building emitted 535 tCO_2e less in total (2.5 $kgCO_2e$/SHON/year) compared to a renovation scenario based on a project that is less environmentally-conscious (in terms of the nature of the materials used or renovation work corresponding to the current traditional architectural standards of offices).
- The renovation of Silex² emitted 17,550 tCO_2e less in total (17 $kgCO_2e/m^2$) compared to a scenario where the old building would have been demolished and then an office building with comparable characteristics would have been rebuilt.

In the operating phase, these buildings will be able to emit less, by up to 24 tCO_2e/year compared to an average Paris office building for Gobelins and 30 tCO_2e/year less compared to buildings renovated to RT2012 level for Silex².

Bordeaux Lac – Using low-carbon materials

The Bordeaux Lac project currently underway is an opportunity to test the compressed clay brick. Derived from adobe, it is one of the very first construction materials used by humans. It is made from sieved clay, compressed while still wet in a mechanical press. Once unmoulded, it is left to dry naturally under cover.

A 100% natural material available in quantity on five continents, raw earth has an excellent energy profile. It is extracted locally and its operating costs and delivery journeys are reduced to a minimum. The raw material, construction clay, is located under the topsoil.

3.3.2.4 Water transition

Heatwave, drought, fires, water restrictions, dry rivers… the summer of 2022 illustrated what to fear from global warming. 2022 saw the second hottest summer since 1900, with an anomaly of +2.3°C (behind the summer of 2003; +2.7°C). In addition, during the winter of 2022/2023, water tables are struggling to be replenished. Faced with these circumstances and the historic drought recorded in 2022, on 26 January 2023, the government presented its action plan. Objective: "To reduce by a little more than 10% the volume of water withdrawn from our sub-soil by the end of the five-year period", declared the Minister for the Ecological Transition. Among the areas studied: wastewater recycling and an increased fight against leaks.

Water is likely to become a major issue in Europe as climate change starts to be felt. Since 2008, Covivio has prepared reports in this area, enabling it to monitor the objectives set for the operation of its assets.

3.3.2.4.1 Main indicators at Group level

The figures below are calculated using the tables presented in 3.7.1.

Reporting scope: 2,771,143 m^2

Total water consumption: 3,164,146 m^3

Water intensity of assets: 1.14 m^3/m^2

Water is mainly consumed in buildings by tenants for sanitary purposes, and for cleaning the common areas and watering green spaces and even, where applicable, by the operators of company restaurants or hotels. For each of these components, measures are adopted to aim for more frugality in the use of water.

3.3.2.4.2 Change in the water consumption of the various portfolios

A building consumes water during its construction (concrete, cleaning, etc.) and then during the period of its operation (housekeeping, watering, company restaurant, etc.). Within Covivio's portfolio, reducing the water footprint involves the systematic use of water-saving installations (aerator taps, 3 litre/6 litre toilets, etc.), and closely monitoring consumption, through the PowerBat platform, which enables the collection of energy and water consumption data. Most of Covivio's new developments collect rainwater for watering plants, keeping the collected water out of the water infrastructure system and hence out of rivers and seas, ultimately helping to replenish water tables. Considering that the water intensity levels of the various portfolios tend towards a minimum threshold, Covivio has opted for this indicator not to use a performance target, in particular given the floor reached for Offices in France (around 0.40 m^3/m^2/year) and Hotels in Europe (around 1.6 m^3/m^2/year).

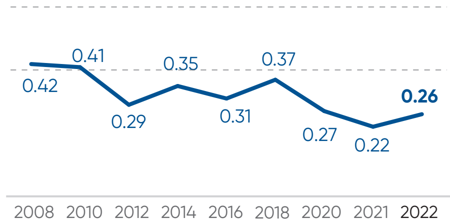
Water consumed by the assets in operation and during development comes exclusively from the municipal water networks. Covivio does not have to directly draw groundwater. On construction sites, water consumption is also monitored and measures are put in place to reduce it in the context of environmental certifications (3.3.1.3).

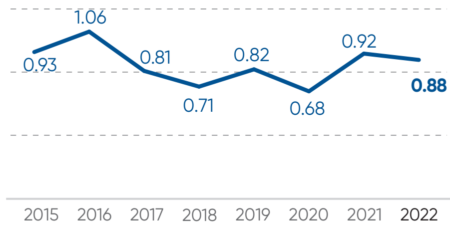
In 2021, water consumption increased overall in the portfolio due to a resumption of activity but remained at levels close to those observed in previous years and below the target thresholds.

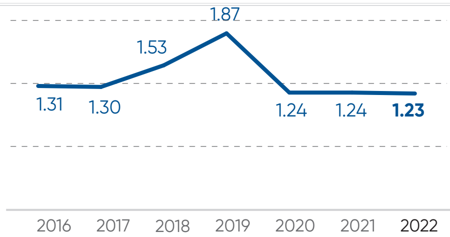
Targets and changes in water consumption for the various portfolios (in m^3/m^2)

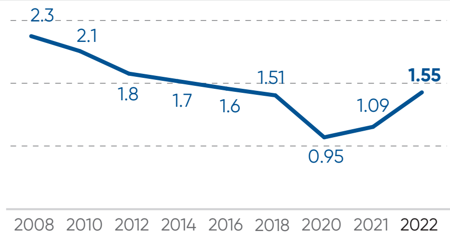
Portfolio	Objective: Maintain the water consumption under:	Water reporting perimeter in 2022	Water intensity at 31/12/2022
France Offices	0.5 m^3/m^2/year	34 buildings 489,231 m^2	0.26 m^3/m^2/year
Italy Offices (Operational control)	1 m^3/m^2/year	11 buildings 133,308 m^2	0.88 m^3/m^2/year (0.96m^3/m^2/year on total scope)
German Residential	1.5 m^3/m^2/year	191 buildings 127,322 m^2	1.23 m^3/m^2/year
Hotels in Europe	2 m^3/m^2/year	279 buildings 1,702,313 m^2	1.55 m^3/m^2/year

Evolution of the water intensity for each portfolio

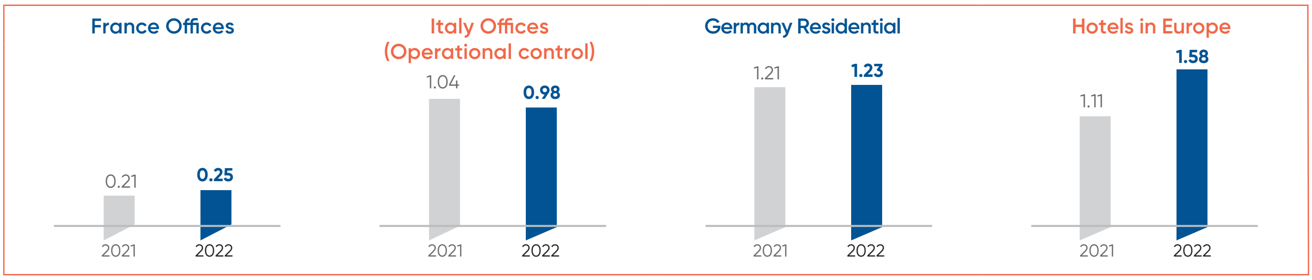








Change in water consumption on a Like-for-like basis for the portfolios (in m^3/m^2)



Water consumed by the assets in operation and during development comes exclusively from the municipal water networks. According to the Beta Aqueduct map on the level of water stress in the regions (WRI), respectively 25% and 15.9% of the water scope are located in high and very high risk areas, *i.e.* 29.2% and 25.9% of reported water consumption (breakdown by portfolio in 3.7.1). However, Covivio does not have to directly draw groundwater. On construction sites, water consumption is also monitored and measures are put in place to reduce it in the context of environmental certifications (3.3.1.3).

3.3.2.5 Waste transition

Collecting data on waste removal is made difficult by the lack of weighing in most of the countries where Covivio operates: the concession operators appointed by the municipalities do not provide any data. The information available concerns buildings for which a private service provider has been appointed to collect paper, cardboard, confidential paper and other non-hazardous industrial waste. In the absence of information on the amount of waste collected, Covivio has systematically implemented selective waste collection (100% of selective collection in 2021 and 2022).

Covivio has also set itself the target of reducing waste production by 15% between 2019 and 2030 on its direct management portfolio. Private companies are responsible for waste removal on certain sites, making it possible to monitor waste by tonnage, by type and the percentage of waste recycled (3.7.1). Also, development and renovation operations are subject to rigorous control for the treatment of waste. Dedicated procedures are therefore put in place on construction sites to ensure recycling in accordance with the "Low Pollution Construction Site" charters put in place for the environmental certification of development projects.

In 2018, Covivio employed waste managers in Germany for a number of its housing buildings, working with tenants to raise awareness of recycling and improve waste sorting. These measures resulted in a reduction in the number of collection containers. Other initiatives have also been launched for the portfolio, particularly in terms of the circular economy (3.3.1.3) and the fight against food waste. According to the initial results obtained on the reporting of Italian construction sites, the recycling and recovery rate is more than 95% on the assets delivered in 2022 and a target of at least 75% is set for developments in progress.

Summary of consolidated environmental reporting for three projects delivered or underway in 2022

(Paris Madrid, Levallois Alis, So Pop, Stream Building, Dassault Bois)

Office space (in m² floor space)	61,859m²
Energy consumed	3,300 MWh
Water consumed on site	15,646 m³

Waste reporting at end of construction site	Of which % recycled/reused	Of which % incinerated for energy recovery	Of which % sent to landfill/waste disposal facility	Of which % managed by the local authority	Total
Non-hazardous waste - (NHW)	76.2%	16.6%	6.7%	0.0%	5,006.3 tonnes
Green waste	-	-	-	-	0 tonne
Non-hazardous waste - Steel	99.5%	0.3%	-	-	64.9 tonnes
Inert waste	97.2%	1.5%	1.3%	-	3,941.7 tonnes
Wood waste	60.4%	39.3%	-	-	1,409 tonnes
Cardboard waste	98.5%	-	-	-	271.1 tonnes
TOTAL NON-HAZARDOUS WASTE	**82.6%**	**13.5%**	**3.6%**	**0,0%**	**10,724 TONNES**
Hazardous waste					1.6 tonnes

3.3.3 Regulatory compliance and environmental safety issues

The "Security/environmental safety/regulatory compliance" risk has been identified as a top priority considering Covivio's operations. Security flaws in buildings or a lack of asset resilience might make Covivio unable to manage major crises that may result in a loss, accident, health risk or liability. Covivio implemented suitable procedures and indicators for its operations in Europe to deal with this risk several years ago. Health and environmental risks are monitored and managed on a daily basis through effective tools and dedicated teams, going beyond regulatory requirements. Underlying this risk, the issue of the portfolio's climate resilience is key and requires long-term thinking, in line with the Group's strategy.

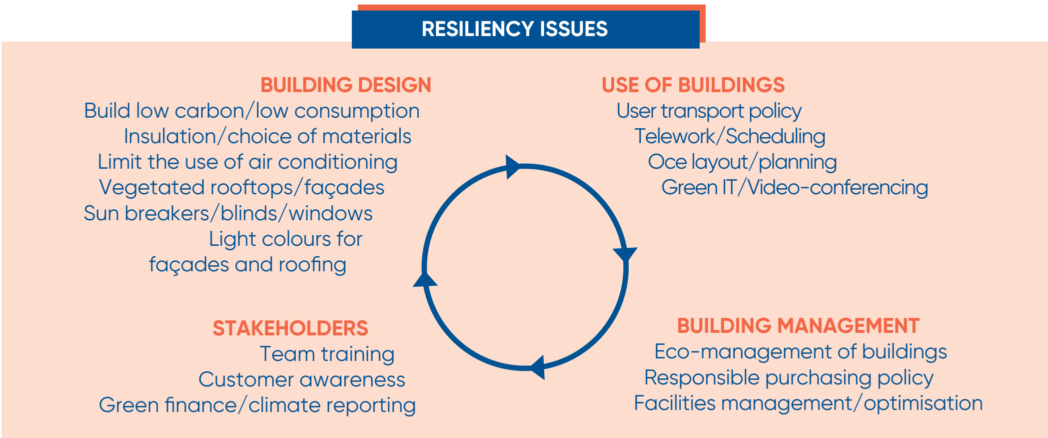
Three factors must be considered to assess the regions' vulnerability *i.e.*, regional interdependence, demographic growth and urbanisation and the many climate change challenges facing the regions under consideration.

The issue of urban resilience is relevant on various regional levels, namely buildings/blocks/neighbourhoods/cities/regions. A region is resilient provided that each one of its parts is strongly committed to such resilience, by providing the best solutions in terms of eco-design, accessibility, circulation, biodiversity, biomimetics, management of networks (energy, wastewater and rainwater) and communication systems.

Covivio's response to the challenges of resilience is to reduce its environmental impact and adapt to climate change by anticipating its consequences. For the eco-design of its buildings in Europe, Covivio makes every effort to opt for low-carbon building solutions (materials, systems), to insulate its buildings and protect them with awnings/blinds/glazing/green roofs and façades to enhance the night-time cooling effect, etc. Resilience can also be improved by changing the conditions of use of the building, through the involvement of users in decisions regarding how premises are equipped, the implementation of a public transport policy, teleworking, the organisation of employee schedules, video-conferencing, Green IT solutions, etc. Covivio uses these different solutions in its own offices and promotes them to its stakeholders.

Lastly, managing and optimising the building facilities is based on striking the right balance between control over operating expenses and the occupant's health and comfort. These challenges have taken on particular importance with the international health crisis. Covivio immediately adopted strong measures in its buildings in operation and in its own premises; similarly, tenants have taken measures to protect their employees and customers, such as for example the Accor Group, which launched the "Allsafe[1]" label with Bureau Veritas to guarantee cleanliness and compliance with hygiene measures in its hotels. Through several adaptation scenarios, the buildings were screened against a list of climate hazards, depending on the location of the site and its main characteristics. This study resulted in several recommendations and an assessment of the potential impact on rental value depending on the adaptation scenario adopted.

The diagram below illustrates the main challenges of resilience and a few examples of performance drivers implemented.



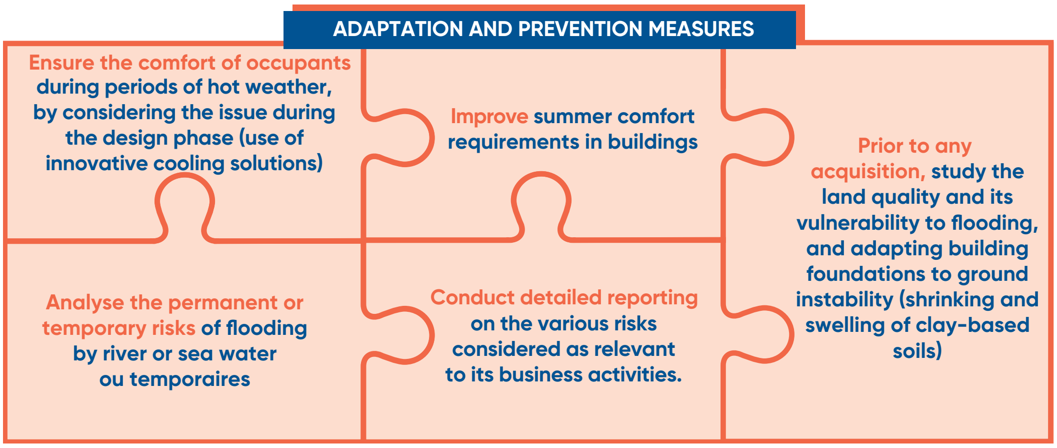
Strengthen the integration of CSR criteria during acquisitions

In 2022, Covivio decided to change the environmental criteria analysed during its asset acquisitions. A standard grid has been established. In addition to the traditional environmental risks (flooding, ICPE, asbestos, etc.) and the elements contributing to the building's performance (consumption of fluids, certifications and labels, etc.), this grid makes it possible to ensure that the energy and carbon performance of the asset, or at least its potential, is in line with the objectives set by Covivio for 2030. The grid also makes it possible to ensure control of a certain number of other CSR issues, such as biodiversity or adaptation to climate change (soil quality, drought, sea level rise, etc.).

(1) https://group.accor.com/fr-FR/Actualites/2020/05/allsafe-cleanliness-prevention-label

3.3.3.1 Adapting to the consequences of climate change

In addition to compliance with the local regulations (*e.g.*, in France: ERP – Inventory of risks and pollution), Covivio has identified the main uncertainties which could impact its activities and put in place prevention and adaptation measures which are described in the following diagram. The TCFD reporting presented in the introduction to this chapter also provides an overview of the strategy implemented by Covivio to address the consequences of climate change.



In 2020 Covivio tested the PREDICT model developed by EY in order to better assess the exposure of the portfolio of buildings held by Covivio to climate change. This study covered all commercial assets included in its 2019 environmental reporting, with two objectives:

- measure the share of assets directly affected by certain climate change risks
- equip and protect the Group's buildings to cope with this.

Based on the IPCC scenarios, the model made it possible to determine that, on average, Covivio's portfolio should face an average increase in temperature over the period 2015-2050 compared to the period 2005-2014 of 0.8 degrees (scenario SSP3-7.0, intermediate). Over the same period, 14% of the assets analysed (in surface area) should face an increase of more than one degree. The model also addresses two major hazards given the location of the Group's assets: heat waves (five consecutive days at a temperature five degrees higher than the historical average) and intense precipitation (over 20 mm/m²/day). Also calculated on the basis of the SSP3-7.0 scenario of the IPCC, 29% of the assets analysed could face a heat wave of 20 days (13% in the event of a heat wave lasting 25 days), and 13% could experience ten days of intense precipitation on average per year.

These initial results reinforce the relevance of Covivio's strategy in terms of location choices and the fight against global warming.

In addition, in 2019 Covivio conducted an internal risk mapping exercise to visualise a sea-level rise of more than a metre, in order to identify which assets might be affected by such a risk. The results of the mapping indicated a very low risk Change to of up to 2% (in value) of the assets analysed across all the commercial portfolios and a representative sample for the German Residential portfolio (SASB 450a.1).

3.3.3.2 Fighting urban sprawl and land take

Covivio strives to avoid urban sprawl by integrating its developments within redevelopment projects that encourage, "rebuilding the city on the city". The economical use of land reflects the Group's determination to limit land sealing, avoid the use of agricultural land for new buildings, and take flood risks into consideration. Throughout Europe, the projects completed by the Group meet this requirement allowing for effective participation in protecting areas with high biodiversity potential.

In all the countries where Covivio operates, a regulatory environment is developing in this respect, in particular by requiring the completion of preliminary studies on soil sealing. In Milan, for example, the new Territorial Plan, which came into force in 2020 and mainly aims to impose carbon neutrality on all new buildings, provides for the calculation of an indicator to reduce the climate impact. This indicator is obtained by comparing the planted areas to the artificial areas and makes it possible to determine the minimum permeability threshold for the future project. The objective is to enhance open-earth areas and combat the artificialisation of soils by encouraging real estate players to take this factor into account from the design stage.

In 2017, Covivio added a "polluted sites and ground" module to the Provexi platform dedicated to asset risk management in France. This module provides a complete overview of all the information in the assessments by summarising the topics analysed (identifying potential sources of pollution, summary of the completed analyses). Employees can access all of this information, as well as interactive data maps. Sites on which special monitoring may be necessary are identified, and management of the required actions is simplified.

Anticipating changes in regulations and aware of its environmental impact, the Group is keen to move towards projects with "net zero reallocation of natural land to urbanisation", with a significant portion of its operations (55% of ongoing France Offices operations) consisting of restructuring and upward extension projects.

3.3.3.3 Managing health and environmental risks

In 2021, as in 2020, Covivio was not subject to any proceedings that ordered it to clean up or remove pollution from any of its sites in operation, nor was it subject to any court ruling for non-compliance with environmental regulations.

As a precautionary measure, Covivio decided to provision €1.3 million in the event it would have to cover clean-up costs for a site owned in conjunction with a non-strategic activity.

Anticipating changes in regulations and aware of its environmental impact, the Group is keen to move towards projects with "net zero reallocation of natural land to urbanisation", with a significant portion of its operations (54% of ongoing France Offices operations) consisting of restructuring and upward extension projects.

During disposals and acquisitions, the Environment Department, which reports to Covivio's French Technical Department, scrutinises all environmental issues likely to affect the value or liquidity of the asset: asbestos, soil pollution, energy performance, exposure to natural or technological risks, Listed facilities, etc. A detailed and scrupulous analysis of all available documentation is systematically carried out during the due diligence phase, in order to obtain the necessary guarantees during acquisitions or to meet the requirements and answer questions from buyers during disposals. Environmental risks are thus carefully assessed and their short- or long-term impacts estimated, to enable precise control of the costs that may arise from remediation.

3.3.3.3.1 Regulatory compliance

Property acquisition and management require certain assessments which may be mandatory depending on the date of construction of a building. These assessments cover asbestos, pest status depending on the municipality (termites), mining and technological risks status (including flood risks, mudslides, coastal submersion and Seveso risks). The risk of Legionnaires' disease is managed by regular tests on the drinking water of the buildings.

In France, Covivio's Environment Department oversees compliance with the regulations on structures classified for environmental protection (ICPE). Some risks may also be subject to additional testing (soil pollution, etc.), periodic monitoring (asbestos, for example) or specific analyses (legionella, etc.). Comparable regulations are also in place in both Italy and Germany. For each one of its locations, Covivio relies on dedicated environmental safety teams to ensure that the required assessments are carried out and monitored. The team is involved in the analysis of acquisitions, during the management period, and in the creation of data rooms in anticipation of a sale.

As an example, the table below outlines the risks considered relevant to Covivio's Offices segment in France and Italy.

Number of sites involved	France		Italy	
Risks	2021	2022	2021	2022
Subsidence	19	17	0	0
Earthquake	1	1	142	94
Flood	30	24	0	1
Thermal effect	0	0	0	0
Storm surge	0	0	0	0
Toxic effect	0	0	0	0
Drought	4	4	0	0
Avalanche	0	0	0	0
Forest fires	1	1	0	0
Exceptional precipitation*	NA	NA	142	94
Cyclone	0	0	0	0
Rise in groundwater levels	0	0	10	10
Volcano	0	0	1	0
Mining	0	0	0	0
Other mining risks**	0	0	NA	NA
Other natural risks**	19	15	NA	NA

* Definition in line with Italian regulations, outside the scope of the inventory of risks and pollution in France.

** Definition in line with French regulations, excluding Italian scope.

	Diagnostics implemented			
France scope	2021		2022	
Inventory of risks and pollution – number of cases examined(1)	132	100%	110	100%
Cooling towers – number of sites involved(2)	0	–	0	–

(1) Inventory of established risks.

(2) Sites where the tower's operator is the owner.

In Germany and Italy, Covivio's technical teams use internal tools to monitor the risks to which buildings are exposed.

In Germany, particular attention is paid to the consideration of health and environmental risks as well as mining risks (195 residential sites are located in an area considered at risk by the authorities). In addition, following an analysis conducted by Covivio's insurance company in Germany, the risk of flooding was considered negligible for the portfolio as a whole. In accordance with legislation, smoke detectors were installed in residential units in North Rhine-Westphalia, Hamburg and Berlin. In addition, carbon monoxide detectors have been installed in all gas-heated apartments. In addition, the due diligence process systematically includes technical studies and an in-depth study of the available documentation on health and environmental aspects. When acquiring buildings, future investments required for greening are taken into account. No office site is considered to be at risk with regard to the main environmental and health risks identified in the table.

In Italy, environmental risks are monitored by the Property Management department. All due diligence in the acquisition phase now includes a sustainable development chapter to cover the main environmental risks concerning the asset: biodiversity, adaptation to climate change, energy efficiency, floods, health and well-being, transport, management of water and waste, for example.

For buildings owned by Covivio Hotels, health risks and environmental safety are monitored by the Environment Department. Investigations covering topics such as asbestos and ground pollution are carried out when an asset is either purchased or sold. The leases of Covivio's hotels systematically stipulate that the tenant retains control of and responsibility for environmental risks, and that the user or the site manager is responsible for the premises' compliance with regulations governing environmental risks.

3.3.3.3.2 Limiting noise pollution

Noise can cause stress and is harmful to concentration and creativity, and hinders productivity. User comfort and well-being is a central concern for Covivio as we strive to develop buildings that provide optimum acoustic conditions for occupants (choice of materials, décor, space layout, etc.) against a backdrop of increasing demand for flexible premises. As part of its development and renovation projects, Covivio also makes every effort to reduce the exposure of tenants and local residents to noise pollution from construction sites.

3.3.3.3.3 Indoor air quality, a health issue

Air quality is a growing public health challenge as fine particle pollution alone, generated by human activities, is said to be responsible for 48,000 deaths[1] in France each year. In addition, the harmful effects on health caused by this pollution annually are thought to cost between €20 and €30 billion[2]. Regulations are gradually becoming more stringent across Europe, especially with regard to transport and buildings. Indoor air quality (IAQ) in buildings is linked to various factors such as embellishments (carpets, paints, materials, etc.), equipment inside the premises (*e.g.* printers), external environment or maintenance of heating and air conditioning systems.

It is to meet these challenges that Covivio, EDF and the Impulse Partners incubator decided, in 2019, to join forces to conduct the "Air Quality Challenge" call for projects. Octopus Lab and Enerbrain were winners of this initiative, whose objective was to identify innovative solutions to improve indoor air quality while reducing energy consumption (3.4.1.4). In France, after a test period in two buildings, Covivio began to deploy the Octopus Lab system in nine multi-tenant buildings under direct management; this solution makes it possible, using sensors, to monitor the air quality in real time, to identify any deviations in order to correct them, while controlling the energy consumption expenditure inherent in air handling.

In the absence of regulatory obligations, Covivio conducts annual studies of the quality of the air in most of its multi-tenant buildings in France. These studies are focused on the microbiological parameters of the air (germs, flora and mould among others), and may include physical parameters (including humidity, VOCs and CO_2). As part of its development and renovation operations, Covivio uses materials and products (paints, carpets, etc.) that are low in volatile organic compound emissions (class A+), in order to preserve the comfort and health of the persons working on construction sites as well as occupants of its buildings. The specifications for Covivio's various business activities have factored in these issues.

In Italy, a one-year trial was carried out of the air quality of Covivio's head office in Milan. It was preceded by a survey of employees to question them on their feelings before the installation of five measuring units in the Offices.

(1) 2016 report "Impact of chronic exposure to fine particles on mortality in mainland France and analysis of health benefits associated with various scenarios for reducing atmospheric pollution" – Public Health France.

(2) Report of the Commission on Environmental Audit and Economics Health and outdoor air quality. MEDDE SEEIDD, June 2012.

3.3.4 Contribute to the implementation of sustainable finance

Finance can be described as sustainable when it takes into account ESG criteria (Environment, Social, Governance); it brings together socially responsible investment (SRI), ethical finance and green finance[1]. Investors are increasingly taking ESG criteria into account in their analysis and investment choices. Covivio regularly organises "road shows" focusing on financial and ESG topics, or even exclusively ESG.

Sustainable finance is a necessary lever to boost the transition to a carbon-neutral economy likely to limit global warming. In Europe, the "Financing sustainable growth" action plan aims to provide a major boost to promote responsible investment. The first of the ten measures identified is the creation of a European Taxonomy ("EU Taxonomy"), whose objective is to provide a framework for the market for "green" or "sustainable" financial products and to guide investments towards those activities which are compatible with European objectives for the ecological transition.

3.3.4.1 What is compliance with the European "green" taxonomy?

The "green" taxonomy is intended to become the foundation on which future European Regulations on sustainable investment will be based. The European Commission has set six major environmental objectives (detailed in the summary table below), and lists the activities that can make a positive contribution while not detracting from the achievement of the other objectives (Do No Significant Harm) and by respecting minimum guarantees on social and human rights issues. For each activity thus identified, technical criteria must be met to claim a Capex or OPEX revenue as "green". Eight of the activities identified for the application of the taxonomy affect Covivio with regard to the objectives of mitigation and adaptation to climate change, which are the only ones to have been defined by the texts to date. These eight activities are: construction of new buildings (activity 7.1), renovation of existing buildings (7.2), installation, maintenance and repair of energy efficiency equipment (7.3); charging stations for electric vehicles (7.4), energy performance management instruments and systems (7.5), renewable energy technologies (7.6), acquisition and ownership of buildings (7.7), and specialised services in link with the energy performance of buildings (9.3). For each of these activities, the company may declare revenue, a Capex or an OPEX as "green" within the meaning of the taxonomy if it simultaneously complies with the three conditions listed in the first column of the table below. Given the small share of OPEX falling within the scope of the taxonomy compared to the Group's total OPEX (less than 10%), this indicator is considered non-material.

The taxonomy requires the use of 100% gross revenue, calculated in accordance with IFRS. However, in order to allow for more comparable monitoring from year to year and to get closer to the operational reality, Covivio has also established an operational definition of taxonomy indicators. This is based on net rental income Group share and EBITDA for the Flex Office (Wellio) activity and hotels under management. The calculation of the alignment rate according to this operational definition uses only eligible activities in the denominator.

The analysis carried out at Group level shows the following results:

Eligibility of revenue and Capex

At the end of 2022, **78.5%** of revenue was taxonomy-eligible (according to the official definition using gross revenue). Revenues from hotels under management and Flex Office are not currently eligible under the two annexes published concerning climate change. Using the operational definition mentioned above, the eligible portion of revenue is **93%**.

Given Covivio's activity, **100%** of its Capex relate to real estate activities and are therefore eligible, including Capex relating to non-eligible activities (Flex Office and hotels under management) given that they are linked to real estate assets held by Covivio.

Revenue alignment - What is a green building according to taxonomy?

Almost all of Covivio's eligible revenue is generated by property acquisition and ownership (7.7). As this is a transitional activity, the revenue it generates can only be considered green for the purposes of climate change mitigation.

Three criteria can be taken into account for an asset generating revenue that can be considered as green:

1. Belonging to the regional top 15% in terms of primary energy consumption: Covivio relies here on the studies available to date and carried out at the national or European level, namely the OID[2] in France and the ESG Index Deepki[3] for other countries.
2. Class A energy performance diagnostic (or B for Italy and France in view of the breakdown of the diagnostics on these countries[4]) (source ZEBRA).
3. For buildings for which the building permit was issued after 31 December 2020, achievement of the NZEB -10% threshold: in France, this is equivalent to RT2012 -10% or RE2020 depending on the dates of the building permit.

In addition, there are other substantial contribution requirements: buildings larger than 5,000 m^2 must also be equipped with a BMS (Technical Building Management) and new non-residential buildings must be equipped with a LCA (Life Cycle Analysis) and a thermal and airtightness study at the time of construction.

Revenue from property development (development to sell on delivery, *i.e.* 2% of revenue) was also analysed in respect of activity 7.1 - Construction of real estate assets with NZEB -10% criterion of substantial contribution taking into account the DNSH related to this activity.

More at the margin, revenues from photovoltaic production (less than 0.1% of revenue) have been integrated and are considered by type as aligned under activity 4.1 - Production of electricity *via* solar photovoltaic.

(1) https://www.novethic.fr/actualite/finance-durable.html
(2) https://resources.taloen.fr/resources/documents/6716_Taxinomie_OID__01.pdf
(3) https://index-esg.com/en/
(4) https://zebra-monitoring.enerdata.net

By focusing on the operational definition of alignment (see above), Covivio's revenue alignment rate has thus been achieved: **31%** at the end of 2022 and **22%** based on the regulatory definition. The asset-level analysis conducted to implement the taxonomy indicators made it possible to identify rapid improvement levers for certain assets. Some assets may also meet the alignment conditions following the investments implemented as part of the Group's carbon trajectory (3.3). In addition, the improvement of the data collection process at the site level (waste recovery rate, energy labels of equipment, water flows of sanitary facilities) is a lever identified to refine the calculations.

Capex alignment - What is green Capex, according to taxonomy?

Unlike revenue, Capex can be green either for mitigation or for adaptation to climate change. It should be noted that while a Capex is green for mitigation, it is in fact green for adaptation, taking into account the criteria of substantial contribution and DNSH for the activities identified. This is linked to the fact that for the real estate activities, the DNSH Adaptation for the mitigation objective is identical to the criterion of substantial contribution for the adaptation objective. The following table details the criteria for a definition of green Capex according to its type and the activity to which it relates.

	Acquisition and construction (all Capex related to assets, regardless of the type of Capex, including developments)	Renovation of existing buildings (additional DNSH: water, pollution, circular economy)	Green CAPEX by type
Mitigation	Compliance with the definition of a green building (above)	30% gain in primary energy compared to the initial state	Installation, maintenance and repair of energy efficiency equipment (in accordance with the highest standards), charging stations for electric vehicles, energy performance management systems or renewable energy production equipment
Adaptation	Belonging to the Top 30% or DPE CNZEB for new buildings	Compliance with thermal renovation regulations	

At the end of 2022, **75% of Covivio's Capex was thus aligned** within the meaning of the taxonomy (78% on the operational scope) with regard to the adaptation objective[1]. This rate is largely supported by the development pipeline made up of ambitious projects, almost all of which meet the aforementioned criteria. While these initial figures are encouraging, Covivio recognises an area for improvement in the identification of "green" Capex by type in its information systems. To date, some of these Capex have not been isolated and thus accounted for in the alignment rate.

Climate analysis

As a substantial contribution criterion for Capex for the adaptation objective or DSNH for the mitigation objective, the completion of a physical climate risk and vulnerability analysis is mandatory in all cases in order to qualify a green activity. To meet this requirement, Covivio relied on the MSCI Climate Value At-Risk study carried out since 2020 at the asset level (3.3). In order to use a worst-case scenario, as required by the Taxonomy regulation, Covivio used the RCP8.5 scenario for this analysis of physical risks. If an asset is deemed to be at risk, an additional adjustment study must be carried out. For Covivio, only flood risks have been identified on assets that meet the substantial contribution criterion, and the adaptation plans implemented in particular within the framework of regulations meet this requirement.

Compliance with minimum safeguards

Covivio worked with a third party to study the compliance of its procedures and policies in place in terms of minimum safeguards. The minimum safeguards referred to in Article 3 (c) of the Taxonomy regulation are procedures that a company implements to align with the OECD Guidelines for Multinational Enterprises and the United Nations Guidelines on business and human rights. These include the principles and rights set by the eight fundamental conventions mentioned in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and by the International Bill of Human Rights.

The analysis conducted by Covivio was based on these guiding principles as well as the documents already published and the commitments made by the Group: Group Ethics charter and internal procedures, Universal Registration Document, Communication on Progress of the Global Compact, Diversity Charter, Responsible Purchasing Charter, etc.

No flags were revealed following this analysis with regard to the following 10 points of the study: Human rights policy; Mapping of human rights and due diligence risks; Prevention and mitigation actions and monitoring of their implementation; Whistleblowing system; Communication; Consumer interests; Anti-corruption; Competition; Taxation; Media analysis (study of controversies).

Summary table of taxonomic indicators at 31/12/2022

	Regulatory definition		Operational definition	
	Eligibility	Alignment	Eligibility	Alignment
Revenues	78.5%	21.7%	93.4%	30.6%
Capex	100%	75.1%	100%	77.6%

All the results are presented in section 3.7.3 in the dedicated tables.

To date, as only the "Mitigation" and "Adaptation" to climate change objectives are governed by the first preliminary texts, Covivio presents below a cross-reference table between the objectives of the texts and this document.

(1) 57% with regard to the mitigation target.

Actions and indicators implemented with regard to the three compliance conditions of the taxonomy

Three conditions to respect	Examples of Covivio actions	Chapter	Indicators monitored
The activity must contribute substantially to one of the six environmental objectives, detailed below.			
1. Climate change mitigation	Construction and renovation of certified buildings with high levels of environmental performance European LCA specifications to make LCAs more comparable Installation of high-performance equipment and materials (HVAC, façades, insulation, etc.) Installation of terminals or spaces for electric vehicles on new projects Reporting on environmental risks	3.3.1.3	Rate of multi-year works certification plan
	Annual reporting and target to reduce the fleet's energy consumption Carbon trajectory	3.3.2.2	Energy intensity and carbon
	Raising tenant awareness and environmental certification of assets in operation	3.3.1.1	EPC levels
2. Adaptation to climate change	Gradual adaptation of the portfolio through the delivery of buildings to the highest standards and energy renovation of the portfolio	3.3.1.3	Rate of multi-year works certification plan
	Monitoring of environmental risks and work on the resilience of assets Deployment of a supervisory system and generalisation of BMS on assets Environmental due diligence for acquisitions	3.3.3	Percentage of sites monitored for environmental risks
3. Sustainable use and protection of water and resources	Water consumption Own site charters for certified projects	3.3.2.4	Water intensity of assets
4. Protection and restoration of biodiversity and ecosystems	Biodiversity Charters for construction a nd operation, biodiversity mapping, etc.	3.4.3.1	Percentage of sites analysed Biodiversity-certified surface area
5. Pollution prevention and control	Reporting on environmental risks Specific procedures on construction sites for the treatment of pollution	3.4.1.4	Percentage of sites monitored for health and environmental risks
6. Transition to a circular economy	Works on the circular economy: - HQE Performance programme, - reuse of materials,	3.3.1. 3.	Rate of certification
Comply with performance criteria or standards and regulations	Use of certifications and labels for buildings and/or operations	3.3.2.1	Monitoring of certifications
	Low-carbon construction - ACV	3.3.2.3.4	SBTi approved carbon trajectory
	Analysis of the dimensioning of equipment/installations	3.3.2.1	Technical studies site phase
	Compliance with recognised international standards for both financial and extra-financial aspects	3.7	EPRA sBPR/ TCFD/GRI/SASB
	Choice of location	3.4.1.5	Site phase studies
	Targeted resilience studies	3.3.3.1	Climate Value at risk
	Regulatory watch	3.7.3	
The company must respect the minimum social safeguards: compliance with the eight "fundamental conventions" of the International Labour Organisation			
The eight fundamental conventions are as follows:			
The Freedom of Association and Protection of the Right to Organise, Convention no. 87, 1948	As a signatory of the Diversity Charter and the Global Compact where it reaches the GC Advanced level (Global Compact - advanced level), Covivio is committed to observing the eighth fundamental conventions of the ILO and ensuring that its suppliers comply with them	3.5.1 3.7.3	Publication of an annual Communication on Progress (COP) on the website of the Global Compact
Right to Organise and Collective Bargaining, Convention no. 98, 1949			
Forced Labour Convention no. 29, 1930 + its protocol of 2014			
Abolition of Forced Labour, Convention, no. 105, 1957			
Minimum Age, Convention, no. 138, 1973			
Worst Forms of Child Labour, Convention no. 182, 1999			
Equal Remuneration, Convention no. 100, 1951			
Discrimination (Employment and Occupation), Convention no. 111, 1958			

3.3.4.2 100% of Covivio bonds already backed by environmental criteria

A pioneer in the issuance of green bonds since 2016, Covivio reached a new milestone in aligning its financing policy with its ESG goals by launching the conversion of a number of bond tranches issued by Covivio into green bonds, the start of a process that will ultimately lead Covivio to a €2.8 billion green bond portfolio, *i.e.* 38% of its total debt. On this occasion, Covivio reviewed its Sustainable Bond Framework.

As part of this new Sustainable Bond Framework, gradually integrating the criteria of the European Taxonomy and whose alignment with the Green Bond Principles and the Sustainability Linked Bond Principles (published by the International Capital Market Association) has been confirmed by Moody's ESG[1], assets eligible for Sustainable Bonds must:

1. have a minimum certification of HQE Excellent, BREEAM Excellent (Very good for assets already delivered), LEED Gold or DGNB Gold
2. be located less than 500 meters from public transport
3. have an annex or green clauses on leases in France and new leases in Italy and Germany.

With an eligible portfolio already amounting to €5.2 billion (€4.5bn excluding resrved debt issues), Covivio intends to increase this share through work to improve the portfolio ("green" Capex included in the Framework) or major redevelopment programmes. This portfolio covers the €2.8 billion of bonds issued by Covivio.

Moody's ESG, in its Second Party Opinion, recognises the consistency of the Sustainable Bond Framework with Covivio's CSR strategy and objectives, and assigns a rating ["Robust"] to the contribution, expected impacts, and CSR risk management of the Framework covering Green Bonds. Covivio's key performance indicators and carbon footprint reduction targets received the best rating "Advanced", as did Covivio's overall CSR performance.

The success of these issues represents the recognition of Covivio's sustainable development strategy. These two Green Bonds have enabled Covivio to significantly expand the circle of players that finance it, with great diversity at the international level.

A proven performance

In addition to the checks carried out internally to ensure compliance with the eligibility criteria, Covivio has again called on Moody's ESG (formerly Vigeo-Eiris) to give a Second Party Opinion. Furthermore, to audit the correct allocation of funds in accordance with the principles laid down in the Green Bond Framework, as well as the environmental performance indicators, Covivio is committed to using an independent third party annually. The independent third-party audit report is published on Covivio's Internet site, as well as in this document in Chapter 3.8.2.

The indicators selected for the Green Bond and audited by the independent third-party are aligned with the GRI Standards indicators and the recommendations of the Green Bond Principles. They cover reporting indicators for the portfolio (3.7.1.2): rate of coverage of reporting (in m^2 and number of buildings), total energy consumption (in kWhfe), energy intensity (in kWhfe/m^2/year), total GHG emissions (in tCO_2e), carbon intensity (in $kgCO_2e/m^2$/year), total water consumption (in m^3), water intensity (m^3/m^2/year), distance of assets from public transport (accessible parts of buildings).

Highlights in 2022 concerning the Green Bond portfolio

As with the reporting on the entire portfolio (3.7.1), buildings under development or renovation, or purchased or sold during the year, are not included.

The Green Bond portfolio is mainly composed of high-quality and luxury buildings. It should also be noted that the reporting scope is 89% covered this year (lacking data on one asset) and that it is composed of 63% French, 27% Italian and 11% German assets (i.e. surface area). On a like-for-like basis, consumption decreased by 12% in final energy and 16% in primary energy.

For information purposes, 48% of the rental income generated by this portfolio is aligned with activity 7.7 (Acquisition and holding of real estate assets). In addition, 99% of Capex are aligned for activities 7.7 and 7.2 (Renovation of assets) and 7.3 (Energy efficiency measurement) for the adaptation objective.

		EPRA sustainability best practices recommendations	2021	2022
ENERGY - CARBON	Reporting scope coverage by surface area (m^2)		359,574	434,214
	Proportion of estimated data		0%	0%
	Coverage of energy scope - carbon in surface area (in %)		94%	89%
	Intensity (kWhfe/m^2/year)	**Energy-Int**	**164.9**	**191.5**
	Intensity (kWhpe/m^2/year)		**271.4**	**270.2**
	Total direct energy (Wood) (in kWhfe)	Fuel-Abs	8,479,537	9,376,297
	Total indirect energy (Electricity - Networks) (in kWhfe)	Elec-Abs	50,809,623	73,785,729
	Renewable energy production	Elec-Abs	87,332	127,459
	Total energy consumption (in kWhfe)		59,289,160	83,162,026
	Total energy consumption (in kWhpe)		97,598,454	117,310,279
	CARBON INTENSITY ($kgCO_2e/m^2$/year)	**GHG-Int**	**17.3**	**15.9**
WATER	Coverage of water scope in surface area (in %)		96%	90%
	WATER INTENSITY (m^3/m^2/year)	**Water-Int**	**0.34**	**0.39**
	Total water consumption (in m^3)	Water-Abs	123,930	174,108
WASTE	Coverage of waste scope in surface area (in %)		66%	41%
	Total non-hazardous waste (in tonnes)	Waste-Abs	1,052	1,289
	Of which recycled, reused or composted		28%	32%

(1) *https://www.Covivio.eu/en/wp-content/uploads/sites/3/2022/05/Covivio-Second-Party-Opinion-on-Green-Bonds.pdf*

Summary - Compliance with the criteria

The table below provides a summary of the eligibility criteria that the selected assets meet under the Green Bond Framework. This portfolio is composed of 60% refinancing and 40% financing. 32% of the portfolio meets the eligibility criteria for the "Energy efficiency" category and 68% for the "Green building" category.

Portfolio of assets selected.

(at 31/12/2022)

Surname	City	Country	Classification 31/12/2022	Surface areas in 100% at 31/12/2022	Eligible category	Main certification criteria	Green clause (on new leases in Germany/Italy)	Accessibility < 500 m
Bordeaux/ Quai 8.2 E	Bordeaux	France	Delivered	10,982	Green building	HQE Excellent Sustainable Building	√	√
Boulogne/ Grenier	Boulogne-Billancourt	France	Delivered	7,760	Energy efficiency	BREEAM In-Use Very Good	√	√
Châtillon/IRO	Châtillon	France	Delivered	25,626	Green building	BREEAM Excellent	√	√
Frankfurt Airport Center (FAC)	Frankfurt	Germany	Delivered	48,136	Green building	LEED Platinum	On new leases	√
Issy-les-Moulineaux/ Atlantis	Issy-les-Moulineaux	France	Delivered	11,461	Green building	BREEAM In-Use Very Good	√	√
La Defense/ CB 21	Courbevoie	France	Delivered	66,562	Green building	HQE Exceptional Sustainable Building	√	√
Levallois-Perret/ Thais	Levallois-Perret	France	Delivered	5,554	Green building	HQE Excellent Sustainable Building	√	√
Lyon/Silex[1]	Lyon	France	Delivered	10,648	Green building	HQE Excellent Sustainable Building	√	√
Lyon/Silex[2]	Lyon	France	Delivered	29,465	Energy efficiency	HQE Excellent Sustainable Building	√	√
Marseille/ Euromed Calypso	Marseille	France	Delivered	9,799	Green building	BREEAM In-Use Excellent	√	√
Metz/Divo	Metz	France	Delivered	3,484	Green building	HQE Excellent Sustainable Building	√	√
Meudon/ Ducasse	Meudon-La -Forêt	France	Delivered	5,100	Green building	HQE Excellent Sustainable Building	√	√
Montpellier/ Majoria Cassiope	Montpellier	France	Delivered	6,160	Green building	HQE Excellent Sustainable Building	√	√
Montpellier/ Majoria Orange	Montpellier	France	Delivered	16,500	Green building	HQE Excellent Sustainable Building	√	√
Montrouge/ Flow	Montrouge	France	Delivered	23,430	Green building	HQE Exceptional Sustainable Building	√	√
ORLY/ CDO ASKIA BUREAUX	Orly	France	Delivered	17,892	Green building	HQE Exceptional Sustainable Building	√	√
Orly/Cœur d'Orly Belaïa	Orly	France	Delivered	23,556	Green building	HQE Excellent Sustainable Building	√	√
Paris/ Cherche-Midi	PARIS	France	Delivered	3,510	Green building	BREEAM In-Use Very Good	√	√
Paris/Gobelins	PARIS	France	Delivered	4,442	Energy efficiency	HQE Exceptional Sustainable Building	√	√
Paris/Jean Goujon	PARIS	France	Delivered	8,677	Energy efficiency	HQE Excellent Sustainable Building	√	√
Paris/N2 Batignolles	PARIS	France	Delivered	10,074	Green building	HQE Exceptional Sustainable Building	√	√
Paris/Steel	PARIS	France	Delivered	3,681	Energy efficiency	HQE Excellent Sustainable Building	√	√
PIAZZA DUCA D'AOSTA 8	MILAN	Italy	Delivered	2,894	Energy efficiency	LEED Gold	On new leases	√
PIAZZA MONTE TITANO 10	MILAN	Italy	Delivered	5,951	Energy efficiency	LEED Gold	On new leases	√
PIAZZA SIGMUND FREUD 1 (ACCESS)	MILAN	Italy	Delivered	2,342	Green building	BREEAM In-Use Very Good	On new leases	√
PIAZZA SIGMUND FREUD 1 (CORPO)	MILAN	Italy	Delivered	5,784	Green building	BREEAM In-Use Very Good	On new leases	√
PIAZZA SIGMUND FREUD 1 (TORRE)	MILAN	Italy	Delivered	16,567	Green building	BREEAM In-Use Very Good	On new leases	√

Surname	City	Country	Classification 31/12/2022	Surface areas in 100% at 31/12/2022	Eligible category	Main certification criteria	Green clause (on new leases in Germany/Italy)	Accessibility < 500 m
PIAZZA SIGMUND FREUD 1 (TORRE A)	MILAN	Italy	Delivered	16,349	Green building	BREEAM In-Use Very Good	On new leases	√
Rueil/ Degremont	Rueil-Malmaison	France	Delivered	14,213	Green building	BREEAM In-Use Very Good	√	√
Saint Ouen/ So Pop	Saint Ouen	France	Delivered	32,449	Green building	HQE Excellent Sustainable Building	√	√
SYMBIOSIS - EDIFICIO AB E AUTO	MILAN	Italy	Delivered	20,501	Green building	LEED Platinum	On new leases	√
SYMBIOSIS - EDIFICIO D	MILAN	Italy	Delivered	18,395	Green building	LEED Platinum	On new leases	√
SYMBIOSIS - EDIFICIO SCHOOL	MILAN	Italy	Delivered	7,938	Green building	BREEAM In-Use Very Good	On new leases	√
THE SIGN - EDIFICIO A	MILAN	Italy	Delivered	9,486	Green building	LEED Platinum	On new leases	√
THE SIGN - EDIFICIO B	MILAN	Italy	Delivered	12,325	Green building	LEED Platinum	On new leases	√
THE SIGN - EDIFICIO C	MILAN	Italy	Delivered	4,561	Green building	LEED Platinum	On new leases	√
Toulouse/21 Marquette	Toulouse	France	Delivered	11,539.1	Green building	HQE Excellent Sustainable Building	√	√
Vélizy/ Dassault Campus	Vélizy-Villacoublay	France	Delivered	56,562	Green building	HQE Excellent Sustainable Building	√	√
Vélizy/ New Vélizy	Vélizy-Villacoublay	France	Delivered	49,874	Green building	HQE Excellent Sustainable Building	√	√
VIA DANTE 7 - OFFICE WELLIO	MILAN	Italy	Delivered	4,542	Energy efficiency	LEED Gold	On new leases	√
VIA DELL 'UNIONE 1 - OFFICE	MILAN	Italy	Delivered	4,495	Energy efficiency	LEED Gold	On new leases	√
Alexanderplatz D3	Berlin	Germany	In development	60,000	Green building	LEED Gold	√	√
CORSO ITALIA 19	MILAN	Italy	In development	11,769	Energy efficiency	LEED Platinum	√	√
Fontenay-sous-Bois/ Le Floria	Fontenay-sous-Bois	France	In development	9,175	Energy efficiency	HQE Excellent Sustainable Building	√	√
LEVALLOIS PERRET/ MASLO	Levallois-Perret	France	In development	20,814	Energy efficiency	HQE Excellent Sustainable Building	√	√
LOFT - Alt Moabit	Berlin	Germany	In development	5,152	Energy efficiency	DGNB Gold	√	√
Paris/Madrid - Saint Lazare	PARIS	France	In development	5,837	Energy efficiency	HQE Excellent Sustainable Building	√	√
Paris/Anjou	PARIS	France	In development	9,336	Energy efficiency	HQE Excellent Sustainable Building	√	√
SYMBIOSIS - EDIFICIO G + H	MILAN	Italy	In development	37,553	Green building	LEED Platinum	√	√
THE SIGN - EDIFICIO D	MILAN	Italy	In development	13,186	Green building	LEED Platinum	√	√
Vélizy/ Extension	Vélizy-Villacoublay	France	In development	27,548	Green building	HQE Excellent Sustainable Building	√	√

3.4 Societal policy: accelerating regional transformation

In an effort to address climatic, environmental, social and digital challenges, Covivio makes sure that its portfolio is consistent with local needs, equipment, infrastructure, culture and customs, as well as local expertise and markets.

Each building must fit in the most relevant way possible with the various requirements for transport networks, energy, communications networks, biodiversity, etc. The CSR risk mapping carried out by Covivio in 2018 highlighted "Integration within the sustainable city", an issue where the Group is able to capitalise on its acknowledged expertise in the area of long-term, value-creating partnerships. This multi-stakeholder involvement is central to the response to two other societal issues raised by the mapping, namely "Responsible supply chain" and "Quality of relations with external stakeholders (including customers and suppliers, etc)".

With a European development pipeline worth €2 billion at the end of 2022, Covivio is participating in the emergence of more sustainable and inclusive cities. The Group has focused its investment strategy on large European cities and capitals. These cities will have to face major challenges in terms of population growth and the environment as they seek to limit urban sprawl, protect biodiversity and improve the quality of the air, housing and public transport. They will continue to look to attract businesses and talents, host the best training facilities and enjoy a significant share of innovation and growth. In this competition, to ensure their attractiveness, the regions must take account of the emergence of new digital tools, robots and artificial intelligence. By relying on new digital tools, the "smart city" will facilitate the advent of a carbon-neutral society, by eliminating the use of fossil fuels, no later than 2050.

Real estate plays a central role in this major upheaval, where the environment, the economy and social cohesion are interwoven and interdependent.

Under the leadership of the Board of Directors, Covivio's Purpose, Building sustainable relationships and well-being, the result of a wide-ranging internal consultation, over several months, within dedicated working groups. This innovative collective reflection process has enabled a large number of employees from the company's different business lines to express their views. Covivio's CSR policy has thus been strengthened, through the commitment of employees and the degree of shared ambition on objectives across all company levels.

Covivio's Purpose is resolutely focused on its various stakeholders, in particular through three initiatives:

- the establishment of a Stakeholders Committee (composition: see 3.2.3.2)
- the creation of a Foundation that brings together all actions in favour of equal opportunities and the preservation of the environment (3.4.1),

Covivio employees involved: focus on Socovivo Week in France and Socovivio Days in Rome and Milan

During the first Socovivio Week organised in France in July 2022, nearly 90 Covivio employees devoted a total of 256 hours to the various workshops offered.

On a voluntary basis, employees were able to take part in " helping hands " missions, such as meal preparation workshops with Refugee Food; business workshops to advise the associations' teams on subjects such as the GDPR[1] and communication; and coaching workshops, notably with the beneficiaries of Wake Up Café. At the end of this week, the experience made 75% of participating employees want to become more involved in charitable causes[2].

Two solidarity days with different activities also took place in September in Rome and Milan: cleaning workshop with the Fondazione Francesca Rava, fitting out and painting of several premises of the Associazione La Strada, painting of the premises of two schools with the Mission Bambini association. In total, 77 employees participated in Italy for an equivalent of 308 hours of volunteering.

(1) GDPR: General Data Protection Regulation
(2) Internal survey conducted in July 2022 among employees who took part in the initiative.

Key societal performance indicators (at 31 December 2022)

€2 bn
DEVELOPMENT PIPELINE
"INTEGRATION WITHIN THE SUSTAINABLE CITY" RISK

"INTEGRATION WITHIN THE SUSTAINABLE CITY" RISK

15,100
JOBS SUPPORTED THROUGH THE GROUP'S ACTIVITIES (2018)

1
BIODIVERSITY MAPPING WITH A EUROPEAN DIMENSION

99.8%
SITES ACCESSIBLE BY PUBLIC TRANSPORT

« RESPONSABLE SUPPLY CHAIN » RISK

81/100
COVIVIO SCORE IN THE ECOVADIS SUSTAINABILITY LEADERSHIP AWARD

1
PURCHASING MAPPING WITH A EUROPEAN DIMENSION

125
SUPPLIERS ASSESSED BY ECOVADIS

"QUALITY OF RELATIONS WITH EXTERNAL STAKEHOLDERS" RISK (CUSTOMERS, SUPPLIERS, REGIONS, EDUCATION SECTOR, ETC.)

92%
OF OFFICE TENANTS IN FRANCE ARE SATISFIED WITH THE RESPONSES GIVEN TO THEIR REQUEST

5th
CONSECUTIVE YEAR IN THE TOP OF GERMAN HOUSING COMPANIES IN THE FOCUS MONEY STUDY

100%
OF FRANCE OFFICES LEASES >2,000m² ARE COVERED BY AN ENVIRONMENTAL ANNEXE

3.4.1 Collaboration with cities and regions

The city of the future will be low-carbon and interconnected, and contribute to the circular economy. To limit the need for commuting and to provide more user-friendly living spaces, the buildings of the future will need to be flexible and take into account the challenges associated with mixed use; enabling city dwellers to use these areas for everyday life, work and relaxation.

By anticipating these changes, Covivio is able to better manage the risks that could adversely affect the appeal of its assets if the Group did not make every effort to work very closely with its stakeholders, especially major cities. The "Integration within the sustainable city" risk has been identified as a major risk with regard to Covivio's activities in Europe.

The integration of a building within its environment is a major challenge in terms of the urban landscape and biodiversity, energy and transport networks, as well as its acceptability to local residents and public authorities. Its successful integration within the city also has social and economic dimensions in terms of employment and culture.

3.4.1.1 Understanding local areas and strengthening cooperation with stakeholders

Backed by the strong partnership-based approach that has underpinned its success, Covivio wanted to give new impetus to its cooperation with its stakeholders through expressing its Purpose.

To work in close contact with its stakeholders, in addition to its premises in Paris and Metz, Covivio has four regional Offices in France (in Lille, Lyon, Bordeaux and Marseille). In Germany, Offices and branches have been opened in cities including Berlin, Dresden, Hamburg and Leipzig to supplement the teams historically located in Oberhausen. In Italy, the teams are based in Rome and Milan. Elsewhere, Covivio is represented in Spain by a Country Manager to support its local development and build a close relationship with partners.

Covivio strives to boost the outreach of the local areas in which its assets are located, in particular by supporting numerous public relations events.

Anticipating and understanding new trends, particularly in terms of user needs and expectations, are at the heart of Covivio's strategy and that of its subsidiary Wellio. Studies, surveys and polls (available on the website www.covivio.eu/en) are conducted on a regular basis. They enable the teams, customers and stakeholders to fully appreciate the challenges facing the sustainable city and better meet end-user expectations: study on the attractiveness of cities, "Sharing economy and workspace, the perspective of European employees", "What if offices brought back a taste for work?", "The expectations and practices of European employees".

3.4.1.2 Getting involved in regional revitalisation initiatives

3.4.1.2.1 Measuring the socio-economic impact of activities on a European level

Aware of its economic weight and its presence in several major European cities, Covivio has been committed to characterising and quantifying the socio-economic consequences of its France Offices and Italy Offices activities since 2014 and 2016 respectively. In 2018, Covivio extended the scope of its study to all of the Group's activities in Europe by measuring the impacts of its Residential business in Germany and its Covivio Hotels subsidiary. These studies are performed with the company Utopies and use the LOCAL FOOTPRINT® methodology.

The LOCAL FOOTPRINT® model

The LOCAL FOOTPRINT® model is based on national trade statistics tables of exchanges between industries, in particular from Input-Output tables (sources: Eurostat and Eora) and research on regional economics from the University of Bristol. Based on real or modelled purchasing, payroll and tax data of companies, LOCAL FOOTPRINT® is used to simulate the socio-economic benefits of a business in a given area.

The analysis conducted in 2019 and presented in summary below covers all of the sites under development, undergoing renovation and in operation. It is based on the data collected for 2018 for German Residential and France and Italy Offices. Covivio also wished to conduct an exploratory study into the socio-economic impacts of the hotels it owns and operates. To do so, the cash injected by these economic players was modelled using national statistics such as those published by INSEE, the French national office of economic statistics.

As the years 2020 and 2021 are atypical due to the health and economic situation, the study was not repeated in 2021 nor in 2022. The figures presented below are those published in the 2020 Universal Registration Document and their order of magnitude is still relevant in 2022.

The main results of the socio-economic consequences of Offices, residential & hotels activities

Direct impacts: these are related to Covivio's presence in France, Germany and Italy through its **922 employees** (full-time equivalent at the end of 2018).

Indirect impacts: these translate the economic benefits generated by purchases or investments. Covivio spent €520 million on purchasing goods and services and this generated economic activity for its service providers and suppliers. This activity has repercussions for the full supply chain. As a result, Covivio helps to support **7,100 jobs** in France, Germany and Italy, which break down as follows: 4,000 (56%) for direct (tier 1) suppliers and 3,100 (44%) for tier 2 suppliers and below. In France, this means 3,100 indirectly supported jobs, 3,000 jobs in Germany and 1,000 in Italy.

Induced impacts: these correspond to the capacity to encourage other economic players to spend money on consumables. Household consumption, supported by the salaries paid to Covivio employees, as well as those paid by other players in its supply chain, contribute towards maintaining or creating **3,200 jobs** in France, Italy and Germany. Furthermore, payments made to public administrations (generated by the taxes paid by Covivio and those of its supply chain) help to support **3,900 jobs** in the 3 countries. A total of 7,100 induced jobs are thus supported: 3,400 in France, 2,500 in Germany and 1,200 in Italy.

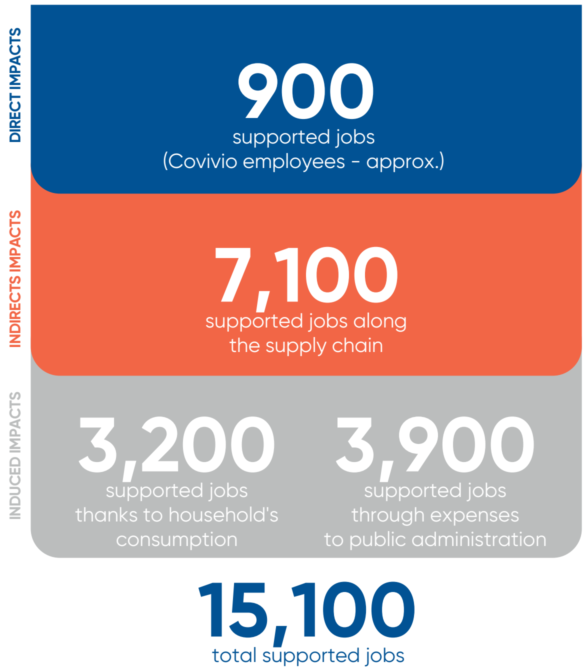
Total impacts: these correspond to the sum of direct, indirect and induced impacts. Through its Offices and Residential businesses, Covivio thus supports **15,100 jobs** in the three countries where it operates (6,800 in France (45%), 6,000 in Germany (39%) and 2,300 in Italy (16%), generating **€900 million of GDP**. Therefore, for **one job** at Covivio, **15 additional jobs** are supported.

Summary of the socio-economic impacts of Covivio in Europe

Through its management and development activities, Covivio supported a total of 15,100 jobs in 2018 in the three countries where its teams are located - France, Germany and Italy. The companies that rent the hotels, offices or residences (individuals) have an economic activity that has a Europe-wide impact. For example, it is estimated that to date 34,800 jobs were supported by heritage hotels in the portfolio in Europe, and 301,000 jobs were supported by the occupation of offices in the portfolio in France and Italy.

Covivio undertook to evaluate the gross economic value from the operation of its hotels. Accordingly, it was estimated in early 2019 that the hotel operators holding leases with Covivio contribute to the economic life of Europe by generating some 34,800 jobs (direct, indirect and induced). As this contribution is not directly attributed to Covivio, but to its tenants, it cannot be added to or compared with the economic impacts of Covivio's management and development activities, described above.

Details of the 15,100 jobs supported by type of impact and main business segments supported (source: Utopies)



1 **CORPORATE AND FINANCIAL SERVICES**
3,900 supported jobs (26%)

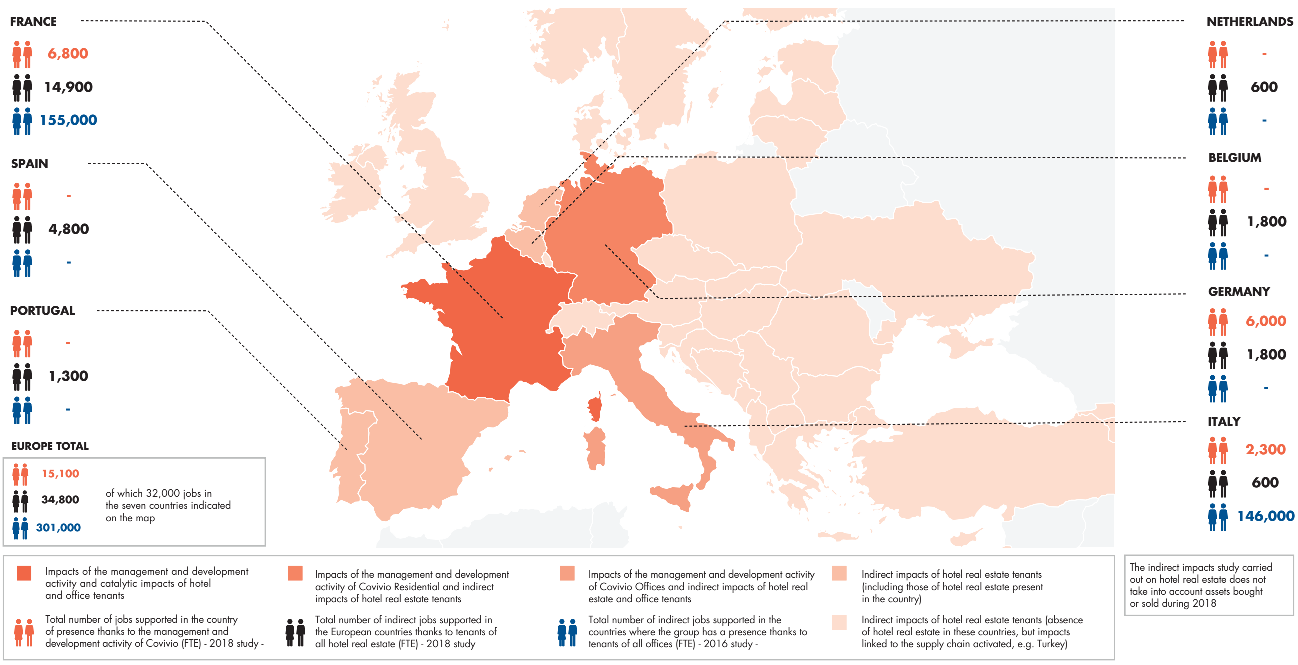
2 **CONSTRUCTION**
3,000 supported jobs (20%)

3 **EDUCATION, HEALTH AND OTHER PUBLIC SERVICES**
2,600 supported jobs (16%)

4 **PUBLIC ADMINISTRATION**
1,500 supported jobs (10%)

5 **ELECTRICITY, GAS, WATER**
700 supported jobs (5%)

Socio-economic impact mapping of Covivio in Europe



3.4.1.2.2 Optimising regional impact

A socio-economic footprint assessment is a tool that helps provide a better understanding of the broad impact of a business, and helps Covivio identify potential opportunities to optimise the economic benefits created for the regions in which it operates. This optimisation may happen either by increasing the quantity of impacts (notably the number of local jobs supported), or by improving the quality of the impacts (including the nature and types of jobs supported and working conditions).

Accordingly, Covivio identified two main drivers for maximising its local impact and intends to focus on these increasingly going forward:

- the "Employment" lever: using local organisations who hire disabled people (protected sectors) or long-term unemployed people (insertion companies)
- the "Procurement" lever: promoting local suppliers and subcontractors in the supply chain.

Signature of the Plaine Commune Company-Regional charter

The signature by Christophe Kullmann, on 17 December 2019, of the Plaine Commune company-Territory charter promoting employment, the local economy and the circular economy is part of this dynamic. It relates in particular to the Saint-Ouen - So Pop project, delivered on 16 September 2022. The project should deliver many benefits in terms of employment, the local economy and the circular economy:

- 10% of total working hours required to complete the project are reserved for unemployed people
- local businesses are given preferential treatment for 25% of the total amount of works and services contracts
- reuse of technical floors, use of recycled paint (from unsold goods), use of crushed concrete to make aggregates (used to build roads), etc.: these initiatives substantially reduce the building's carbon footprint
- participation in the HQE-Performances programme and experimentation with the MFA method.

3.4.1.3 Investing in urban life

Since 2008, Covivio has developed a partnership and collaborative policy with the world of education, focused on equal opportunities, relying in particular on skills-based sponsorship, which helps to promote internal know-how.

3.4.1.3.1 Training future real-estate industry decision-makers

The Palladio Foundation was created in 2008, under the aegis of the France Foundation and actors in the real estate industry, including Covivio, to address the huge challenge of urban planning. Covivio supports the Foundation, a place for meetings, exchanges, debates and reflection, *via* financial sponsorship and the involvement of its managers and teams in the projects and events of the Palladio Foundation. In 2021, the Palladio Foundation, with the support of its 80 partners and sponsors, launched the largest student challenge ever organised to imagine the city of tomorrow, bringing together 1,600 students from 93 schools and 48 different nationalities. The winning team, "Dans ta rue" ("In your street"), offers a tool for developers to promote common areas on the ground floor. Christophe Kullmann, Chief Executive Officer of Covivio, was also appointed Chairman of the Foundation's Scholarships Committee, whose purpose is to provide the younger generations with the means to carry out their training or research projects in the fields related to real estate and construction in the City. Covivio has signed the charter of the University of the City of Tomorrow[1] to lay the foundations for a new working method based on cooperation between those who design, build and govern the city, those who talk about it and those who live it. A major citizen consultation was launched at the end of the summit, in partnership with Make.org[2], to interview French people on the subject of the sustainable city. The question asked: "How to build more sustainable cities for all?" brought together more than 40,000 proposals.

Since 2012, Covivio has also been participating in job forums organised by higher education institutions such as HEC (*École des Hautes Études Commerciales de Paris*), ESSEC Business School, ESCP Europe, EDHEC, ESTP and Paris Dauphine university in France, as well as *Politecnico di Milano* and *Universita Boconi* in Italy. For Covivio, they provide special opportunities for interchanges with potential future candidates.

In addition, a number of Covivio employees do presentations often centred on sustainable development – at various institutions such as ESTP and Dauphine University in Paris. Thus, in September 2021, Covivio participated in organisation of the Climate Frescos at the start of the school year at ESTP. Every year, in Italy Covivio shares its practical knowledge and offers advice to students taking courses in real estate.

(1) *Charlie_UniversitéDeLaVilleDeDemain_Signataires.pdf (fondationpalladio.fr).*
(2) *https://fondationpalladio.fr/consultation-citoyenne/*

3.4.1.3.2 The Covivio Foundation is committed to promoting equal opportunities

Created in 2020, the Covivio Foundation's mission is to structure and strengthen the actions already carried out by Covivio for more than 10 years around two historical pillars of the Group:

- the promotion of equal opportunities, and in particular access to education and training, work or assistance with the integration of vulnerable populations, in particular for 18–35-year-olds
- the preservation of the environment.

Through its Foundation, Covivio is committed to equal opportunities, by supporting 19 associations in the countries where it operates, in France, Germany and Italy:

- in France: la Cravate Solidaire, Refugee Food, Activ'Action, Osons Ice et Maintenant, Wake Up Café, Article 1, Foyer Sainte Constance, Clubhouse, Demos, Arpejeh
- in Italy: Fondazione Mission Bambini, Associazione La Strada and Fondazione Francesca RavaNPH Italia Onlus, Via Libera Cooperativa Sociale
- in Germany: Safe Hub (born from the partnership between Amandla and the Oliver Kahn Foundation), Al Farabi Music Academy, Easy Langage mobile, Ruhrwerkstatt and NAJU.

The selected associations benefit from financial sponsorship and skills, in particular thanks to the involvement of Covivio employees. In addition to occasional events, Covivio intends to make a concrete commitment by leading 360° partnerships and, over the year, with these associations: business workshops on the issues of associations, participation of Covivio clients in certain programmes, layout of spaces…

The Covivio Foundation offers two types of financial support:

- support over three years following Calls for Expressions of Interest launched in each country. 11 associations out of 19 are supported this way
- one-off support over one year, granted to support a specific project.

This approach allows Covivio to focus its efforts and resources on a limited number of projects in order to offer significant support to each association and strengthen the impact of their actions.

To ensure a close relationship, a local Committee made up of employees from Covivio's various business lines was created in each country to monitor the associations supported. The local Committees are also responsible for identifying future projects to be implemented and presenting them to the Foundation's Board of Directors.

Regarding its commitment to equal opportunity, Covivio is relying on a long-term partnership with the Article 1 association (resulting from the merger between Frateli and Passeport Avenir), since 2015 and on its Passerelle programme created in 2008. With Article 1, yesterday directly and today through its Foundation, is committed to financial and skills sponsorship action, focused on solidarity and equal opportunities. This association develops and supervises the sponsorship, by professionals, of young scholarship holders with potential. The objective is to reveal the talents of students coming from disadvantaged backgrounds by providing them with tools, methods, access to networks and the confidence to pursue their goals. The association also provides accommodation in university residences to scholars, selected through an interview process. A number of Covivio employees are mentors and provide support for students on under- or post-graduate courses for two or three years, then at the start of their careers.

Covivio and Article 1, a long-term partnership and targeted actions each year

In 2021, Covivio hosted the Visage(s) exhibition for three weeks, an exhibition of 60 portraits of young people from all backgrounds, accompanied by testimonials on their journey. In 2022, Article 1 went further in mentoring by offering a dedicated mentoring platform (DEMAI1N. org) combining flexibility and direct contact with young people, according to the availability and needs of each.

In 2022, Covivio employees took part in the "Take the Floor" Campus from 21 to 27 May to prepare young people, supported by the Article 1 association, for entrance interviews to the Grandes Ecoles or for future job interviews. Saturday, 21 May was devoted to collective workshops on stress management and/or public speaking, in person; the rest of the week took place digitally around job interview simulations. Another example is the French Legal Careers Event on 24 November, during which Patrick Larchevêque, Covivio's Real Estate Legal Director, gave a presentation.

Another skills sponsorship action is the Passerelle programme, which Covivio has been running in partnership with the Lycée Louise Michel de Bobigny (93), located in Educational Priority Area (EPA). It allows students of BTS or preparatory classes to meet professionals working in different business lines at Covivio. In a period of their lives when they need to make long-term choices, more than 1,600 pupils and students from this establishment have benefited from various initiatives since 2009 – such as job interviews, CV workshops, intake of trainees, round table discussions on jobs, and visits to buildings – thanks to more than 60 volunteers from the Group.

Under the Article 1 and Passerelle programmes, students also had the opportunity to benefit from summer jobs or six-month internships at Covivio.

3.4.1.3.3 Activities at the heart of society

In 2020, Covivio commissioned Opinion Way to conduct a study to better identify the challenges for the Offices segment for the coming years. Published under the name "Flexibility first!", this study is described in Chapter 3.3.1.1 and available on the Covivio website. As a long-term partner of the French Association of Real Estate Directors (ADI), Covivio supports and participates in various events in the aim of jointly thinking about buildings, their uses and associated transport. The Group is also involved in studies suggested by the association.

Covivio is also involved in local authorities, particularly in public planning establishments (EPAs) such as Bordeaux Euratlantique and Marseille Euromed, bringing together public and private players to participate in the sustainable urban development of the region.

In Italy, Covivio has developed strong ties over a number of years with the *Politecnico di Milano*. In 2021, two partnerships with Politecnico were signed concerning a study as part of the development of Vitae[1] and a study of fluid mechanics modelling for the Symbiosis project (Buildings G/H) with an innovative natural cooling system for the façade based on the existing industrial chimney. The partnership with Politecnico's Proptech network was also renewed in 2021.

Covivio also works alongside the city of Paris by committing to the Paris Climate Action network, which launched the Paris Climate Action Charter. The Paris Climate Action Charter invites companies to commit to the fight against climate change and the Climate Plan. It was updated in 2018 and signed again by Covivio, which is committed to adopting an operational action plan by 2030 and contributing to Paris's carbon neutrality trajectory.

In 2019, the Proptech Joint Research Center (JRC) was launched by *Politecnico di Milano* in partnership with Covivio and other companies operating in Milan (BNP Paribas RE, Bosch, Accenture, Edison and Vodafone). This project is dedicated to launching research into new technologies that could change the real estate professions and, most importantly, the real estate market.

In Germany, Covivio Immobilien is heavily involved in the life of the districts where its buildings are located, participating in cultural activities and running projects for the elderly and/or people with disabilities, in collaboration with local non-profit organisations, mainly in Berlin and the Ruhr (3.4.1.5.2). Covivio Immobilien also supports other social and societal causes, including making temporary accommodation available for war refugees; participating in the financing of corporate sponsorship programmes for schools, crèches and retirement homes; and, supporting the renovation of housing for elderly people and a social project for homeless people in Berlin. In early 2020, Covivio Immobilien entered into a partnership with the Malteser International association to support its senior tenants. The association helps elderly tenants through a 24-hour home emergency hotline and other services, such as ambulance transport and groceries, in order to maintain their independence. Covivio undertakes to make the offer known to its tenants, *via* letters and information in building entrances; they then benefit from a reduced-rate home emergency service. Special information events have been planned in Covivio service centres to raise awareness of this system. In line with these actions, Covivio Immobilien has strengthened its links with the Malteser association in Berlin, Dresden, Hamburg and Leipzig.

Inclusive housing project in the Knappenviertel district of Oberhausen

Covivio has developed an innovative form of residence in the Knappenviertel district of Oberhausen, combining assisted living with autonomy for elderly or disabled tenants.

Here, the focus is on tenants' independence and respect for their privacy, while offering day-to-day assistance tailored to their needs. Everyone can decide whether and to what extent they want to use the many services offered.

This project is the result of the conversion of a former commercial premises into nine compact apartments of 40 to 83 m^2, fully adapted and already fully let since September. These are arranged around the open communal area, with an adjoining communal kitchen and a spacious dining area. The shared garden was designed to be inviting for everyone to spend time together.

Since 2008, Covivio employees have been invited to participate in the "Foulées de l'Immobilier" (Real Estate Strides) race organised by students from Paris-Dauphine University's Master of Real Estate Management (Master 246) programme. In 2021, the Strides were replaced by a European and digital inter-company Quality of Life at Work challenge, encouraging employees to conduct well-being workshops on various themes (nutrition, relaxation, eco-friendly habits, etc.) and sports sessions. This challenge enabled the planting of trees with the Reforest'Action structure.

Over the end-of-year festive period, Covivio collected toys from its employees for the benefit of the Rejoué Association. This operation brought out the best in terms of employee generosity (3.5.2.3.3). 40 kilos of toys were collected in 2021!

(1) *https://www.vitaemilano.com/en/about/*

3.4.1.4 Turning each site into a biodiversity driver

In December 2022, the COP15 negotiators on biodiversity, representing 193 countries, signed the post-2020 global biodiversity framework, a common roadmap for the period 2020-2030 aimed at halting and reversing the loss of biodiversity. This agreement reiterates the vital importance of taking biodiversity into account for the coming decade and underlines the key role of companies in addressing this issue. It also reflects the growing development of frameworks and tools (TNFD[1], SBTn, etc.) to support companies in their approach. Aware of its responsibility and that of its sector in the decline of biodiversity, Covivio has accelerated the reflection on this major subject in 2022, aiming to formalise a dedicated strategy in 2023.

This strategy will rely on a long-term commitment making the protection of biodiversity an important and qualitative aspect of its CSR and asset management policy, ensuring that each of the sites built, managed and renovated by its teams is, in its own way, a lever for biodiversity, in particular by designing buildings with planted surfaces. This commitment was expressed, in particular, by the signing of the charter "Objective 100 hectares of green walls and terraces" set up by the City of Paris or by joining the Act4nature initiative in 2021.

This commitment has its place in the Group's Purpose, which plans to develop green spaces (gardens, terraces and green walls) in its new projects.

3.4.1.4.1 Biodiversity, a key focus of Covivio's Purpose

Biodiversity is the foundation of life and is at the centre of major global issues. It poses a challenge in the construction and management of buildings, as well as on the sites where raw materials are extracted and in the manufacturing sites of the materials and equipment used in buildings.

Although its property portfolio is mainly located in urban areas, Covivio has a direct and indirect impact on biodiversity. The development of real estate remains one of the most significant sectors contributing to the loss of biodiversity. In recent decades, biodiversity has declined which is accelerating alarmingly: today, 75% of the Earth's surface has been considerably modified by humans, more than 85% of wetland have been lost and populations of vertebrate species have decreased by 69% between 1970 and 2018.

The erosion of biodiversity is linked to five main pressures associated with human activities:

- change in the use of land, freshwater and seas (examples: reallocation of natural land due to urban sprawl, fragmentation due to the construction of linear infrastructure)
- overexploitation of resources (*e.g.* overfishing, overexploitation of timber, looting of rare plants and animals)
- climate change (examples: GHG emissions caused by fuel combustion, deforestation)
- pollutant emissions (examples: fine particles, nitrogen compounds, chemical pollutants, dust)
- spread of invasive alien species (*e.g.* spread of Japanese knotweed through freight transport).

Based on this observation, Covivio's biodiversity policy is broken down into six points:

- eco-design of developments and renovations by taking biodiversity into account before the start of a project: eco-friendly corridors, dealing with stakeholders' expectations and materials chosen so as to promote a circular economy
- creation of green terraces in urban environments that contribute to mitigating the urban heat island effect
- planting of native plant species to limit the need for watering and preserve the local fauna
- implementation of ecological management practices for green spaces: adjustment of the frequency of mowing, gradual elimination of the use of phytosanitary products, etc.
- enhancing the functions of green spaces for building users
- participating in research and innovation.

To ensure that biodiversity-related issues are taken into account, two internal charters dating back to 2014 were updated in 2019:

- a charter governing the creation of green spaces – for projects involving the development or total renovation of green spaces – and promoting compliance with labels such as BiodiverCity®
- a charter governing the management of green spaces – for projects in operation – and making it easier to obtain a label such as BiodiverCity Life, Eve or EcoJardin.

> A total of 220,000 m^2 of Covivio office space under development or already delivered will have a BiodiverCity or Eco-jardin label.

In 2021, Covivio joined act4nature International**,** an initiat[2]ive launched in 2018' by the French association, Entreprises pour l'Environnement, with the aim of involving companies on the issue of their direct and indirect impacts, their dependencies and opportunities for action to promote nature. Covivio has thus subscribed to the ten common commitments and has set[3] itself individual objectives integrated into its strategy recognised as SMART (specific, measurable, additional, realistic, time-bound) by the international Committee of act4nature (company networks, NGOs and scientific organisations). Covivio thus made public its individual commitments at the launch of the European Business & Nature Summit in November 2021. These complement the objectives previously included in the Group's CSR action plan and provide for the use of new indicators: measurement of the impacts of developments on biodiversity by the end of 2022, net gain in biodiversity on 100% of operations by the end of 2025, etc.

(1) Taskforce on Nature-related Financial Disclosures: TNFD
(2) https://www.act4nature.com/wp-content/uploads/2021/11/COVIVIO-VA.pdf
(3) https://www.act4nature.com/wp-content/uploads/2022/12/A4-act4nature-international-VA-04-22.pdf

In order to measure this notion of biodiversity gain both for development projects and buildings in operation, Covivio has chosen, in partnership with the research department ARP-Astrance, to develop its own indicator, capable of integrating the green spaces and their social values on the sites in operation. The objective for Covivio is to increase the ecological sustainability of its urban projects.

Covivio's CBS (Biotope Area Factor) describes the ratio between eco-socio-developable surfaces (non-impervious surfaces favourable to biodiversity and biophilia) and the total surface area of the site. Thus, each type of surface is assigned a weighting according to thits interest for biodiversity, with the weighting scale ranging from 0 to 1.2 (0 representing impervious surfaces and 1.2 for the most ecologically friendly surfaces). The Covivio CBS includes eight different types of surface area as well as 17 bonus elements, established from the scientific literature and existing biodiversity guidelines. These bonuses are aligned with Covivio's challenges, integrating the concepts of biophilic value, ecosystem services, biodiversity and the ecological management of green spaces. The CBS value makes it possible to compare the sites in their current state with development scenarios, or to compare, for the same site, data from one year to another. It is therefore a tool that helps choose the most appropriate developments, to monitor the changes over time of the choices made during the operation of a site and to standardise the decision-making processes concerning the development of external spaces.

This tool was tested at Covivio's German headquarters in Oberhausen (2 ha) and at the Majoria park in Montpellier (33 ha). These two sites with very different characteristics confirmed the relevance of the tool. The Majoria park, for example, has an initial CBS of 0.46, with already well diversified spaces in terms of habitats and species. The two development scenarios propose changes in habitats and uses without modifying open land and without replacing artificial surfaces with green spaces. With substantial but feasible adjustments in the "Must have" scenario, the CBS increases by 10%, or even by 34% in the most ambitious scenario. At the Oberhausen site, the potential for improvement identified is 5% and 18% respectively.

Out of four projects delivered or underway in 2022 and analysed in France, i.e. a total surface area of 18,569 m2, exclusively in dense urban areas, the CBS is improved 2.6x versus the initial position.

3.4.1.4.2. Measuring Covivio's impacts on biodiversity

As part of the real estate and construction sector, Covivio depends directly on the contribution of natural resources (water, wood, etc.) but also on the ecosystem services essential to its assets (flood protection, anti-erosion, etc.). Its activity also directly impacts biodiversity through its contribution to the five aforementioned pressures. In order to better understand its impacts and identify its priority areas of work, Covivio had various impact measurements carried out based on recognised benchmarks.

3.4.1.4.2.1 An analysis at the asset level

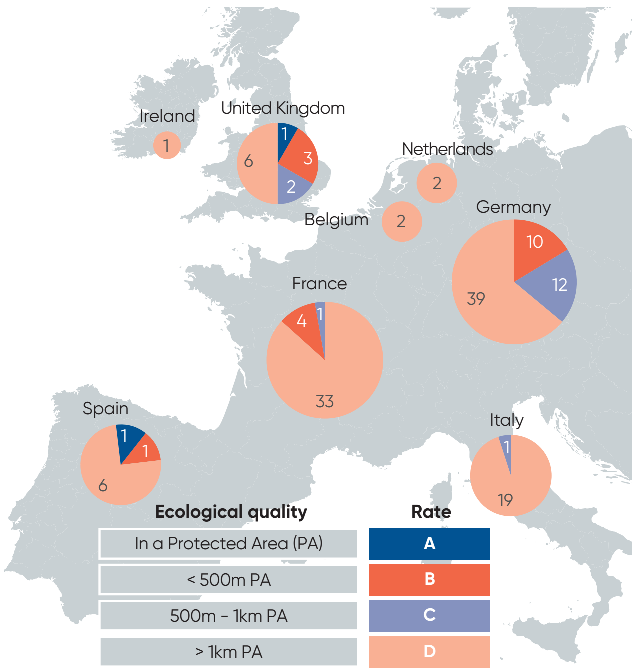
At the end of 2017, Covivio carried out a mapping exercise, updated in early 2020, of its building construction and operation activities to measure its indirect impacts on:

- biodiversity: use of space, destruction and fragmentation of natural habitats, loss of natural environments, soil sealing, and impacts on rainwater infiltration
- "*ex situ* biodiversity" *i.e.*, the effect on biodiversity of the extraction of raw materials and the manufacture and use of construction materials.

This study was carried out on the basis of a panel of the Group's core assets (144 sites across the three activities) and produced a comprehensive report summarising the results and a description sheet for sites located less than 250 meters away from a protected area. It is summarised in Covivio's 2020 sustainable performance report, published in 2021 (pages 92 and 93). The main conclusions can be summarised as follows:

- **operational sites located in or adjacent to protected or biodiversity-rich areas** (Disclosure GRI 304-1). Conclusion: on criterion 304-1, Covivio's activity can be considered "Performing"
- **description of the impacts of activities on biodiversity** (Disclosure GRI 304-2). Conclusion: on criterion 304-2, Covivio's activity can be considered "Performing"
- **protected or restored habitats** (Disclosure GRI 304-3). Conclusion: on criterion 304-3, Covivio's activity can be considered as "Performing" to "High performing"
- **impact of the sites on the species appearing on the IUCN Red Lists** (Disclosure GRI 304-4). Conclusion: on criterion 304-4, Covivio's activity can be considered as "High Performing"

Mapping of Covivio sites in or adjacent to protected areas



3.4.1.4.2.2 An analysis at the activity level (Global Biodiversity Score - GBS)

Launched in 2020 by CDC Biodiversité, the GBS is a tool for assessing the biodiversity footprint of companies that focuses on the impacts of economic activities on biodiversity throughout their value chain.

The main GBS approach is to link data on economic activity to pressures on biodiversity and translate these pressures into impacts on biodiversity expressed in the single MSA.km² measurement. The MSA is the mean species abundance, a metric expressed in % characterising the change in the number of individuals of each endemic species in an area, thus assessing the integrity of a given ecosystem. The MSA values range from 0% to 100%, where 100% represents an undisturbed virgin ecosystem and 0% an artificial zone. In the GBS, the MSA indicator is multiplied by an area expressed in km²: 1 MSA.km² would therefore be equivalent to the total loss of biodiversity per 1 km² of an undisturbed ecosystem (100% MSA).

Covivio's biodiversity footprint aims to study the impact of its development, renovation and management activities in the various countries where it operates.

The cumulative past impacts associated with Covivio's historical activity amount to 48 MSA.km² on land and 11 MSA.km² on freshwater[1]. The activities in 2021 contributed to 2 MSA.km², which is equivalent to the conversion of 28 additional football fields of abundant biodiversity into car parks. This scientific analysis shows that the three main drivers of Covivio's impact on biodiversity, in order of magnitude, are:

- the supply of raw materials for construction, located upstream of the value chain, which generates around 2/3 of Covivio's biodiversity impacts
- the energy consumption of tenants, located downstream, particularly in the aquatic area where it represents 32% of the impact
- the conversion of land associated with development activities, for direct operations.

These activities contribute to the following pressures on biodiversity:

- land use is the pressure to which Covivio contributes the most, mainly through the purchase of construction materials, but also through its existing portfolio
- hydrological disturbances and ecotoxicity related to the supply and use of raw materials for improvements and renovations as well as the electricity consumption of tenants
- GHG emissions, for the same reasons.

On the basis of this study, Covivio aims to formalise a strategy and an action plan dedicated to biodiversity in 2023, based as much as possible on the trajectory proposed by COP15, which aims to "halt and reverse biodiversity loss by 2030[2]". This strategy will build on the objectives and policies already in place, in particular as part of the Group's climate strategy and its commitments to net zero reallocation of natural land to urbanisation.

3.4.1.4.2.3 Sector-specific analysis (Science Based Targets for Nature - SBTn)

Building on the work of the SBTn initiative[3], the main impacts identified throughout the value chain of the construction and real estate activities (merger of the two distinct sectors in the matrix to better characterise Covivio's activity) are as follows:

<table>
<tr><th></th><th></th><th>Upstream</th><th>Direct Operations</th><th>Downstream</th></tr>
<tr><td rowspan="3">Use and change in use of ecosystems</td><td>Land</td><td>Low to medium</td><td>Very strong</td><td rowspan="11">Not assessed by SBTn. However, the documented impacts of the sector are related to energy consumption, solid waste or discharges of pollutants into water as well as GHG emissions related to the use, renovation and demolition of assets.</td></tr>
<tr><td>Fresh water</td><td>Low</td><td>Strong</td></tr>
<tr><td>Marine ecosystems</td><td>Low</td><td>Not assessed by SBTn</td></tr>
<tr><td rowspan="2">Resource exploitation</td><td>Water</td><td>Low to medium</td><td>Strong</td></tr>
<tr><td>Other borrowings</td><td colspan="2">Not assessed SBTn</td></tr>
<tr><td>Climate change</td><td>GHG emissions</td><td>Strong to very strong</td><td>Strong</td></tr>
<tr><td rowspan="4">Pollution</td><td>Non-GHG air pollution</td><td>Low to medium</td><td>Medium to strong</td></tr>
<tr><td>Water pollution</td><td>Low to medium</td><td>Medium</td></tr>
<tr><td>Soil pollution</td><td>Low to medium</td><td>Medium</td></tr>
<tr><td>Solid waste</td><td>Medium</td><td>Strong</td></tr>
<tr><td>Invasive species</td><td>Disturbances</td><td>Low</td><td>Medium to strong</td></tr>
</table>

Adapted from the SBTn matrix for the following sectors: Construction, real estate activities. These data reflect the pressures associated with these sectors worldwide and do not reflect country specifics.

(1) Without ecotoxicity, which amounts to 28 MSA.km² for land impacts and 6 MSA.km² for aquatic impacts.
(2) https://prod.drupal.www.infra.cbd.int/sites/default/files/2022-12/221219-CBD-PressRelease-COP15-Final_0.pdf
(3) Main pressures associated to real estate and construction activities. Source: SBTN materiality matrix (2021).

3.4.1.5 Accessibility of the buildings as a driver of inclusion

3.4.1.5.1 An asset with good connections to public transport

Reducing Covivio's carbon footprint involves choosing sites that encourage the use of public and environmentally-friendly modes of transport (such as walking and cycling) by employees and tenants.

Covivio has set itself the objective of having at least 95% of its buidlings at the end of 2025 no more than 10 minutes away on foot (1 km) from public transport (trains, suburban trains, underground systems, buses and trams). This objective, already present in Covivio's CSR action plan for several years, is now relayed by one of the commitments adopted on the occasion of the expression of the company's purpose. At the end of 2022, 96.8% of assets were located less than 5 minutes from public transport, and 99.8% less than 10 minutes.

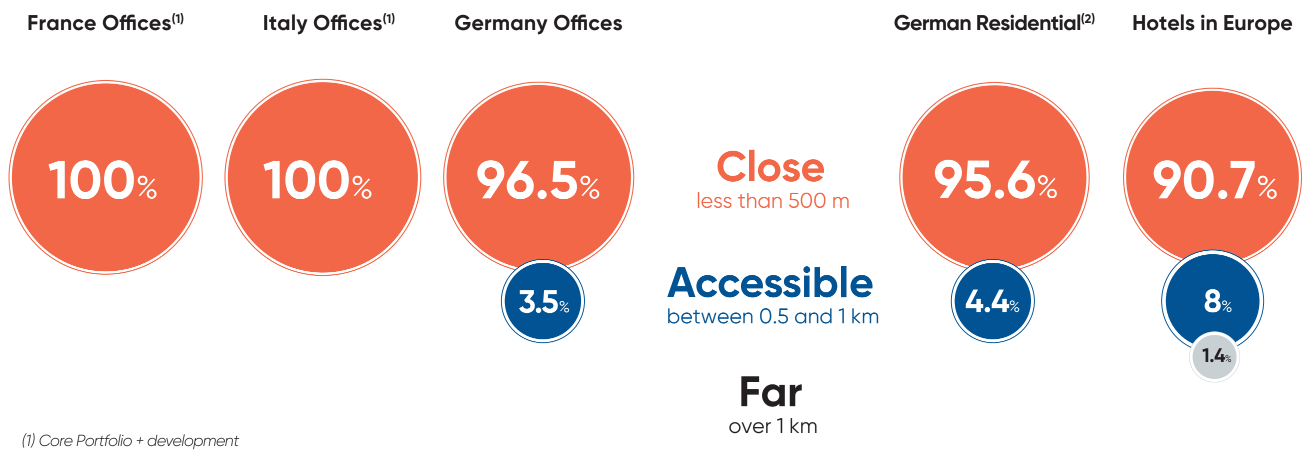
As of 2013, Covivio's teams in Italy have benefited from four electric vehicles and free recharging stations are available for employees in Milan and Rome. In Germany, Covivio provides its employees with charging stations for electric vehicles and bicycles, and in Oberhausen has equipped the maintenance staff with electric vehicles. Also in Germany, all new buildings or major renovations with a car park with more than five spaces must provide the necessary cabling for charging stations equipment. From 2025, all buildings with more than 20 parking spaces must have a charging station.

In order to accurately frame these subjects, Covivio has defined its mobility strategy more precisely: this his involves the installation of ergonomic, secure bicycle parking spaces appropriate to the size of the building, and repair and tyre inflation equipment, secure lockers, changing rooms and showers. From the design stage, Covivio includes a mobility programme, like what was done for the development of the IRO building at Châtillon. A 170-space (potential upgrade to 250) bicycle parking lot with a separate flow of vehicles and a motorised badge-operated gate has been planned for this building, which can accommodate more than 2,000 occupants and is located near the green corridor.

To ensure that its portfolio has good access in terms of public transport, every year Covivio conducts a mobility study for all its European assets (including a representative sample for residential assets in Germany). The following graphs show the results for the different portfolios at 31 December 2022.

Accessibility of public transport

At 31 December 2022 (in Group share value)



(1) Core Portfolio + development

(2) Representative panel

The in-depth study carried out in 2022 further qualified the accessibility of the transport networks of the offices held in France, Germany and Italy. The very good quality of the Group's assets is thus reflected not only by the proximity of the means of transport but also by their diversity:

- **99.4%** (in Group share value) of office assets are less than 500 m from public transport
- **94.3%** of the assets have at least one regional or urban rail transport within 1 km and 84.9% within 500 m
- within a radius of 1 km, **54.4%** of assets have at least one regional rail transport system (RER or TER) or urban transport system (tram or metro)
- the average distance from assets to public transport is **171 meters** (weighted average in value) taking into account buses, and **277 meters** without taking them into account.

In the Hotels portfolio, more than two-thirds of the assets have a location rating on the TripAdvisor website of more than 90/100, thus demonstrating the quality of the locations in terms of accessibility, and also in terms of nearby restaurants, cultural venues, and places of interest.

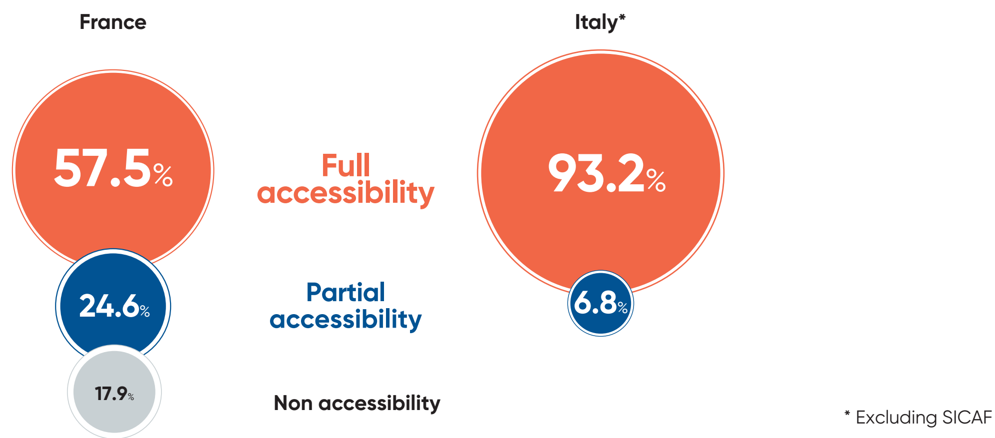
3.4.1.5.2 Making buildings accessible for people with disabilities

Covivio pays particular attention to the accessibility of its buildings to people with disabilities and removing architectural barriers in public spaces. The legislative framework of the countries in which Covivio operates provides for technical parameters to be guaranteed: minimum width of doors, characteristics of the staircases (in particular to favour their use for the first floors rather than the lifts), size of the lifts, access ramps, toilet characteristics, etc. Covivio's developments and renovations comply with the strictest accessibility standards.

The following graph shows the accessibility scores of office buildings for people with reduced mobility.

Office accessibility for people with reduced mobility

At 31 December 2022 (in Group share value)



Various solutions have been deployed for new buildings and those in operation, in order to improve the quality of life of people with visual or hearing disabilities, in particular with the installation of sound signals or light markings.

In Germany, major work has been carried out to adapt existing housing for persons with disabilities whenever technically possible, including widening of doors, installing access ramps, additional lifts or stairlifts. The Probewohnen project, launched in 2015, aims to offer people with mental disabilities the opportunity to test their autonomy in adapted housing. The Wohnen im Pott project consists of opening an outreach office in Oberhausen for people with disabilities to learn about the rights and solutions they can take advantage of in respect to housing. This multi-purpose room is open to all inhabitants and encourages residents of the neighbourhood to socialise with one another.

3.4.2 Collaboration with suppliers

Benefiting from a responsible supply chain is key for the Group and is a significant risk, both in terms of the impacts on Covivio's business continuity and its reputation. The performance of Covivio and its buildings is linked to that of its suppliers, consultants and subcontractors, particularly in terms of carbon and climate transition. This issue includes the issue of building site accidents, and more generally the monitoring of measures put in place by suppliers to protect the health and safety of people working on building sites. Covivio's Responsible Purchasing policy makes it possible to take these findings into account and to satisfy a certain number of:

- obligations such as the law of 9 December 2016, known as the "Sapin 2" law, on transparency, the fight against corruption and the modernisation of economic life
- commitments such as respecting the principles of social responsibility defined in the United Nations Global Compact and integrating them into the purchasing process
- or even meeting certain certification provisions such as HQE Operation or BREEAM-In-Use.

In 2021, for the second consecutive year, Covivio received recognition from CDP as a leader in terms of supplier commitment. (CDP Supplier Engagement Leader A-List), putting it in the top 8% worldwide in this area. Covivio also obtained a score of 81/100 (Gold level) in its fourth EcoVadis assessment, thus placing itself among the top 1% of companies rated by this body and thus benefiting from the Platinum level.

3.4.2.1 An assessment by an independent third party

In 2011, Covivio was one of the first European real estate companies to set up a system for assessing suppliers and consultants. This covered both the entire supply chain for the development and management activities of the France Offices portfolio, and the company's operating expenses. This system, managed internally, was based in particular on an internal charter signed by the supplier, a clause making it possible to document the CSR commitment of suppliers, in the contracts and specifications of maintenance and works contracts, a survey questionnaire, as well as a verification of the responses to the questionnaire by an independent third party with a certain number of respondents each year.

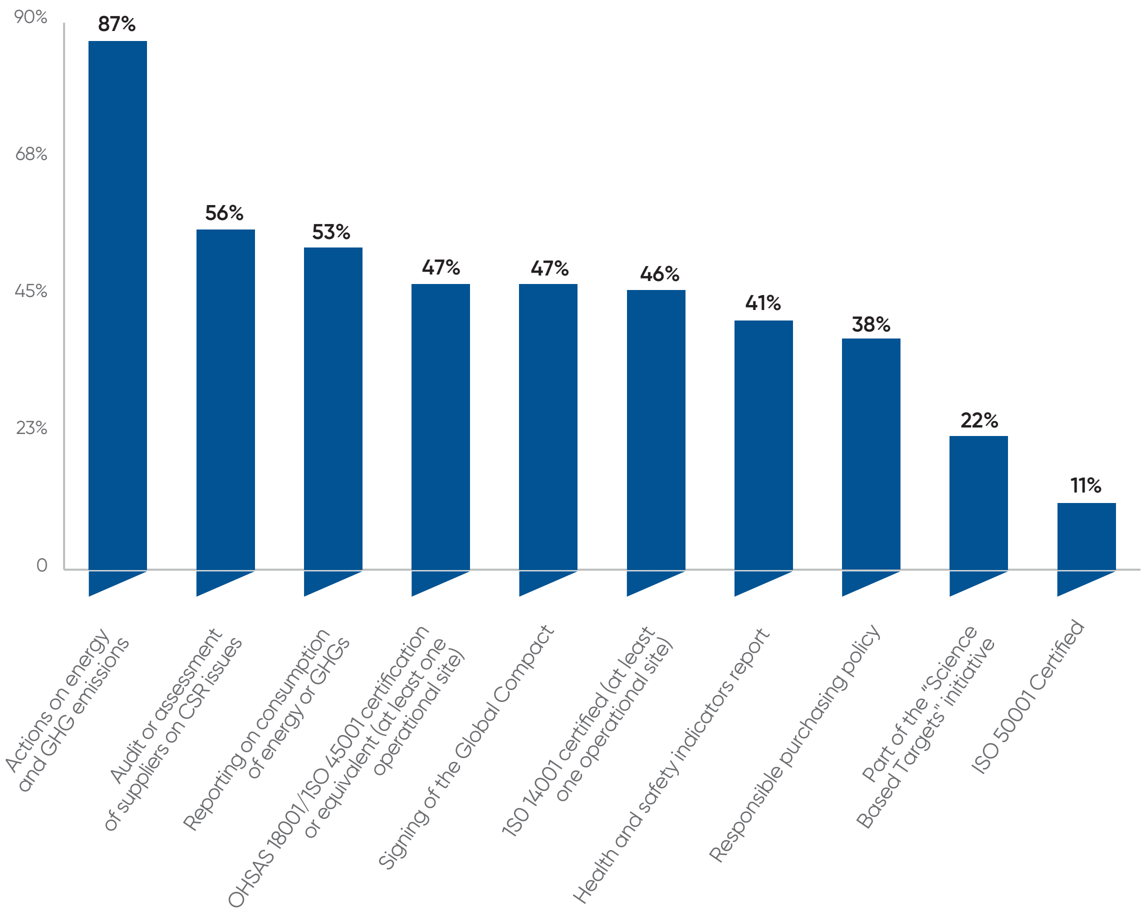
In 2022, the Group decided to rely on the expertise of an independent third party, EcoVadis, to extend the scope of the assessments to German and Italian suppliers. This system makes it possible to assess suppliers with real-time information, centralised on a platform, sectoral benchmarks and the support of an international organisation comprising 180 experts and having already assessed 100,000 companies worldwide.

Covivio also benefits from 360° monitoring (reputation, etc.). Covivio uses this system to prevent corruption risks and assess suppliers in accordance with the Sapin 2 law, with the aim of having a global vision of the integrity and probity of suppliers and consultants.

Covivio's Responsible Procurement Policy is deployed by means of three tools:

- articulated around 11 principles, Covivio's Responsible Procurement Charter promotes the 10 principles of the Global Compact, the Diversity Charter, the International Labour Organization as well as those of the Covivio Ethical Charter (3.6.2.1). The latter aims in particular to fight against corruption and money laundering, anti-competitive practices, as well as bad environmental practices (products used) or social practices (non-compliance with regulations). Covivio's Responsible Procurement Charter sets out its CSR actions, notably in line with the UN's 17 SDGs for 2030
- a survey questionnaire on the CSR and ethics practices of suppliers with orders of more than €200 thousand excl. tax. The following are excluded from this process: insurance, banking, joint ownership, tax, notaries, duties and royalties. The assessment carried out using the EcoVadis platform covers 21 criteria: environment, social and human rights, ethics and responsible procurements. The analysis of the results is shared with the respondent. It indicates its strengths and weaknesses and proposes areas for improvement in terms of CSR
- a CSR clause making it possible to contractualize the CSR commitment of suppliers, in the contracts and specifications for maintenance and works contracts. In Italy, the Property Management team has included green clauses in maintenance contracts, including waste management, the use of environmentally friendly materials and cleaning products, etc. Similarly, in Germany, most of the products listed (materials, equipment, etc.) by Covivio Immobilien benefit from a stringent German label, guaranteeing respect for the environment and the health of users. These guidelines were reviewed in 2020, in particular to incorporate the environmental recommendations linked to the portfolio's HQE certification for buildings in use (HQE Exploitation). Finally, a clause on the fight against corruption has been included in the new contracts and specifications signed in France.

Percentage of suppliers responding positively to these items to the EcoVadis questionnaire (selection of actions)



The results of the questionnaire show a correlation between the size of the companies and the scores obtained, due to different levels of maturity in terms of CSR, but also to heterogeneous financial and human resources.

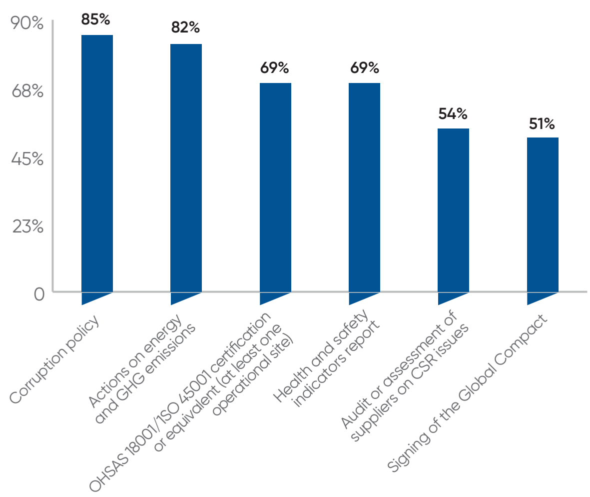
Indeed, the more the company grows, the more CSR issues are taken into account. Large companies have formalised their policies more and obtain more labels/certifications, while small companies act more informally. Social issues, and in particular QLW, are generally taken into account by companies of all sizes, and societal actions a little less. There are also many disparities in environmental issues even if certain unavoidable issues, such as waste management or the responsible supply chain, are taken into account to quite a large extent.

At the end of 2022, the first year of experimentation, 125 French/German/Italian suppliers were assessed, in addition to 9 international suppliers (multinationals) and 36 in the process of responding.

The first assessments carried out show an average score of 62.4/100 out of the top 125 suppliers assessed, while the EcoVadis average for the sector is 50.2/100.

The tools are used to characterise performance by company, company size, geographical area and business sector. For example, in the construction sector, the suppliers assessed provided the following responses on this selection of indicators. Since 2015, Covivio has been a signatory of the Responsible Supplier Relations charter (RFR - national initiative led by the State) confirming the maturity of this approach. Signing this charter is a milestone in improving relations between customers and suppliers and promotes the dissemination of ethical purchasing practices in relation to suppliers. An internal mediator, the Sustainable Development Director, represents the Group in managing any potential disputes with suppliers. There were no disputes in 2022.

Focus on construction - EcoVadis answers



3.4.2.2 Construction site accidents

Covivio has implemented monitoring of accidents across all its development and renovation operations.

On all building construction sites in Europe, Covivio reported one death among subcontractors during 2022 (vs zero in 2021). The following table presents the various data collected on construction sites under development in France during 2022.

Accidents on developments and renovations in France in 2022

(Supplier data)

Total number of hours worked on the sites	2,400,000
Number of lost-time occupational accidents	12
Number of lost working days	97
Accident frequency rate	4.99
Severity rate	0.04

The average figures for the construction industry as calculated by the French National Health Insurance Fund, are 31.1 and 2.4 for frequency and severity respectively (2021 accident figures). The data published by Covivio was collected on five French projects delivered or underway in 2022.

3.4.2.4 Supplier CSR risk mapping

In 2020, a study was initiated to determine the main CSR risks of the Covivio supplier panel in France, Germany and Italy. Indeed, if they were poorly managed, purchases, or even a supplier chain, could have negative impacts in terms of reputation and activity for Covivio, as well as for its stakeholders: tenants, suppliers themselves, etc.

Methodology:

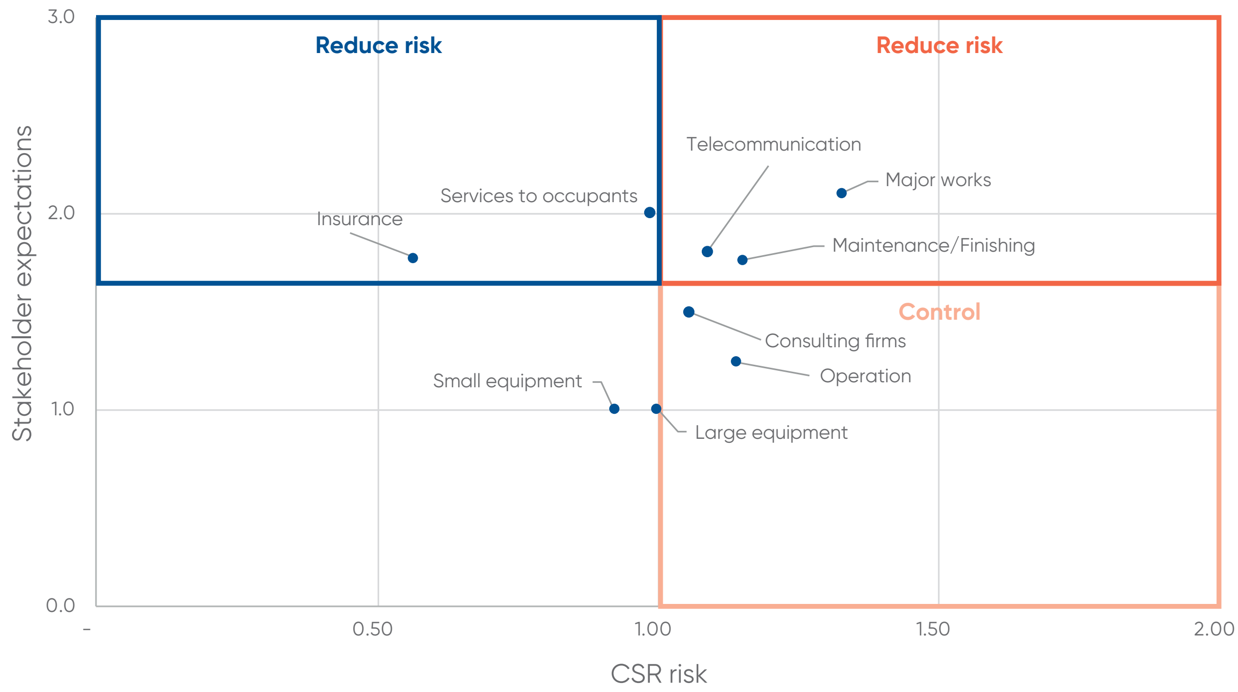
Several purchasing categories were determined in each of the three countries, based on the expenditure for the 2019: nine in France, seven in Italy and six in Germany. The categories common to each country are: telecommunications, maintenance, design/consulting, major works and insurance. The Small Equipment and Major Equipment purchase families are specific to France, and Occupant Services and Operating Expenses are specific to France and Italy. For each of these families, two separate analyses were carried out:

- an analysis of the context of the purchasing family: risk of supply chain disruption, possibility of alternatives, possibility of influence of suppliers, media exposure, expectations of the main stakeholders, etc.
- an analysis of the main families of CSR risks:
  - environmental risks: energy consumption, CO_2 emissions, biodiversity, pollution, etc
  - social: health/safety, quality of life at work, respect for human rights, etc
  - clients: well-being, data security, etc
  - ethics: corruption, money laundering, etc
  - regional: nuisance for local residents, economic development, etc.

The risks analysed are the residual risks remaining after the implementation of specific actions and measures. The interviewees had to quantify these various risks on a scale ranging from non-existent to critical, including limited, significant and major, based on their experience as buyers. This study has already produced the following results: in France, perceived CSR risks are generally limited because they are managed internally. The environmental risk is the most significant overall. Social and Client risks are also not to be neglected, respectively for the major works and Technical Consultants/Consulting families. In Germany, it is the risks related to business ethics that are perceived as the most important, and in Italy those related to local development. The results therefore differ from one country to another.

The chart below shows the categories of purchases studied according to their respective levels of CSR risks (average of each of the risks mentioned above), by cross-referencing them with the expectations of stakeholders with regard to each of the categories. The higher the point on the graph to the right, the more significant the expectations and risks. The higher the expectations of stakeholders, the greater significance of the final risk to be managed, because it will not only affect Covivio, but also its ecosystem. The Major Works and Maintenance purchasing families are identified as the most at risk in terms of CSR and those on which stakeholders have the most expectations. The risks are mainly environmental (waste, pollution) and social (including health and safety of people). Ethical risks were also raised, as well as risks likely to have an impact on the activity of tenants (notably related to on-site maintenance, for example). These categories can give rise to specific actions. The other families identified as having risks to reduce are Insurance and Technical and consultants/Consulting firms, requiring specific actions.

Prioritisation matrix/CSR risks and stakeholder expectations



3.4.3 Collaboration with clients

Covivio has grown by building and developing strong ties with its main stakeholders. Its business necessitates a multitude of relationships with different stakeholders, both private and public, and of varied sizes and sectors (3.2.3.1). As the Group's success is at least partly based on the quality of relations with external stakeholders (including customers and suppliers), these are now deemed to constitute a risk, which has been analysed and found to be very well managed. Specific strategies have been put in place to better meet expectations (3.2.3.2) in particular those of customers, suppliers and advisers (3.4.2). Above and beyond the quality of these relationships and the trust that is built through structural partnerships, Covivio sees cooperation with its external stakeholders as a driver of innovation and growth.

3.4.3.1 A strategy of long-term partnership and optimisation of customer satisfaction

Covivio favours a long-term partnership strategy with its clients, shareholders and suppliers, and in the context of its initiatives with local authorities and non-profit organisations.

Constantly seeking to improve the satisfaction of its clients, and given the rapid changes in working methods and practices, Covivio continually strives to identify their strategic challenges and anticipate their needs and expectations. Full control of the real estate chain, a service-based approach and the design of increasingly "tailor-made" real estate enable Covivio to continually enhance the client experience offered and the user experience within its buildings.

Driven by its hotel experience and client feedback, Covivio offers its clients five areas of service:

- **well-being and health:** The ergonomics of Covivio buildings are designed based on the most demanding criteria in terms of space, flow and furniture. The comfort in terms of light, acoustics, or even the olfactory ambiances promote serenity and concentration, just like the rooftops, terraces, greenhouses and patios. In early 2023, health teleconsultations will be tested on two sites, thus supplementing the existing offer of well-being and health services
- **mobility:** The soft mobility journey of users is integrated from the design phase of buildings, the vast majority of which are located in city centres or very well-served hubs. It only takes a few steps to reach the bus, tram, metro or self-service bicycle station. This accessibility promotes public transport and soft mobility and reduces clients' and Covivio's carbon footprint. 97% of Covivio office buildings are located less than 500 m from public transport; in 2025 the ambition is to reach 100%
- **catering:** 90% of the multi-tenant office buildings held by Covivio in France have at least one catering offer. These restaurants can serve from 300 to 1,000 covers per day, always with the same level of quality. Service providers are selected according to very strict criteria: quality and reliability of their CSR policy, in particular their supply of fresh and local products, the fight against food waste, and more generally the quality of the consumer-employee experience. 85% of Covivio clients say they are "very/somewhat satisfied" with the quality of the service providers selected in this way
- **CSR and biodiversity:** Nearly 80% of new office projects in France are the result of refurbishment, which avoids urban sprawl and soil sealing. 99.3% of office buildings held in France are certified for construction and/or operations with various certifications such as HQE, BREEAM and BBCA. Planted areas, as often as possible in the ground, are managed according to a biodiversity Charter integrated into the building's specifications. In total, 260,000 m2 of offices have the BiodiverCity or EcoJardin label
- **smart building:** The use of R2S or Wiredscore labels on office buildings guarantees the highest standards in terms of connectivity. Connected objects (sensors, presence detectors, etc.) are integrated into the Building Management System (BMS) to ensure the comfort of use for employees or service providers, and reduce the carbon footprint through a more rational use of resources.

Covivio's partnership DNA enables it to establish a relationship of trust with its stakeholders and in particular its clients. Covivio also relies on the experience of its teams to meet the expectations of companies, which increasingly want flexibility, agility, listening and advice from their lessors. Each client therefore has a single contact person, available and responsive to answer their questions and expectations. In the France Offices portfolio, for example, 94% of clients say they are satisfied or very satisfied with the availability of Covivio's teams. Clients' employees are now living more and more "hybrid" work experiences and wish to live an inspiring experience in their workplaces, which implies attractive, flexible, reversible and scalable common spaces, as well as constantly evolving services. To ensure this, the range of services offered is co-defined and co-constructed with clients and strongly anchored in the local ecosystem. The Pro-Working Wellio offering is an integral part of this approach, with its flexible à la carte services; it enables Covivio to offer its clients hybrid offerings combining contractual and service formats. More generally, spaces and services must give meaning and added value to being at the office. Covivio also supports its clients to identify areas for improvement, optimise the existing offer, imagine new solutions, and integrate new regulations and challenges such as the tertiary decree in France and energy efficiency measures. Covivio supports its clients and service providers by communicating very early on the implementation of these regulations and by proposing deployment mechanisms and proposals for relevant actions.

For several years, Covivio has regularly conducted targeted satisfaction surveys among its customers. As a reminder, a major satisfaction survey was conducted in France in 2019, at the initiative of Covivio, with 1,300 end users, in order to better define the range of services to be used in its buildings. This survey was repeated at the end of 2022 among employees in 29 multi-tenant buildings and 7 Wellio sites located in France and Italy, to closely analyse their new working habits, ensure the relevance of the spaces and services available to them and then develop the offer with a target in mind.

In 2022, a common approach for measuring customer satisfaction was structured at the European level:

(1) **flash surveys** that measure, using very short questionnaires, the level of customer satisfaction over time, particularly during visits to the premises and the preparation of annual Committees

(2) an **annual survey with deciders**

(3) an **annual survey with employees and clients** to understand in more detail their level of satisfaction with spaces, services and their changing expectations.

To structure these surveys, Covivo uses the expertise of Opinion Way and Kingsley, recognised experts. In the field.

The results recorded in 2022 remain very positive, particularly with regard to the benchmark indices of the international real estate market, published by Kingsley. Thus, the survey conducted in 2022 among 265 clients of Covivio and Wellio in France and in Italy, *via* the Kingsley Institute, revealed that the overall satisfaction of the clients questioned was 3.9 out of 5 (*vs* the Kingsley index of 3.7), mainly driven by the assessment of the quality of the management teams (4.3 *vs* 3.8). The indicator for facility management quality also posted results above the Kingsley index: 4.1 versus the index value of 3.6.

In addition to these one-off measures, the Partnership Committees and annual meetings with clients as part of the budget remain a key way for the teams to understand clients' needs and and adapt the offer accordingly. These client Committees take place at least twice a year in France, for all properties. These meetings involve Covivio building tenants as well as clients of Wellio spaces. They represent a client base of more than 300 clients in France, who are regularly met by the Client Relations managers and the Wellio Site Directors.

In Germany, Covivio Immobilien also has close knowledge of its customers' expectations thanks to around thirty local branches and a telephone line available to tenants so they can report any requests or malfunctions concerning their accommodation. An emergency number is also available seven days a week, in order to implement the appropriate solutions as quickly as possible. In 2019, an app was rolled out for German tenants, giving them access to information related to their home as well as a number of online services.

For the fifth consecutive year, the business magazine FOCUS-MONEY analysed the practices of the main housing companies in Germany. In an online survey, conducted in 2022, 1,625 tenants from 26 major housing companies were asked about the services with their landlord over the last 24 months. Covivio was among the top seven landlords in the overall assessment (including four public companies), obtaining the overall rating of "Very good". In the six categories examined, a total of 32 characteristics were assessed: "equitable assistance to tenants", "equitable service to tenants", "equitable rental costs", "equitable residential ownership and landscaping", "sustainability" and "fair housing service". Covivio is the only company to obtain the rating of "Very good" in all categories. Emphasis was placed on the strengths of the condition and equipment of the apartments, particularly in terms of accessibility, ease of contacting Covivio customer service and the appropriateness of rents. This trophy rewards Covivio's customer-centric strategy. A tenant satisfaction questionnaire for the German Residential portfolio was launched in 2021. Given the large number of tenants, the results should be known in the first quarter of 2022. Covivio also holds regular meetings with customers and prospects to talk with them about the problems encountered and get their feedback. These meetings are essential for Covivio in order to inform its discussions and better define its service offering.

3.4.3.2 Proximity and art at the heart of the customer approach

Real estate is experiencing an unprecedented change due to new technologies and new user needs and practices. For Covivio, innovation is both a source of enhanced competitiveness and a way of opening up new markets. To accompany the trends that drive its markets, Covivio implements its innovation-driven approach on a pan-European basis through various means:

- developing synergies with innovation players: Covivio uses incubators to detect innovations developed by start-ups in the building and real estate sector, or with Maddyness, a media outlet for start-ups and innovation, which promotes Covivio's actions within its ecosystem
- creating innovation partnerships with key account tenants (*e.g.* Sekoya 3.3.1.3; Air Quality Challenge 3.3.3.3.3, etc.) in order to accelerate the transformation of real estate for the benefit of the customer experience, as with the Orange group in the context of the restructuring of the Paris-Montmartre building
- instilling a culture of innovation in all employees: as innovation is cross-functional and collaborative, actions have been initiated in all Group entities to identify and work with new players in the world of real estate.

These levers contribute to greater proximity to the end user. For example, Covivio called on the start-up Facilioo to digitise its customer relationship for its German Residential portfolio. Facilioo developed the application "Covivio #home" and made it available to all Covivio housing customers in Germany, making it possible to post service requests for the portfolio, digitise administrative documents related to the rental of housing units and allow customers to track requests in real time.

The AR4CUP project (Augmented Reality for Collaborative Urban Planning) in collaboration with *Politecnico di Milano* also illustrates this collaborative approach. The AR4CUP project aims to promote the marketing of a new SAAS (Software As A Service) product that will allow the on-site presentation of urban projects through Augmented Reality, so citizens and decision-makers can work with architects and developers in a virtuous creation process. This new product was tested on the Vitae project, winner of the international Reinventing Cities competition. In addition, the Manifesto accompanying Covivio's Purpose sets the objective of offering a wide range of services accessible *via* a mobile app on all multi-tenant buildings. This application, already deployed in its main buildings, offers centralised access to all building services and improved information flow.

Along with art, Covivio buildings are to be experienced and visited.

Convinced that art contributes to the identity of a place and to the construction of a common space whilse stimulating exchanges and creativity, in 2018 Covivio joined the "1 building, 1 work" programme, placed under the auspices of the French Ministry of Culture. A programme that commits its members to ordering or buying a work of art from a living artist for some of their buildings, thus supporting contemporary artistic creation in compliance with best practises for the artist profession. Art has thus become obvious for Covivio, which adopts a global and committed approach at the Group level in order to develop a strong marker on its assets, facilitate the meeting between art and city users and create unifying common areas. Covivio encourages the emergence of artists who will create the art of tomorrow and who respect the environment in their creative process.

An approach that is deployed in its main buildings, new or renovated, whether they are offices, hotels or housing units, in France, Italy and Germany. From Marseille to Berlin, from street art to the design of a monumental work, there are already 13 works that colour Covivio's portfolio and contribute to creating links and varied experiences.

For example, Caroline Derveaux, an Audonian artist, created a monumental work for Covivio in Saint-Ouen-sur-Seine (near Paris) called "Stairway to rise up". Designed as an artistic journey composed of four 420 cm x 220 cm wall frescoes painted *in situ*, and four Dibonds mirror elements, it is deliberately located in the double helix staircase of the So Pop office building to create meetings and discussions. Another example is the work of art "Altra Natura", specially commissioned from the artist Pamela Diamante, winner of the first Covivio prize in 2022 in collaboration with the contemporary art exhibition Miart. Installed in the Symbiosis office building, in an area of Milan that has undergone major transformation, it reproduces a living organism that hybridises the plant, animal and artificial worlds in a nature-culture synergy. It thus offers a unique phantasmagoria for the occupants of the building but also for local residents.

CB21: supporting young French artistic creation

As part of its commitment to the "1 building, 1 piece of art" scheme, Covivio has created a unique collaboration with the *École Nationale Supérieure des Arts Décoratifs de Paris* (ENSAD) for the design and production of a work imagined by young graduate artist of the school starting out as a professional. Covivio received around ten artistic proposals, all very different and qualitative, in line with the identity of CB21.

Offering an immersive installation, the original project of a 29-year-old artist, Hugo Servanin, was selected. Inspired by the gardens of the CB21 tower, the piece of art "Object 10" reinterprets Edouard Manet's "Déjeuner sur l'herbe", painted in the 19th century, and offers an abstract universe in which human, nature and technology meet. Processed using Artificial Intelligence (AI), the bucolic scene has been translated into abstract images thanks to a phenomenon called "overfitting". By manipulating algorithms, AI reflects the inability of the machine to mimic human visual perception. The three frescoes, in enamelled sandstone of 7 x 7 m each, voluntarily blend into the visual imperfection of the granulated concrete wall and contrast with the mineral universe of the Défense District. This partnership illustrates Covivio's desire to collaborate with emerging artists to support young French artistic creation.

3.4.3.3 Making a success of the environmental transition together

Covivio is aware of the need to involve its partners (clients, suppliers, etc.) to ensure the success of its actions in terms of environmental transition, particularly for its 2030 carbon footprint target (3.3). Build sustainable relationships and well-being: Covivio's Purpose reflects this goal and its expertise in the field.

By putting in place different actions, such as environmental annexes and sustainable development Partnership Committees, Covivio has laid the foundations for a relationship based on effective and constructive dialogue, in order to optimise the environmental performance of its buildings. As part of its special relationship with each tenant, Covivio has been organising Sustainable Development Committees in France since 2010. The Committees have facilitated and anticipated the inclusion of environmental annexes in 100% of leases for more than 2,000 m2 of office or retail space in France. Other leases, which are not subject to this requirement, also benefit from annexes, and this formalises the parties' commitment to CSR including energy, carbon, water, waste, transport, biodiversity, etc. These exchanges make it easier to obtain HQE certification for buildings in use (HQE Exploitation) or BREEAM In-Use certifications, selected in collaboration with tenants. They also facilitated the implementation of the Eco Energie Tertiaire system (tertiary decree) as well as the actions related to the energy efficiency plan.

In 2017, in Italy, Covivio drew up a Memorandum of Understanding (MoU) containing environmental clauses for tenants who wished to sign up. As such, the parties are invited to cooperate in order to identify any solutions and measures that could be deemed useful, appropriate and/or necessary for the purpose of improving the building's energy efficiency throughout the term of the lease. This document is now available to all new tenants, supplementing the "green clause" on the energy efficiency of buildings included in all leases.

To assist the residents of Covivio buildings in Germany and raise awareness, a welcome booklet is provided to them when they move in. It is available on the website (www.covivio.immo/mieterhandbuch/). It contains information on aspects such as the proper use of the heating system and selective waste collection, as well as tips to reduce the energy consumption of the housing unit.

Covivio Immobilien supports its tenants to reduce their energy consumption

Covivio Immobilien has launched an energy saving awareness campaign for its tenants in cooperation with the city of Oberhausen and the North Rhine-Westphalia Consumer Advisory Center[1]. In a free online seminar broadcast on 15 July 2021, tenants were advised on means to reduce their electricity consumption at home, with little effort. By offering them the loan of an electricity meter, tenants were able to assess their own consumption in relation to average values and correctly interpret the energy information on the new devices.

The tenants of buildings of the Covivio Hotels portfolio have all implemented proactive policies to reduce their expenditure on water and energy, reduce the amount of waste they generate and their ecological footprint, strengthen their ties with their stakeholders, and be acknowledged as responsible and committed players when it comes to the major environmental and social challenges. Their own customers, both private and professional, are also increasingly demanding in terms of organic, healthy food and ethical products and services.

(1) *https://www.Covivio.immo/press/Covivio-und-verbraucherzentrale-nrw-in-oberhausen-strom-sparen-leicht-gemacht/.*

3.5 Social policy: European human capital that creates value

Convinced that long-term success is based on an ambitious and future-oriented human resources policy, Covivio strives, on a daily basis, to create an environment where its women and men can develop their full potential.

In the different positions and jobs within Covivio, levels of expertise and skill play a decisive role at all levels. Attracting the best talent is not enough, however, as such talent must also be retained and developed, which involves monitoring the career path of each person.

Identified as a major CSR risk following the risk mapping carried out in 2018, the "Skills/Attractiveness/Diversity" issue covers the various aspects related to the importance for the sustainability of Covivio's model of retaining and developing talent while conveying strong values of equality and inclusion (3.5.1). Additional insights into employer-employee dialogue and exemplary practices in the exercise of CSR values supplement this summary in section 3.5.2.

At the end of the health crisis and in a changing macroeconomic context, 2022 was marked by a strong commitment from the teams to the Group's performance. The development of European human capital is even more anchored in the sharing and alignment of best practices in Germany, France and Italy. Faced with the increase in turnover impacting the job market as a whole, Covivio is doing even more to retain and develop its talents.

The Human Resources (HR) policy developed by Covivio revolves around four action areas that are essential to the momentum of the 2020-2025 objectives detailed in this chapter, namely:

- professionalisation and the pursuit of excellence at every level
- a fair remuneration policy, directly linked to performance and achievements
- exemplary management at the local team level
- a transparent and constructive social climate.

At 31 December 2022, Covivio employed 1,054 people (1,032 in 2021): 309 in France (302 in 2021), 104 in Italy (99 in 2021), 637 in Germany (627 in 2021), 3 in Luxembourg and 1 employee in Spain. The report presented below concerns the 1,050 employees located in the Group's main countries: Germany, France and Italy (Luxembourg and Spain-based employees are operationally attached to these main entities).

While some aspects are handled locally (including recruitment and the negotiation of agreements) in view of local practices and regulations, several others reflect shared objectives and values across the Group and are similarly deployed in all three countries. Diversity, dialogue, professional development, quality of life at work, work/life balance and prevention of all forms of discrimination are among the common concerns that underpin Covivio's HR policy on a pan-European basis.

Covivio did not use any form of partial employment or downsizing in 2022 and does not foresee any restructuring plan leading to redundancies for 2023 in France, Germany or Italy.

Towards greater European consultation at HR level

As part of their European seminar organised in 2021, the HR departments of the three countries met in March 2022 to define a new HR action plan to promote the company's appeal and retention of talent. During this workshop, they were able to share their best practices and co-constructed a plan including actions to be rolled out over the next two years. Several themes were discussed: recruitment and onboarding, training and skills development, talent management, performance assessment, quality of life at work and diversity and inclusion.

Key social performance indicators (at 31 December 2022)

1,050
EMPLOYEES IN FRANCE, GERMANY AND ITALY

"SKILLS/ATTRACTIVENESS/DIVERSITY" RISK

93.4%
EMPLOYEES ON PERMANENT CONTRACTS

29
INTERNAL MOBILITY

88.1%
FULL-TIME EMPLOYEES

50%/50%
MEN/WOMEN PERMANENT EMPLOYEES IN EUROPE

36
PARTICIPANTS IN EX-AEQUO PROGRAMME

3.1%
STUDENTS ON APPRENTICESHIP CONTRACTS

100%
OF EMPLOYEES COVERED BY A SECTORAL AGREEMENT

132
PEOPLE RECRUITED ON PERMANENT CONTRACTS

3.5.1 Challenges related to skills, appeal and diversity policy at Covivio

Covivio conducts its business in an industry in which human capital is a key factor to the success of the company. The challenges related to skills, attractiveness and diversity were identified in the CSR risk mapping as major issues for the company. The different initiatives in these domains are described below, with an overall approach set at the European level, whilst preserving local autonomy, in order to guarantee better flexibility and responsiveness for these three entities: Economic and Social Unit (ESU) France (Offices and Hotels), Italy (Offices) and Germany (Residential and Offices).

The risks associated with human capital are related to potential losses of skills and know-how in the event of high turnover or low capacity to attract and retain talent; a lack of development of existing skills in the event of a lack of investment in training; psychosocial disorders (unease at work, occupational illnesses) if not prevented or treated; or discriminatory practices in the absence of awareness-raising and whistle-blowing mechanisms, leading to a high reputational risk.

3.5.1.1 Strategic HR guidelines for performance

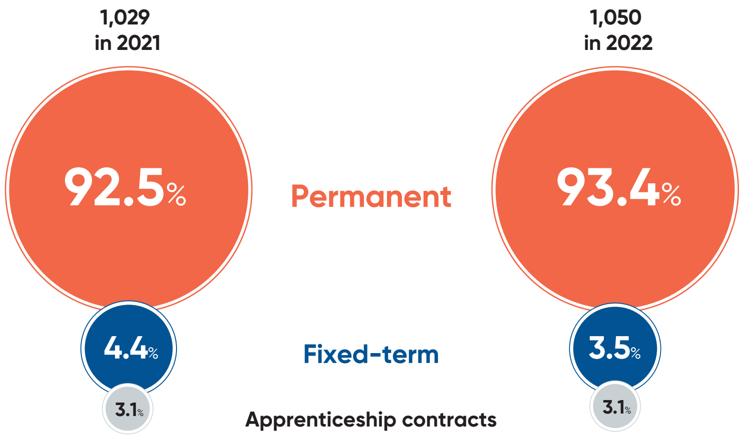
3.5.1.1.1. A recruitment policy that supports the strategy

Covivio's European headcount was up compared to 2021 (+2.1%), with a total of 1,050 employees at 31 December 2022, compared with 1,028 at the end of 2021.

In 2022, the number of employees on temporary contracts in France still represented a small proportion of the workforce (1% at 31 December). In Germany, the use of temporary contracts is traditionally more frequent, but remains limited and is down by 1.5 points compared to 2021 (4.5% of the workforce at 31/12/2022 compared to 6% at the end of 2021). The proportion of employees on permanent contracts thus continued to grow (accounting for 93.4% of the total workforce at end-2022) testifying to the emphasis placed on talent retention and supporting the Group's future growth. In Italy, the share of temporary contracts also remains low (4% at the end of 2022), even if it is up compared to 2021 due to an additional workload related to the deployment of SAP.

Recruitment needs are studied and determined by General Management according to the priorities and multi-year business challenges. Mid-year and end-of-year appraisal interviews as well as "People Reviews" are used to measure both employees' workloads, the depth of skills required, their long-term allocation, and any changes in skills that need to be addressed. These components are used to outline a recruiting plan, which is reviewed monthly in all three countries. The recruitment process at Group level is closely watched and aims to assess the candidate's professional skills and personality. Managers and HR work hand in hand to recruit the most relevant resource.

Change in the number of employees



Through four interviews, intended to be discussions, candidates have the opportunity to obtain a practical overview of the company and its strategic challenges. An interview with the General Management is organised at the end of the recruitment process, designed as the first step of a true working partnership. In France and in Italy, an English test is conducted during the process, in line with the Group's requirements for European integration. In Germany, the level of English is assessed orally during the recruitment process for positions exposed to Europe. A personality questionnaire is also offered to candidates to serve as a starting point for discussing their behavioural skills during the HR interview. Summaries of their personalities and motivations are automatically generated after completing the questionnaire. In 2022, the Germany HR department continued its efforts to develop the employer brand by displaying advertising banners on site and in Covivio offices. In addition, recruitment managers are active on LinkedIn and Xing (the leading professional social network in the German-speaking market) in order to identify the Group's future talents.

The stages of the recruitment process have been harmonised across Europe:

- Manager interview and HR interview (together or separately)
- Manager interview N+1
- Management interview

In 2022, Covivio hired 132 people on permanent contracts, including 46 newly-created jobs. In Germany, the residential development activity required seven additional Construction Managers to be recruited to ensure the delivery of construction and modernisation projects for buildings in Berlin and to offer less energy-consuming and connected assets. In France, the Residential Development division also added a Technical Director, two Project Managers and a Project Assistant in 2022 to carry out ongoing and future projects in Bordeaux Lac, Fontenay-sous-Bois or Bobigny.

In Italy, two permanent Project Manager positions were created in Italy (a BIM – Building Information Modelling Manager – and a manager dedicated to the Scalo di Porta Romana site) and a Construction Manager position (dedicated to the Symbiosis site). In Germany, 2022 was marked by the arrival of Friederike Hoberg as Head of German Offices and member of the Group's Executive Committee. In charge of deploying the same strategy already implemented in France and Italy, Friederike Hoberg's mission is to develop office assets in the best locations, to support the design of offices combining flexibility, well-being, services and collective and environmental performance while offering specific experiences to each client. The German teams also welcomed two new Asset Managers to the Offices division.

Sébastien de Courtivron, Executive Vice-President in charge of Hotel Operations, joined the Covivio Hotels teams in September 2022. Sébastien de Courtivron is responsible for managing and developing the portfolio of hotels held as Operating Properties. Recruitment of a Hotels Technical Director was launched in 2023 to manage the technical management as well as the safety of property and people of the entire portfolio of Covivio Hotels in France and Europe.

The Group has also strengthened its corporate teams, in particular its finance and IT teams, central to a project to harmonise working methods across Europe. In France, two positions were created within the Finance Department (Investor Relations and Financing team), and a new recruit joined the Covivio Hotels Management Control team. In Germany, a new financial analyst was recruited to monitor the development of the offices. The IT teams were expanded in France and Germany to support the deployment of SAP in Europe. The German teams added two internal SAP consultants and the French team welcomed an IT Project Manager dedicated to SAP. In order to support its development in Germany, the HR team has been expanded with the recruitment of an HR Recruitment and Development Manager and an HR Development Officer.

In each country of the Group, employees receive regular HR support during the onboarding period. On arrival, a welcome booklet is distributed to each employee. This booklet contains key information about life in the company (onboarding process, remuneration structure, time and absence management, etc.). In France, once recruited, each new employee follows an onboarding process that consists of several systems: an e-learning module "120 minutes to understand real estate", a mentoring programme called "Buddy Programme", an integration day involving representatives from each department who present the essential aspects of their business, and an astonishment report to the two members of the Management Committee. The onboarding process ends with a friendly moment with the Chief Executive Officer. In

Germany, the time between the signing of the contract and the first day of the employee is the subject of special attention with the sending of a welcome card. Then, during the first week, the employee receives training (GDPR, security rules). In order to ensure the smooth integration of new hires and trainees, tours of new properties or cities with interesting features for the residential sector are regularly arranged. In France, new employees are given priority on site visits organised every quarter for the Group's employees.

The Employer Brand policy implemented in 2019 as part of the change of identity is also continuing, at the European level, *via* the coordination of the three ambassadors already created. Lending their image and voice to the Covivio Employer Brand, these employees represent the Group and its business lines on social networks as well as in forums organised by Schools. A fourth wave of ambassadors will be set up at the European level in 2023. All classes combined, 73 ambassadors contribute to Covivio's outreach internally and externally in Europe, through participation in school forums or after-work events organised with students. They also play an active role on social networks and share Covivio's posts and job offers within the Group. To do this, they are regularly trained in the use of social networks and have a dedicated resource platform (Teams group and ambassadors booklet).

3.5.1.1.2 A policy of appeal and jobs for young talents in a context of increasing turnover

Traditionally focused on the development of talent, Covivio confirms its "incubator" policy with the recruitment of young people (under the age of 30) on permanent contracts (more than a quarter of permanent hires at Group level and 65.7% in France) and apprenticeships. In France, Covivio's presence in student forums is back on track after being limited in 2021 by the impact of the Covid-19 pandemic. Thus, Covivio took part in four physical forums in France (ESTP, HEC, ESSEC, EDHEC) and continued its specific partnership with ESTP, enabling the Group to be involved with students from the moment they enter the school (sponsoring the integration seminar, for example) and during partner meetings.

In Italy, Covivio took part in forums organised by Politecnico and the Università Bocconi. In Germany, Covivio has developed partnerships with EBZ (Europäisches Berufsschulzentrum), HWR (University in Berlin), Technische University (Potsdam/Cottbus), IU (University in Essen) and was present at the forum organised by Beuth University (Berlin). Generating an increased presence on student social networks in 2022, Covivio is now on the Uni-Now platform, an application deployed in German universities.

The HR teams of the three countries also organised meetings with students to develop the employer brand. In Germany, students visited the Alexanderplatz site and in France, Christophe Kullmann invited the Master Management Real Estate (MMI) class of ESSEC, of which he is the sponsor, to an after-work event in order to discuss Covivio and more generally the challenges of the real estate sector. Finally, a social event was organised in the Paris offices with the students of the ESTP development option.

The European Graduate programme launched in 2020 continued in 2022 with the recruitment of an employee. Young people on the Graduate programme benefit from an 18-month course consisting of three rotations, one of which must be in another Group country. As an integral part of Covivio's recruitment and development policy, the programme reflects Covivio's strategy of generating an incubator of talent that is entirely European. At the European level, employees under the age of 30 represent 16.5% of the workforce.

In addition, Covivio is pursuing its work-study policy despite the effects of the crisis, giving 33 students an apprenticeship or professional training contract within the Group. In addition to the 33 apprentices present in Europe at 31 December 2022, 16 interns under contract in France and 86 students in Germany (22 more students than in 2021), on temporary contracts of a maximum of 20 hours per week, in accordance with German legislation, were added over the year (not counted in the workforce). In France, 17 work-study employees were hired (19 in 2021) and 3 employees on work-study contracts or internships were recruited on permanent contracts. In Germany, six young apprentices completing their training in 2022 were hired on permanent contracts.

These students are systematically assigned a supervisor within the company, who is a professional recognised in their field, and they are monitored throughout the year by the Human Resources Department. In addition, the Human Resources Department ensures the proper progress of apprenticeships in terms of tasks assigned, integration into the company and workload through a mid-year interview with each apprentice. In 2022, Covivio benefited from the "Happy trainees" label, issued by the "Choose my company" body, on the basis of an anonymous survey sent to all interns and apprentices present in 2021. With a recommendation rate of 94.1% and an overall score of 4.4/5 (4.3/5 in 2021), Covivio obtained the certification for the fourth consecutive year.

The turnover of permanent employee departures reached 12.1% at the Group level at the end of 2022 (up 3 points compared to 2021). This increase in turnover is not a phenomenon specific to Covivio and is apparent more generally on the job market. According to the DARES, in France at the end of 2021 and early 2022, the number of resignations exploded to reach a historically high figure. The Ministry of Labour records 520,000 resignations per quarter, including 470,000 resignations of employees on permanent contracts[1]. A phenomenon observable in the United States, the risk of a "Great Resignation" has now spread to France and Europe. The high level of resignations comes at a time of labour market tensions, a context of high demand for labour and limited supply.

The turnover of permanent contract departures in France was 11.4%. Turnover due to resignations alone (excluding retirements and termination of the trial period) was 5.7%. In Italy, turnover was 6.1%. In Germany, this indicator is also up and stands at 13.4%. Retention risk, which is high in the real estate sector and is identified clearly in our CSR risk mapping, has been addressed by strengthening an aggressive HR policy in terms of career development (see below regarding the introduction of career development interviews since 2019), mobility, promotion, remuneration (3.5.1.3.2)

and quality of life at work (3.5.1.4). In 2021, two sessions dedicated to retention/attractiveness were organised with the Executive Committee, in order to respond to this growing issue, which is now in line with the 2020-2025 objectives.

(1) *Source: dares.travail-emploi.gouv.fr*

3.5.1.2 Providing skills development

Covivio considers the development of individual and collective skills as key factors in providing the best possible service to its customers and partners and in ensuring a suitable and motivating career path for each employee. Each of the three countries defines its annual training plan, depending on multi-year priority focuses. Since 2017, English has been a priority in the Group-wide training plan. The development of soft skills as a complement to business training is increasingly embedded each year in the European skills development strategy.

Top 3 types of training provided in Europe

1) Languages (18.9% of training hours)
2) Business line training (18.6%)
3) Professional efficiency (17.9%).

3.5.1.2.1 A training policy to support the strategy

For skills development, Covivio continues to align the training plan with the company strategy and the individual development of each employee. The training plan has two main objectives: to promote the company's strategy by defining group training courses in line with strategic priorities and changing circumstances (new market opportunities, legislation, etc.); to encourage individuals' development through training programmes focused on jobs, English-language proficiency, mastery of digital tools, or professional and personal growth. The aim is to both develop Covivio's skills capital and retain employees, who are increasingly mindful of their development and employability.

Every year, meetings are organised with each activity Director, to determine the changes that could impact business activities and require training to allow employees to improve their skills. The People Reviews conducted for each business activity also enable multi-year priorities for training to be defined. The annual interviews then identify individual needs in the field, based on the overall list of requirements, and refine them on an individual basis through discussions with and observations from the employees and local managers.

Covivio pays particular attention to developing the skills of its employees by offering group or individual training, carried out within or between companies, or more rarely internally. In 2022, 3.6% of the payroll was invested in training versus 1.8% in 2021. A special effort was made in Germany to enhance the training offered to employees.

3.6% of the Group's payroll was invested in training in Europe in 2022.

This investment has a direct impact on the employee training rate, which increased from 54% in 2021 to 73% in 2022, far exceeding Covivio's training objectives. In France, 73% of employees (i.e. 243 employees) received training in 2022, in line with the target of 70% set in 2020. The average training time on a European scale is 22 hours (21 hours for France, 28 hours for Italy and 21 hours for Germany).

Covivio aims to train at least one in two employees in Europe each year.

At Group level, fluency in English remains essential, in a spirit of collaboration between the various teams. Group or individual training sessions are organised and European projects (SAP, Covivio for Climate, Ex Aequo, for example) enable employees to develop their language skills.

Business line training and behavioural skills and leadership training were highlighted this year. In France and Italy, an individual coaching programme is made available to employees in partnership with Coachhub. In France, as every year, Process Communication® workshops were organised and this year brought together six employees and one manager.

Digital coaching accessible to all

Covivio participates in the democratisation of coaching and offers all French and Italian employees who so wish remote coaching with its partner Coachub. This tailor-made offer allows employees to be supported for 3 or 6 months by a video-conference coach. An HR meeting is scheduled in advance to define with the employee his or her development priorities. Once this step is completed, the employee can choose their coach on the Coachub platform and start their coaching. The discussions, which are strictly confidential, result in the creation of action plans at the end of each session, and tool sheets are also made available. At the end of the course, an interview with the HRBP (Human Resources Business Partner) and the line manager provides an overview of the coaching. Coachub supported seven French employees and one Italian employee in 2022. Group coaching bringing together four members of the French Management Committee was also organised on the theme of hybrid management (face-to-face/remote).

In Germany, following the results of the barometer carried out in 2021, workshops focused on communication and conflict management were rolled out. These workshops were broken down into three modules and brought together nearly 100 employees. In addition, a major leadership development programme was rolled out to management teams to train 80 employees for a total of 605 hours (151 hours already completed in 2022 and 454 hours planned for 2023).

LMS 365: the implementation of a learning platform for skills development

In Germany, LMS 365 was deployed in 2022. Developed in Microsoft 365 and Microsoft Teams, this platform powered by the German HR department offers online training (e-learning modules and webinars) and facilitates the registration of employees for training. All German employees have access to this solution. In 2022, employees benefited from 24 training modules on a wide variety of topics (priority management, project management, data protection, etc.) and 148 live sessions were organised. LMS 365 also makes it possible to group together user guides for different tools (Teams, Microsoft 265 or SAP).

Business line training was provided in all three countries. They aimed in particular to deepen the expertise of the teams in real estate (economic and financial fundamentals of real estate markets, performance of hotel real estate, construction and rehabilitation of real estate operations), finance (accounting and tax news, financing of real estate assets), and mastery of IT tools (SAP, BFC, advanced Excel, or Office 365). In France, Covivio Hotels teams received specific training dedicated to hotel real estate.

Training related to regulatory changes regarding the environment was developed in 2022 and will continue in 2023 as part of the C4C (Covivio For Climate) project (2.5.2.3.).

With a view to retaining talent and developing employability, Covivio offers certificate-level training courses to its employees. In France, a catalogue listing all available training courses is updated each year. In 2022, two employees had specific support in order to continue working while carrying out training courses requiring a significant investment (one employee attended a training course provided by EM Lyon to become a Director and another employee was able to take master's level courses in labour law at the University of Paris Panthéon Assas). In Italy, some employees benefited from training days at major universities (Bocconi, PoliMi, Luiss).

In compliance with the Hoguet law requiring certain real estate professionals to undergo training, holders of professional cards subject to the training obligation complete 42 hours of training over three years. In France, 30 people are affected by this obligation.

In France, Covivio's social security contributions for professional training and apprenticeship contracts amount to €274,533.

3.5.1.2.2 Integrated and dynamic career management

In line with the risk mapping and in line with the European seminar organised in 2021 that led to the HR action plan to promote appeal and talent development, the HR policy focused on support for personalised career paths for Group employees.

From a collective point of view, the key moment in Covivio's talent management cycle in France is the people reviews, cross disciplinary meetings that provide an overview of a business line's talent "pool" and the keys to employee retention, development and recruitment, based on the business line's development, the company's objectives and the relevant job markets. In 2021, a DSI People Review at the European level and a People Review dedicated to Young Talents aged 30 and under were organised. In 2022, this approach was renewed, this time targeting the population of 31–36-year-olds. Feedback was given to employees in the presence of the line manager and the relevant member of the Management Committee. In Germany, a Talent Review of 34 employees, led by the Germany HR department and in the presence of department Directors, identified areas for development and actions to be implemented in order to best support employees in their career management.

On an individual level, the annual meeting between employees and their managers, along with various interviews conducted by the Human Resources Department, lie at the heart of the professional development programme for every employee.

At the European level, more than 80% of employees completed an annual performance review.

In France, nearly 99% employees present had their annual review with their manager, as well as a mid-year review to take stock of the achievement of objectives and their potential update. Discussions are based on two separate components in the annual interview. The first part is devoted to performance, evaluating attainment of objectives, measuring the employee's main results, both quantitative and qualitative, and setting the objectives for the following year. The second part is devoted to skills development and training.

In Italy, annual performance meetings, introduced in 2015 based on the French model, combine performance evaluation, skills development, establishing training needs and any request for a change, and are now offered to all employees. A mid-year interview was instituted in 2019 to review the annual goals at the mid-way point. In 2022, 94% of employees on permanent contracts discussed their performance and professional development with their manager.

In Germany, an increasing portion of the workforce takes part in end-of-year appraisals (69.6% in 2022 compared with 67% in 2021). Initially considered as optional, the number of appraisals carried out is increasing. They enable employees and managers to take stock of the past year, to make decisions about variable compensation more objective, and to jointly define progress objectives. These appraisals are also an opportunity to discuss the training needs or wishes of each employee. In 2023, subject to validation by the German personnel bodies, a questionnaire will be offered to volunteer employees in order to structure the performance interviews carried out with their manager.

Every year, Covivio promotes mobility within the Group. In 2022, 31 transfers were made within the Group: 9 in France, 1 in Italy and 19 in Germany.

Since 2019, discussions on the French employees career development path have been taking place through a specific "career development review" conducted at least every two years. This is an opportunity for a healthy dialogue between manager and employee about the employee's expectations. Managers were trained in conducting this review, which requires a different attitude from that of the end-of-year interview and needs a "coach manager" approach. This career development review may be followed by a human resource interview to assess the feasibility of any proposal and to put in place the necessary support (covering skills assessment, individual training account, career transition, professional development advice, coaching, job training, etc.). If a move is requested in the short term (one year) or medium term (three years) during this interview, an additional exploratory interview will be scheduled with the HR team to search for short-term growth opportunities through internal postings.

KEY MOMENTS AND DEVICES IN CAREER MANAGEMENT

Integration programme

- Integration day
- Discussions with Management
- Social events
- 6-month HR review
- E-learning sessions
- Buddy Program

People reviews

Periodic meeting for each business line

- Skills assessment
- Anticipation of job changes
- Identification of collective training needs
- Projection of career development

HR interviews

Interview offered by HR depending on individual situations

- Senior employees
- Prior to and after return from long absences
- Support and monitoring of mobility

Mobility

Changing business lines, promotion, assumption of managerial position

- Support in assuming functions
- Training or coaching as required

Professional development interview (every two years)

- Career review
- Desired evolution

Mid-year

Interview Workload and Target Monitoring

Skills development

Framework for year n+1

- Training
- Coaching
- Personalised HR assistance

Performance interview

- Past year performance evaluation
- Identification of training needs
- Definition of objectives for the following year

3.5.1.3 Talent retention

3.5.1.3.1 Promoting work/life balance

Since 2020 and the health crisis, there is no longer any debate on the long-term incorporation of teleworking in the operating methods. At Covivio, teleworking of one day a week had been practised in France since 2017, and a new agreement signed in 2021 extended the practice to two days per week. This amendment to the teleworking agreement allows each eligible French employee (temporary and permanent contracts after three months) to work remotely two days a week, freely arranged by the employee, with two working days' notice, from the location of his or her choice, provided that it is within the European Union. Work-study students can also work remotely one day per week from six months. In 2022, 71% of eligible employees signed an amendment allowing them to work remotely.

In Italy, teleworking has been set up on a permanent basis for one day per week, excluding exceptional teleworking set up to meet health challenges.

The arrangement exists in Germany and helps facilitate better work-life balance; employees are eligible for teleworking on a case-by-case basis by mutual agreement with their manager. In France, a subsidy (up to 50% and up to a limit of €100) is granted to each employee for any purchase of office equipment (chair, desk, screen, keyboard, etc.). A headset was given to each employee in early 2021 to make every-day teleworking more comfortable.

Workload monitoring meetings

The mid-year appraisals in France, introduced under the agreement of 25 November 2014 on the reorganisation and reduction of working time, are an effective way of raising the alarm in the event of work overload, in line with measures laid down for the prevention of stress and psychosocial risks. The Human Resources Department shares, with staff representatives on the QLW Commission, a summary of the alerts identified, their level of severity, and action plans put in place.

The interviews with the Human Resources Department or management also gave some employees an opportunity to bring up personal obligations that could impact their work lives, particularly issues related to taking care of ageing parents on a regular or ongoing basis. Through a social security-healthcare costs platform, employees can access all the information and social institution contacts that are appropriate in this type of situation.

Covivio remains committed to Quality of Life at Work (QLW), particularly as part of the Quality of Life at Work agreement signed in 2014 and renewed in 2018, which allowed the introduction of many tools in France:

- an *ad hoc* commission composed of elected CSSCT (Health and Safety Committee) members, trade union representatives and management representatives (which met four times in 2022)
- telephone counselling exclusively by qualified psychologists and available 24/7 *via* a free-phone number
- work load monitoring meetings each half-year.

A new Quality of Life at Work agreement will be signed in 2023 and will take into account the issue of the right to disconnect.

Anxious to support employees in their work/life balance, the France HR department set up two new systems in January 2022:

- an inter-company nursery reservation system nationwide, by partnering with Les Petits Chaperons Rouges. Three types of reception are possible: regular (weekly), occasional (for example during school holidays) or emergency
- a personalised assistance to support family caregivers in their administrative procedures, *via* a partner from "Prev & Care", a group with 15 years' experience in this sector. The employee is assisted in all their procedures by a Care Manager, for example for the organisation of home care or the creation of a financial aid package. This remote service is available six days a week from 9 a.m. to 7 p.m.

In Italy, employees are reimbursed for part of the costs incurred for childcare and incurred as part of their schooling. In addition, working hours offer a certain flexibility (arrival between 8:30 a.m. and 10 a.m. and departure between 5:30 p.m. and 7 p.m.) in order to allow employees to organise their personal and family life. The Italian HR department supports employees in their administrative procedures related to taking maternity leave or sick leave.

In France, maternity leave is 16 weeks and may be supplemented by a 14-day sick leave prior to the birth. Covivio maintains full pay throughout women's maternity leave. Since July 2021, paternity leave has been 28 days and Covivio ensures full pay throughout the leave period for the men concerned. In addition, parental leave allows parents of a child younger than three years old to work part-time until the child turns three, or to suspend their full-time employment contract for as long as they would like (100% of parents who choose this second option return to their positions at Covivio at the end of their parental leave) When parents wish to continue to work part-time after their children turn three, they may apply to do so. At Covivio, all these applications have been granted. In Germany, a plan called BUK[1] reconciles family life with work life by helping employees find childcare solutions or support for ageing parents.

In Germany, special attention is paid to family life. Irrespective of whether the employee is the mother or the father, parents can benefit from a working time arrangement during their parental leave and opt for part-time work. 100% of employees return to their positions at the end of their parental leave and can adjust, if they wish, their working hours. Working from home can also be implemented on a case-by-case basis, depending on the employee's situation. Work schedules can also be made flexible for parents of children under 16 years of age. During the school holidays, the German offices regularly welcome the employees' children in a friendly atmosphere and offer them games and activities.

(1) *Betriebliche unterstützte Kinderbetreuung.*

3.5.1.3.2 Performance-based pay and coping with inflation

With a view to fair pay and talent retention, the Group's remuneration programme aims for the best possible balance. Ittakes into account both individual and collective performance, and also the profiles and experience of employees, and the increasingly competitive state of the job market.

In France and Italy, the bonus pay policy is incorporated into the concept of individual performance, based on the extent to which job objectives determined during the annual interviews are achieved. The challenge is to make this measurement of an employee's contribution to the Group more objective and more transparent to employees. In France, 100% of employees on permanent contracts are eligible for variable compensation. In Italy, 83% of the workforce were eligible for bonuses in 2022.

In Germany, a new employee remuneration model was put in place in 2017, including the option of receiving variable remuneration, and joining the policy for performance-based remuneration already existing in Covivio. This agreement was negotiated and approved by staff representative bodies. Employees can choose to join this new model or remain covered by the previous collective bargaining agreement. In 2022, 72.8% of employees received variable remuneration. As of 31 December 2022, 99% of the workforce was covered by one of these two collective agreements; only seven executive managers are not covered due to their different contractual status.

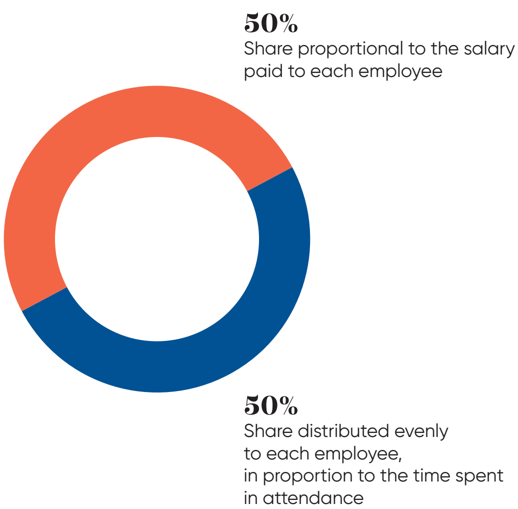
An employee shareholding scheme

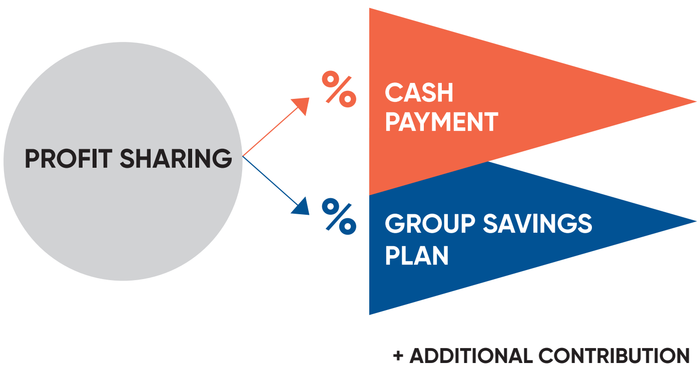
Covivio allows its French employees to take advantage of a legal system that allows companies to provide employees with an incentive to share in the company's results, governed by a collective agreement negotiated and signed with the social partners. Each year, each employee can invest his or her profit-sharing bonus (equivalent to 9% on average of annual remuneration) in a Company savings plan, in cash or Covivio shares, with a matching contribution from the company.

Employee incentives, profit-sharing schemes and savings agreements have been rolled out within the France ESU as part of existing collective agreements. An average profit-sharing of 9.27% of annual salary averages was paid to employees in 2022 based on their performance in 2021. 90% of these beneficiaries opted for a partial or total investment under the Group Savings Plan, and 83% opted for an investment in Covivio shares. This investment triggers an additional contribution from the Group, in order to encourage employee shareholding.

In 2022, 51.2% of employees Europe-wide (*vs* 50.6% in 2021) were also eligible to receive free Company shares.

Breakdown of profit-sharing





In all three countries, measures to combat inflation have been put in place. In France, a value-sharing bonus of €2,000 was paid to all eligible employees in November 2022. The purchasing power law of 16 August 2022 gave all employees the option of early and exceptional release of amounts from profit-sharing and incentive schemes and invested in the Employee Savings Plan, up to a maximum of €10,000. In the case of an investment in shares, a signed collective agreement was necessary. Covivio has therefore signed an agreement so that its French employees can benefit from this measure. In Germany, in order to support employees in the face of inflation, a sum of up to €1,500 for full-time employees will be paid in 2023 (part of this amount will be paid monthly). In Italy, a bonus of €2,000 was paid in the form of warrants or expense reports.

In Italy, since December 2022, employees have benefited from reductions on expenses related to childcare, school fees, transport and have vouchers for cultural activities (cinema, concerts, museums, etc.).

In terms of HR offers and user experience, Covivio continues to adapt. In France, restaurant vouchers are now digital thanks to a dedicated application and French employees sign their free share award emails with an electronic signature. The annual remuneration report for each employee is now computerised and in 2022 Germany has digitised all personnel files.

3.5.1.4. Health and safety: a year marked by the preservation of the psychological and physical health of employees at the end of the health crisis

Each of the entities of the Covivio group applies the eight conventions of the International Labour Organisation (ILO) concerning: freedom of association, effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labour, effective abolition of child labour and elimination of discrimination in employment, remuneration and occupation.

Health and safety are very much part of Covivio's employee policy and numerous initiatives are carried out to support employee health, such as flu vaccinations (in France and Germany), skin cancer prevention measures, specific office layouts (such as variable height desks, adjustable stands for additional computer monitors) for employees who have musculoskeletal problems, and the holding of awareness meetings concerning screen work. An ergonomist doctor is regularly called upon in the French premises. Yoga classes are also offered to the Berlin teams, and a partnership with a national gym chain allows employees to benefit from preferential rates. In France, the Works Council partially finances the sports activities of employees who so wish.

In Italy, workspaces in Rome and Milan were renovated in 2022 to improve employee comfort. The meeting rooms were expanded and telephone booths were installed, allowing everyone to isolate themselves during meetings.

In terms of work safety, Covivio is committed to meeting and exceeding French statutory requirements, with 5.3% of employees being certified workplace first-aiders. In 2022, 42 employees received First Aid training, bringing the number of SST certificate holders to 46. The prevention of electrical risks is also taken into account through the H0-B0 accreditation[1] of all employees exposed to this type of risk within the Real Estate Engineering and IT departments. The Single Occupational Risk Assessment Document (DUERP) was reviewed in 2022 with the elected members of the CSE, to better integrate the risks of teleworking, such as isolation or pathologies related to working on screens. To encourage employees to work remotely, Covivio finances home equipment (ergonomic chair, additional screen) up to €100. In Italy, a great deal of attention has been paid to safety training, provided to employees in the company who hold specific roles defined by Italian safety legislation: operational managers and certain employees have thus joined the Group of already trained first aiders.

More generally, the Health and Safety Committees (CSSCT[2]) in France, and the equivalent national bodies in Germany and Italy, verify the compliance and comfort of the facilities provided to employees, and are informed of all refurbishment projects and preliminary schedules for any work. In Italy, this Committee meets at least once per quarter and an "Employee Safety Manager" is, in addition, responsible for making sure that the organisation complies with security and safety principles.

No workplace accidents were recorded in France and Italy in 2022. In Germany, the rate is very low at 1.5%. At Group level, the workplace accident rate is 0.9%. The absenteeism rate also remains low, at 2.1% in France, 5.2% in Germany, and 2.5% in Italy i.e. 4% at Group level.

In France, Covivio ensures that the rest periods for employees on fixed-day contracts (90% of the population on permanent contracts) are respected. The legal rest period is at least 11 consecutive hours and the weekly rest period is at least 24 consecutive hours. In Italy, full-time employees work 40 hours per week. In Germany, a large number of employees also work 40 hours per week and around 140 employees have a specific contract inherited from the former collective agreement and work 37 hours per week.

A year dedicated to quality of life at work

In France, in response to the results of the survey carried out in 2021, training sessions to combat PSR (psychosocial risks) were rolled out to 76 employees and 19 managers. In total, this training represented nearly 400 hours. A new programme was rolled out in 2022 and 2023 with the addition of a module focused on the right to disconnect and webinar broadcast on stress management, including a cardiac consistency exercise. Covivio is once again committed to employee health. These training courses make it possible to both individually and collectively develop the quality of life at work and enable everyone to find the resources to better manage situations at risk for themselves and for others. Discussions with PSR professionals enable employees to become aware of the impact of their own beliefs, behaviours and emotions on themselves and on others. In total, more than half of employees have been trained in PSR. The other half will be trained in 2023.

In Germany, stress and resilience training has been offered to employees since 2021 and will continue through 2023. Each manager is involved in the deployment of training to his or her team. Time management is also a topic covered during these training sessions.

Digital also enables employees to have tools to prevent psycho-social risks and promotes well-being breaks. MyMentalEnergy Pro, in operation since 2018, offers videos and tips to better manage stress. In 2022, two conferences were organised on the themes of mental well-being in hybrid work and on hyper-connection prevention.

In Germany, the Human Resources Department put in place a conflict management procedure, in collaboration with employee representatives. This strictly confidential procedure provides for mediation support for the person or people concerned, led by the Human Resources Director and supported by an employee representative. The existence of this procedure was widely communicated to employees and has been a tool for successfully resolving certain disputes.

(1) *The H0-B0 electrical qualification concerns all activities performed in electrical rooms as well as all electrical work carried out on a professional basis.*
(2) *CSSCT: Health, Safety and Working Conditions Committee.*

Furthermore, in France, employees benefit from an additional health cover (mutual) 75% financed by Covivio for non-managers and 65% for managers, and their salary is maintained from the first day of absence for sick leave. In Italy, employee health insurance now includes new services such as ambulance transport. In Germany, all employees also benefit from health insurance covered at 50% by Covivio.

Create face-to-face and remote social links

In 2022, four Covivio Talks were organised, enabling Management to share the Group's results and ambitions with all employees, in addition to the bimonthly European newsletter distributed to all Group employees.

In France, Covivio Meetings give the floor to experts on business themes (new certifications, circular economy, etc.); these awareness-raising actions brought together many employees throughout the year.

In terms of working methods, remote working applications (Office 365 and in particular Teams) are now part of everyday life in France, Germany and Italy, thus enabling a Smart Working dynamic to emerge based on technology but now also the team spirit between employees.

3.5.1.5 Promoting diversity and equality

Covivio is committed to combating all forms of discrimination and has implemented measures covering all of its activities in Europe. The scope of discrimination covered by these measures are: age, sex, gender identity, name, origin, marital status, sexual orientation, mores, genetic characteristics, real or supposed affiliation to an ethnic group, a nation, a race, the language spoken (ability to express oneself in a language other than French), physical appearance, disability, health, pregnancy, political opinions, philosophical opinions, religious convictions, trade union activities, bank domiciliation, place of residence, particular vulnerability linked to the economic situation, and loss of autonomy.

In terms of recruitment, the review of applications and invitations for job interviews are being reviewed to ensure diversity among the candidates' profiles considered for each job. In the Group as a whole, all recruitment processes must present at least one candidate of each sex, and the recruitment guide for Human Resources and managers sets out the principles of non-discrimination in hiring as well as regulations in this area. Recruiters within the French HR department undergo training every three years on combating discrimination in hiring. In Germany, following a decision of the German Constitutional Court, Covivio added the term "Other" in its job advertisements "Job title (Man/Woman/Other)". Covivio thus affirms its goals in terms of combating discrimination, here against transgender people. In Germany, Covivio is a member of the "Charta der vielfalt", an initiative that promotes inclusion and diversity in companies through recruitment, training and skills development.

Gender balance

As a signatory to the Diversity Charter[1] in 2010 and the Global Compact[2] in 2011, Covivio's HR policy is consistent with the objectives of these agreements, in particular by analysing wage gaps between people performing the same job, starting with any wage that is 5% below the median. Thirteen staff members were affected by an appropriate salary measure following this review in 2022. Covivio received a score of 95/100 in 2022 on the Gender Equality Index implemented in France in 2021 (versus 91/100 the previous year). A similar procedure for reviewing potential inequalities has been in place in Italy since 2017: the only differences identified were a difference in average seniority of service between men and women, involving a wage gap as per the rules set out by the collective agreement. In Germany, an exercise is carried out to readjust all lagging wages, thus contributing to greater equality between men and women.

In France, the gender breakdown in the workforce remained stable, with 54.7% women at 31 December 2022. There is almost gender balance in the managerial population: 49.3% of managers were women on 31 December 2022, and the proportion of women on the French Management Committee of Covivio is 50%. In Germany, women represent 47.3% of the workforce and the proportion of female managers is increasing (36.8% in 2022 compared to 34.7% in 2021). In Italy, the workforce is 51% male, and women represent 50% of managers. Like the French Executive Committee, the Italian Executive Committee comprises 50% women. In Germany, 38% of the Executive Committee is made up of women. At Group level, the proportion of women managers remains stable (43.3% of the Group's managers are women in 2022 compared to 43.9% in 2021, *i.e.* only one employee manager less), confirming the progress made since 2016 (+20 points). The Executive Committee of Covivio, a European management body, comprises 36% women.

On Women's Rights Day, an e-learning course was offered to employees to test their knowledge of gender balance. This awareness-raising module made it possible to take stock of the situation with key dates and figures, to emphasise stereotypes and received ideas about men and women in companies and to open the door to individual action in order to contribute to a more egalitarian and balanced society.

In Italy, a partnership was signed with Valore D, the professional association committed to gender balance in Italy. Thus, Covivio employees can access information on this topic and participate in events and initiatives offered by the association (conferences, mentoring programmes, etc.).

No complaints related to discrimination issues were submitted to the Ethics Officer in 2022. The whistleblowing system in place also covers all types of harassment and discrimination, and protects whistleblowers. In France, in response to the 2017 French Labour law, two sexual harassment officers were also appointed (one on the Works Council and the other in the Human Resources Department), increasing the number of available whistleblowing and response channels.

In France and Italy, where the national environment is more favourable to group childcare and where the offer is more complete, *ad hoc* systems were put in place to promote work-life balance, such as the scheme launched in 2022 offering childcare places or adapted childcare solutions (3.5.1.3.1).

(1) Principles of the charter: https://www.charta-der-vielfalt.de/en/diversity-charter-association/about-the-diversity-charter/terms/
(2) https://www.unglobalcompact.org/what-is-gc/participants/15495

The aim of the Ex-Aequo programme is to promote gender equality on a pan-European basis.

Since 2017, Covivio has led the Ex-Aequo programme with the goal of fostering the development of women within the Group. It consists of two main components:

- raising employee awareness about gender equality through surveys and information meetings
- a mentoring programme designed to support and guide women who wish to receive guidance on their professional career and benefit from the support of a mentor who is a member of the European Management team. Today, 36 French, Italian and German women benefit from this programme.

All French, German and Italian mentors were trained in the role of mentor. This training was provided by Gloria, a partner on gender balance. Mentees are regularly invited to express their additional expectations. In Germany, where the number of mentees is high, meetings are organised regularly to collect feedback and improve the programme. In May 2022, all mentees met in Berlin to review the programme. A training module on the activation of its network was also offered remotely in November 2022.

Disability

In the case of equally qualified candidates, Covivio promotes the recruitment of candidates with disabilities. At 31 December 2022, employees with disabilities made up 1.9% of Covivio's workforce in France, and 6.1% in Italy and Germany. Covivio also promotes indirect employment of people with disabilities by calling on ESATs (establishments and services providing assistance through work) or companies that specialise in employing people with disabilities for events (group meals, waste audits, etc.).

In 2022, Covivio is continuing its disability mission

In 2021, Covivio launched its first disability mission. In 2022, other initiatives were rolled out. Under the management of two disability officers, the objective of the disability mission is to raise employee awareness of the various forms of disability and to promote the direct and indirect employment of people with disabilities.

During EWEDP (European Week for the Employment of Disabled People), articles highlighting different types of disabilities were published on the Digital Workplace (intranet). A disabled worker took part in the DuoDay and was integrated into the IT teams for one day. Two sign language workshops bringing together around twenty employees were held in Metz and Paris, in partnership with the French School of Sign Language. A quiz was launched with gourmet baskets produced by ESATs. A Covivio Meeting "Disabled, not incapable! Hymn to the joy of inclusion" was also held in the presence of Lali Dugelay, a disability specialist who herself was diagnosed with autism at age 43.

An agreement in partnership with Agefiph will be signed in 2023. An action plan with ambitious and quantified targets for 2024 was approved by the SEC. In 2022, elected representatives benefited from a training course entitled "Supporting the disability policy - IRP training".

In Germany, as part of the Foundation, Covivio supports the "Mädchen? Natürlich!" project (Woman? Naturally!) promoting gender balance and non-discrimination towards people with disabilities through the organisation of summer camps for young girls with disabilities to help them develop their self-confidence.

In France, employees returning to the company after an absence of more than three months (illness, maternity leave) are supported to facilitate their return to work. In particular, an HR interview is organised to discuss their working conditions and pace. Following this interview, the employee's schedule can be adjusted or an appointment can be made with an ergonomist in order to meet the needs of the employee.

Senior employees

With regards to support provided to the senior workforce, Covivio introduced a systematic interview with the Human Resources Department in the year of each employee's 55th birthday. This interview, which can be held for employees each year at their request, examines issues relating to their job, any desired changes and measures to be taken in terms of ergonomics, for example. In 2022, all seniors were invited to this interview and 53% responded favourably (senior employees in general hope to have this interview every two years rather than annually). In addition, Covivio allows employees over 55 to work part-time while maintaining their retirement contributions based on full-time employment.

Seven employees benefited from this system in 2022, *i.e.* 13% of the senior workforce. An agreement on seniors promoting the retention of older employees in employment and the preservation of their working conditions was signed in 2020. A Senior Time Savings Account (CET) for employees aged 55 and over enables them to anticipate their retirement. Training is also offered to employees approaching retirement age to prepare for this step from an administrative and psychological point of view.

3.5.2 Employee-employer dialogue and employee engagement issues

Even if they are not considered as major risks in the risk mapping (3.5.1), the subjects considered in 3.5.2 and 3.5.3 are important issues for Covivio. In particular, the richness of employee-employer dialogue, or the challenges relating to the reduction of the Group's environmental footprint.

3.5.2.1 Ensuring transparent dialogue with employees

Covivio and its subsidiaries maintain permanent, transparent and constructive dialogue with employee representative bodies. Covivio is committed to promoting employee-employer dialogue and freedom of association. Any employee may freely join the trade union of his or her choice and trade unions may freely organise themselves in accordance with the provisions of the French Labour Code. Covivio undertakes not to discriminate against any employee belonging to a trade union, in particular in terms of recruitment, conduct and distribution of work, professional training, promotion, remuneration and the granting of social benefits, discipline and termination of the employment contract.

In France, collective agreements are negotiated by Trade Union Representatives, and two unions were represented within Covivio in 2022 (CFE CGC and CFDT). The Employee Representatives are responsible for any individual questions and issues. All elected representatives are "protected" by labour law, including after the end of their term of office, and may only be subject to sanctions with the authorisation of the State. They enjoy great freedom of speech and time devoted to their responsibility as elected officials. In 2022, four elected representatives participated in a training course dedicated to CSE members with more than 50 employees, and seven elected representatives were trained in health and safety missions.

The Social and Economic Committee (CSE) in France

The CSE is composed of 11 full members elected by the staff; it has been in office since 1 January 2020 and includes in addition to the missions of the former Works Councils and CHSCT, those of the "Employee representatives", thus making it their representation to General Management more understandable for employees. The CSE manages and independently decides how to allocate a budget equivalent to 2% of the total payroll to fund social and cultural activities for Covivio employees.

In France in 2022, during eight meetings of the Social and Economic Committee, employers and unions were informed and consulted at ordinary and extraordinary meetings on the Group's employee policy, the economic and financial situation, as well as on strategic and environmental policy orientations and their impact on jobs (changes in business lines and skills in particular).

For the past several years, Covivio has reached salary agreement with Trade Union Representatives under the Mandatory Annual Negotiations (NAO). The negotiations must cover the fields defined by law: mainly the remuneration and the sharing of added value, but also working time, gender equality and quality of life at work. In 2022, several measures were implemented or renewed in this context, and in particular the collective allocation of free shares to reward the involvement of teams. As part of the measures promoting work-life balance, it was also decided in 2022 that 2 January would not be worked. In February 2022, it was also decided to pay a purchasing power bonus. In addition, a value-sharing bonus of €2,000 was paid to all eligible employees in November 2022 (see 3.5.1.3.2.).

In Germany, the social dialogue is organised through different channels. As in France and Italy, the German Constitution (Article 9) guarantees companies and their employees the freedom to join or abstain from joining a professional association or union. Every month, a meeting is held to discuss different topics and is attended by management, the Human Resources Director and employee representative bodies. Department managers are responsible for relaying information about potential changes to working conditions. All information related to collective bargaining agreements, ethical principles, major divestments and acquisitions made by the company and the Covivio group's strategy and news updates are made available to employees *via* the intranet. In 2022, three collective agreements were signed in Germany: an agreement concerning the implementation of the new LMS 365 training tool, an agreement increasing to two days of teleworking per week for a given period, and an agreement regarding implementation of a new application management tool.

In Italy, six meetings with employee representatives were organised in 2022, depending on changes in the health crisis management policy. As every year, the occupational nurse and government-mandated prevention and protection service take part in these meetings.

3.5.2.2 Be exemplary in the exercise of CSR values

Covivio aims to be exemplary in its daily operations, by applying best practices to reduce the environmental footprint of the various sites hosting its teams. This dynamic is an integral part of the Group's sustainable development policy and relies on the support of each employee.

3.5.2.2.1. "Covivio 4 Climate"

To go further and involve employees in a sustainable development approach, the Group launched a new cross-divisional project in 2022: Covivio 4 Climate (C4C).

A European carbon assessment

The first step of this project consists of carrying out a complete carbon assessment of all our corporate greenhouse gas emissions. This follows the previous carbon assessments carried out on this scope using the ADEME carbon assessment method. For this new version, the GHG Protocol method was used and the assessment was extended to purchases and IT services. To this end, many departments were involved and a questionnaire was sent to all Group employees. In addition to questions relating to their home-work travel, the questionnaire also included an eco-friendly section in the office and a space for free comments. More than three quarters of employees responded, showing a strong interest in these topics.

With **5,750 tCO_2e** emitted, each Covivio employee emits on average **5.5 metric tons per year**.

Purchases of goods and services represent more than 50% of global emissions. Purchasing of services represents the largest category, followed by cloud services (email and storage) and catering. The home-to-work commute represents 21% of total emissions, with strong disparities within the Group depending on the location of the headquarters in the three countries. Lastly, energy consumption of the head offices is responsible for 14% of total corporate emissions.

A corporate roadmap co-constructed with the Group's employees

Through various stages of awareness-raising and the creation of a European team of climate ambassadors, a roadmap will be drawn up in 2023 in order to set new objectives for the Group's operational scope.

This awareness-raising stage began with Climate Fresco workshops on the one hand for all members of the three Country Management Committees and on the other hand for the team of ambassadors made up for each country of representatives of the three major business line groups (Corporate, Real Estate, Finance).

In addition to the workshops, communications in different formats were set up to inform the Group's employees of the project's progress and to focus on certain aspects of the carbon impact such as waste or travel.

For their commuting and business travel, French employees have been educated about and encouraged to use public transport, with, for example, the company covering 80% of the cost of the "Navigo transit pass" for employees in the Paris region. Business trips requiring less than three hours by train cannot be made by plane and those of more than 250 km cannot be made by car. The reimbursement of mileage allowances for employees commuting to the office by bicycle and the provision of secure bike storage in Paris and Metz also help to encourage employees towards more environmentally-friendly modes of commuting to work.

3.5.2.2.2 Exemplary premises

In its most recent establishments, in France and Germany, Covivio uses flexible arrangements emphasising well-being and user-friendliness, that foster collaborative and creative work.

In France, in 2017, an agricultural greenhouse was constructed in the courtyard of premises occupied by Covivio at 30, avenue Kléber, in Paris. The company Topager was put in charge of urban agriculture, both for the design and implementation of different crops planted and sown and for monitoring and maintenance. This greenhouse is, in addition, a great tool for raising awareness of the challenges facing nature in the city. Awareness meetings were held with Topager to present the planting and first harvests and explain the importance of urban biodiversity to employees.

In addition, to help boost employee well-being, a concierge service manages the Paris and Metz sites. Fruit baskets are also made available to employees in France and Germany.

Employees increasingly demand tangible actions from the company to support the environment and society in general. Covivio's commitment to sustainable development relies on the active involvement of all employees, both in their work and through civic-minded action which is gradually becoming automatic.

Many initiatives taken in this area contribute to employees' pride in working for the company:

- environmental certifications for headquarters buildings: HQE for the Le Divo building in Metz, BREEAM In-Use for the buildings at 30, avenue Kléber in Paris and BRaVe BB for Milan Cornaggia
- 100% green electricity contract for the Italian sites and photovoltaic panels on the headquarters in Oberhausen (Germany)
- renovation work to improve the buildings' energy efficiency: more efficient heating and cooling systems, LED lighting, motion detectors in common areas, etc.
- installation of devices to measure air quality at the Milan headquarters
- waste sorting and recycling of all paper and cardboard, collection and recycling of coffee capsules, collection of printer toner, batteries and plastic caps for recycling, phasing in of sorting of other waste (metal, plastic, etc.)
- food waste avoided by redistributing uneaten food to employees after meetings/presentations
- increased use of maintenance and cleaning products with an Ecolabel
- water savings through the use of dual flush toilets
- elimination of plastic water bottles and installation of water fountains; returnable breakfast glass bottles
- distribution of recycled plastic bottles
- all paper used in Covivio printers is PEFC certified (paper from sustainably managed forests), and has the European Ecolabel label (taking into account the product's entire life cycle, its quality and its use). This paper policy applies to all printing and external administrative or commercial publications, with ePresse set up *via* QRcode in common areas.

A waste audit of the premises hosting Covivio's teams in Paris was carried out in December 2019, with the help of Cèdre, a company employing 74 disabled people (which provided work for the equivalent of just over one disabled employee during the audit period, which lasted one week).

This analysis revealed the potential to recycle an additional 30% in volume and 10% in weight. Awareness-raising actions for employees on selective sorting and food waste were held in 2020, supplementing actions on this topic that were conducted during European Sustainable Development Week 2019. An internally produced guide to sorting waste on a daily basis was distributed to employees in 2020.

3.5.2.2.3 Informed employees

The process of change relies on a set of comprehensive actions and has been strengthened in 2022 by the C4C project mentioned above. Among these initiatives, awareness-raising articles regularly distributed on the Group's intranet, or the bi-monthly Covivio ("Green" or "Innovation") Meetings for raising awareness and providing information on sustainable development, through various subjects related to Covivio's business lines. Experts (start-ups, engineering firms, lawyers, non-profit organisations, local authorities, etc.) on CSR (low-carbon construction, digital tools, new labels, biodiversity, resilience, etc.) and innovation topics (new uses, artificial intelligence, etc.) come to present innovative solutions, new concepts and results of studies commissioned by Covivio (energy flexibility, carbon trajectory, etc.). Since 2020, these Covivio Meetings have taken place mainly by videoconference.

The 2021 Sustainable Development Week took the form of a European intra-company challenge on eco-friendly behaviours, on the same model as the QVT challenge of June 2022.

In general, each new employee is made aware of CSR, particularly during the induction day, which they take part in during the weeks following their arrival.

One-off educational and engagement actions for employees are also held throughout the year, including:

- community collection of toys organised at the Paris sites with the Rejoué non-profit association, which employs workers on a social inclusion programme. 40 kg of toys were collected in late 2021 (24 kg in late 2020) in time for Christmas, the fourth consecutive year this initiative was held
- food drive in Paris for the benefit of Restos du Cœur
- collection of stuffed animals and of donations to Pièces Jaunes
- planting of 924 trees with Reforest'Action for the first anniversary of Covivio in June 2019 (924, like the number of employees within the Group at the time of this action, or, according to this organisation, 534,996 km by car off-set); trees were also planted during the QVT challenge of June 2021 (3.4.1.3.3)
- actions related to national/European/international weeks: for example, during the week of waste reduction, initiatives in 2019 relating to composting in the agricultural greenhouse, and in 2020, distribution of a guide on waste sorting. In 2021/2022, a week was dedicated to disability on the occasion of European Week for the Employment of People with Disabilities, and an Eco-friendly behaviours challenge will be held in this same context in March 2022
- a cyber Clean Up Week was organised at the end of 2021, in the form of a European mailbox cleaning challenge in support of an initiative to raise awareness of digital issues
- partnership with Bilum, a company that gives a second life to materials. As part of the recovery of advertising tarpaulins for the Silex[2] project, 140 purses were made in 2019
- events at the Wellio space in Marseille: including showcasing of local organisations or start-ups through afterworks, such as Plastic Odyssey and Lemon Tri, the collection of toys and a joint bookstore, etc.
- in Italy, participation in September 2019 in an international campaign, Clean Up the World, and in cleaning in districts where Covivio operates and around schools (two in Milan and two in Rome)
- various awareness-raising actions *via* the weekly Welcome Managers newsletter on ecology (recycling week, Earth Day, Straw-Free Day, etc.)

Disability Employment Week (see box in 3.5.1.5).

3.5.2.2.4 Exemplary IT solutions

As part of its digital transformation, Covivio is adopting innovative IT solutions to help smooth the flow and increase the reliability of information Europe-wide with the aim of bringing the teams in the three countries where it operates closer together. User-friendly collaborative tools (such as sharePoint, Teams and Onenote) have been adopted by all the sites. Video-conferencing equipment has been modernised, facilitating exchanges between the various departments/entities on the one hand, and promoting a reduction in the number of trips on the other. Similarly, the ongoing switch to the cloud and the pooling of certain resources at the European level are helping to reduce the Group's energy and carbon footprint.

In France, multifunction printers were replaced in 2018 by more modern and more environmentally-friendly equipment. Their total number was reduced and individual printers were eliminated. A number of processes have already been made paper-free. A report on printing initiated in 2012 tracked the impacts of initiatives carried out in this area and showed a 22% decrease in the number of pages printed in 6 years.

Partnerships have also been entered into with specialised entities to enable the reuse or recycling of Covivio's IT equipment.

Data security is identified as a major risk in the 2018 risk mapping study (3.6.3). Finally, a business continuity plan has been put in place and is tested periodically (3.6.3.1).

In early 2021, the Information Systems department is also implementing a new anti-phishing plan (cyber-attacks aiming to collect and exploit personal data) in the form of a document enabling employees to identify this type of attack and, ultimately, to prevent them.

3.6 Governance based on ethics and transparency

Covivio, whose securities are listed on compartment A of Euronext Paris and on the MTA (*Mercato Telematico Azionario*) market of the Milan stock exchange, is a leading investor and operator in the office markets in France, Germany and Italy, hotels across Europe, and residential in Germany. Covivio's governance has adapted in order to be able to respond effectively to the challenges of its multi-product and multi-country business model. The analysis of the CSR risk mapping does not place the risks relating to governance among the most sensitive risks for the Group. However, Covivio intends to benefit from ever more effective governance with the appropriate skills to meet the company's current and future challenges. Covivio's governance is summarised in the diagrams below.

Governance key performance indicators (at 31 December 2022)

14
DIRECTORS

50%
INDEPENDENT DIRECTORS

43 %
WOMEN

"EFFECTIVE GOVERNANCE TAILORED TO THE CORPORATE STRATEGY"

0
CONTROVERSIES

1
CSR COMMITTEE

0
SUPPORT FOR POLITICAL PARTIES

"FRAUD/CORRUPTION/ETHICS"

1
EUROPEAN ETHICS CHARTER

100%
EMPLOYEES TRAINED IN FRAUD AND CORRUPTION RISKS

0
CONVICTION FOR ACTS OF CORRUPTION

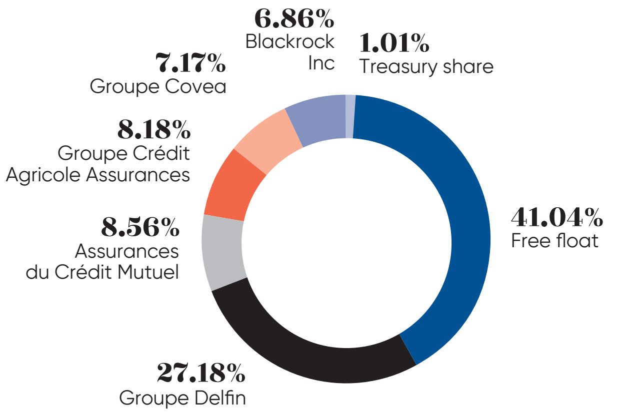
"CORPORATE DATA PROTECTION/SMART BUILDING"

1
CYBER INSURANCE PURCHASED FOR THE GROUP

3
DATA PROTECTION OFFICERS IN EUROPE

1
EUROPEAN GDPR INTERNAL CODE

Shareholding and organisation of the Board of Directors and its Committees



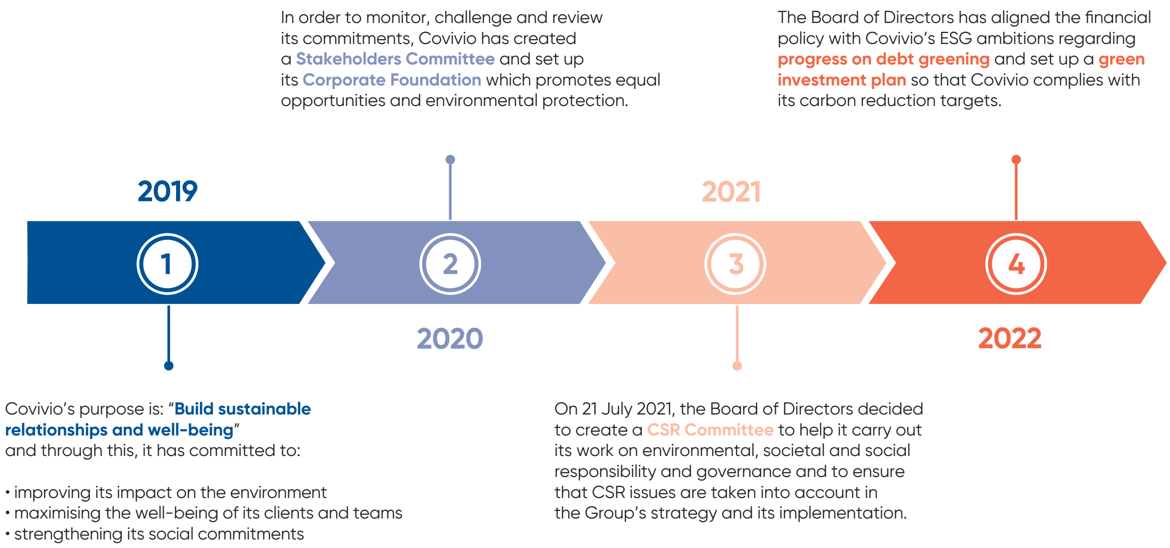
This Chapter 3.6 describes the organisation of the company's governance, as well as its main requirements especially ethics and transparency. Other governance risks that fall outside the scope of CSR are detailed in Chapter 1 of the document.

3.6.1 Involvement in ESG issues

CSR has a strategic dimension for Covivio's business model and development, and Covivio's governance bodies strive to promote corporate value creation by taking into consideration the various social, societal and environmental issues that the company's activities face.

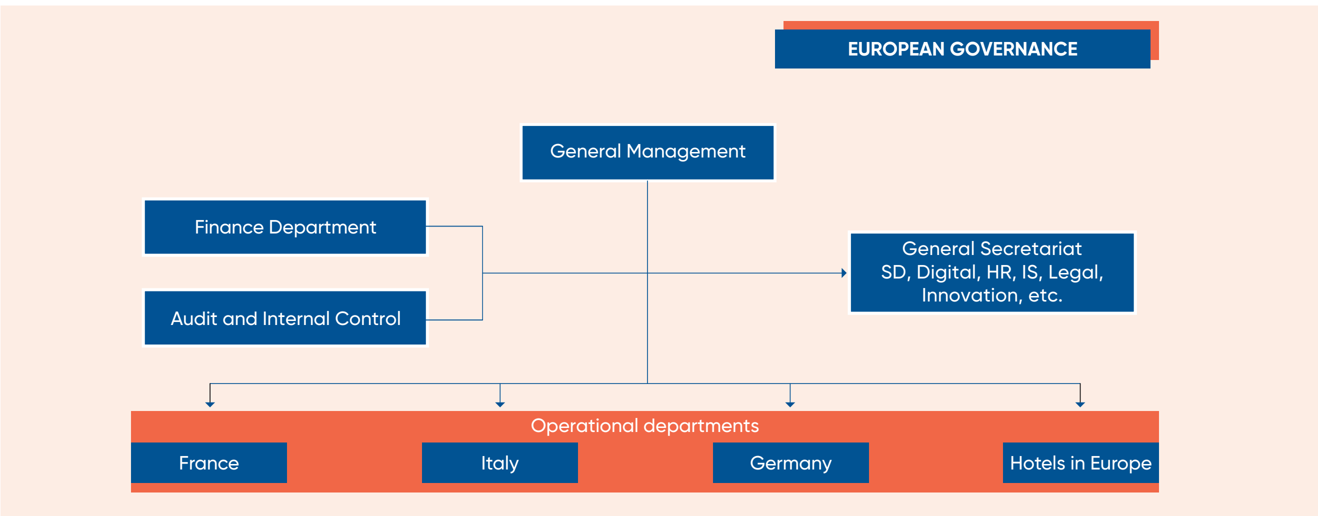
Significant changes have been made by the Board of Directors in recent years, enabling Covivio's CSR approach to develop and strengthen.

Changes in the Group's CSR governance



Covivio's long-term CSR policy was strengthened in 2019 with the expression of the Group's Purpose. It is intended to cover all of its activities in Europe, as well as all levels of the company. The Executive Management, which has a European dimension, therefore ensures that the various functional and operational departments of the Group take into account social, societal and environmental issues when implementing the strategy defined by the Board of Directors.

Simplified organisation chart of the European Executive Management



The CSR risk mapping highlighted the importance for Covivio of relying on effective and stable governance, adapted to the company's strategy. Based on this CSR risk mapping and the definition of the issues with the highest level of materiality, the CSR policy is broken down into various objectives structured around four areas, including governance, which aims for the highest levels of transparency, openness and ethics.

3.6.1.1 An effective governance structure, in line with the recommendations of the Afep-Medef Code

In November 2008, Covivio adopted the Afep-Medef Code as a reference framework for its corporate governance. The company continues to refer to this Code, in its updated version published in December 2022, and draws on the work of the High Committee on corporate governance (HCGE), as well as on the various recommendations of the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF), the EPRA and the Ethical Charter of the French Federation of Real Estate Companies (*Fédération des Sociétés Immobilières et Foncières* – FEI, formerly FSIF).

Since 2013, Covivio has increased the number of female Board members, while strengthening its competencies in real estate, legal, environmental and financial matters, as well as with international experience and experience in managing listed companies.

An overview of the skills and expertise of the Directors is provided in paragraph 5.3.2.1.3, Chapter 5 of this Universal Registration Document.

These developments have enabled Covivio to embrace an open, transparent and ethical governance that is tailored to its share ownership structure and with the aim of serving the long-term interests of the company, its shareholders, tenants, stakeholders and employees.

These efforts have been applauded by analysts and rating agencies and widely recognised, in particular through the award of AGEFI's "2020 Grand Prix for Compliance".

In addition, the Board of Directors regularly endeavours to adapt its internal rules to changes in governance. Thus, following the update by the High Commission for corporate governance of the Application Guide for the Afep-Medef Code in June 2022, the Board of Directors has set out in its internal regulations the conditions for the application of the confidentiality and discretion obligations to which the permanent representative of a legal entity Director is bound in the performance of his duties.

3.6.1.2 The Board of Directors at the centre of corporate governance

3.6.1.2.1 Composition and operation of the Board of Directors and its Committees

The governance of Covivio is based on a Board of Directors structure, with separation of the functions of Chairman of the Board of Directors and Chief Executive Officer, thus guaranteeing an effective balance of powers between, on the one hand, the Chairman, who oversees the proper functioning of the Board of Directors, and on the other hand, the Chief Executive Officer, who ensures the executive management of the company. The Chairman of the Board of Directors, ensures that the Governance bodies are transparent and effective. His ongoing discussions with the Chief Executive Officer, who is also a Director, help strengthen the functioning of the Board and the efficiency of its meetings.

The Board of Directors, which approves the Group's strategic policies and oversees their implementation, pays special attention to the monitoring of CSR performance. Its composition, which meets the requirements for independence, diversity and attendance, brings together personalities with complementary experience and skills, with a preponderance of independent Directors, and a wide international outlook that the Board enhanced in 2022 with the appointment of Daniela Schwarzer as an independent Director. Daniela Schwarzer, a German national, participates, given her experience and in particular her in-depth knowledge of the German economic and social environment and her CSR skills. Alix d'Ocagne, Chairwoman of the Covivio Foundation, is also Chairwoman of the Covivio CSR Committee; her societal commitments and experience also contribute to maintaining the highest standards of commitment, independence and competence within the Board of Directors.

The Board of Directors' expertise in the area of climate and biodiversity is also ensured by the involvement of Patricia Savin, who has solid professional experience in this area as a lawyer specialising in the environment and Chairwoman of the Orée association. 71% of Directors have environmental and CSR skills or expertise (5.3.2.1.3).

The Board of Directors' strategic seminars, held every two years since 2015 successively in Berlin, Milan, London and then Bordeaux, have enabled the Directors to get a better grasp of the local specificities of certain markets and to deal with long-term topics at the same time as the Group's climate strategy.

It should be noted that, for reasons of workforce thresholds, the Board of Directors does not include any Director representing employees or representing employee shareholders. This lack of representation is due to the fact that the number of employees of the company and its subsidiaries is below the legal thresholds and that employee shareholding is below the legal threshold. It should be noted that two members representing the Social and Economic Committee attend all Board meetings in an advisory capacity and receive the same documents as those provided to the Directors.

Subject to approval by the General Meeting of 20 April 2023 of the resolutions relating to the renewal of the terms of office of Jean-Luc Biamonti and of the companies Delfin S.à.r.l. and Covéa Coopérations, respectively represented on the Board by John Giallombardo and Olivier Le Borgne, as well as the independent Directors, Christian Delaire and Olivier Piani:

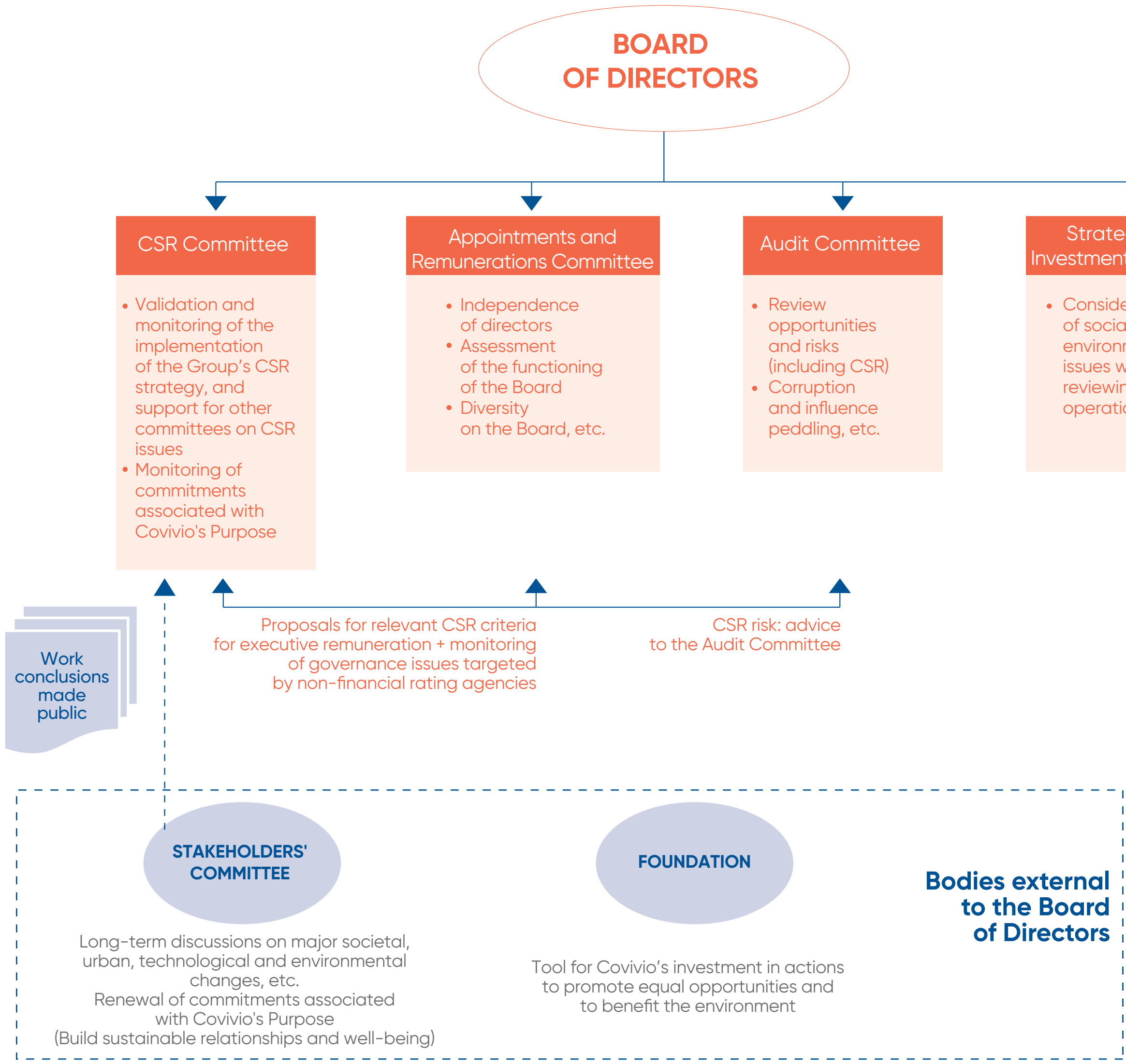
- the composition of Covivio's Board of Directors would remain the same
- the proportion of independent Directors would be 50% (Christian Delaire, Alix d'Ocagne, Sylvie Ouziel, Olivier Piani, Patricia Savin, Daniela Schwarzer and Catherine Soubie). Jean-Luc Biamonti having been appointed Director of Covivio by the General Meeting of 31 January 2011, he reached the threshold of 12 years of service on 31 January 2023, thus losing his status as an independent Director on the Board, within the meaning of Article 10.5.6 of the Afep-Medef Code. Jean-Luc Biamonti was appointed Chairman of the Board of Directors, in consideration of his in-depth knowledge of the company and its business sectors, as well as his solid professional experience. He succeeded Jean Laurent, who for health reasons, decided to end his third term early and resign from his position as Director and Chairman of the Covivio Board, that he had occupied for nearly 12 years
- the proportion of women on the Board would be maintained at 43% (Stéphanie de Kerdrel, Alix d'Ocagne, Sylvie Ouziel, Patricia Savin, Daniela Schwarzer and Catherine Soubie).

3.6.1.2.2 Composition and functioning of the Board of Directors' specialised Committees

The Board of Directors relies on specialised Committees, which supplement its work and provide it with informed opinions/recommendations. Following in particular the redefining of the role of the Board of Directors, which, under the impetus of the law of 22 May 2019 related to the growth and transformation of companies, the so-called Pacte law, acts not only in the pursuit of the company's corporate interest but also takes social and environmental issues related to its activity into consideration, the Board of Directors decided, on 21 July 2021, to create a new Committee to assist it in the conduct of its work in terms of environmental, societal and social responsibility, and in terms of governance, and ensure that CSR issues are taken into account in the Group's strategy and its implementation.

Composed mainly of independent members, the CSR Committee is tasked with validating the Group's CSR strategy and monitoring its implementation, ensuring its consistency with Covivio's Purpose and the expectations of stakeholders. It interacts with the Audit Committee on CSR risk factors, and with the Appointments and Remunerations Committee on the determination of relevant CSR criteria for executive compensation, as well as on any governance issues identified by non-financial rating agencies.

4 specialised Committees support the Board's work



The Board now relies on the work of four specialised Committees set up within it.

Activity of the four specialised Committees in 2022

AUDIT COMMITTEE

4 members

Independence rate: 75%
Percentage of women: 50%
Internationalisation rate: 25%
Average age: 53 years old

3 meetings
100% attendance

APPOINTMENTS AND REMUNERATIONS COMMITTEE

3 members

Independence rate: 67%
Percentage of women: 33%
Internationalisation rate: 0%
Average age: 62 years old

5 meetings
88% attendance

BOARD OF DIRECTORS

14 members
2 non-voting members

Independence rate: 57% at the end of 2022, then 50% at 31 January 2023
Percentage of women: 43%
Internationalisation rate: 29%
Average age: 57 years old

6 meetings
95% attendance

STRATEGIC AND INVESTMENT COMMITTEE

6 members

Independence rate: 33% at end 2022, then 17% at 31 January 2023
Percentage of women: 17%
Internationalisation rate: 33%
Average age: 58 years old

4 meetings
88% attendance

CSR COMMITTEE

6 members

Independence rate: 83% at end 2022, then 67% at 31 January 2023
Percentage of women: 67%
Internationalisation rate: 33%
Average age: 55 years old

3 meetings
100% attendance

The detailed composition of the Board and its Committees, as well as the list of mandates and functions exercised by each Director in office as of 31 December 2022 are presented in section 5.3.2.1 of this Document.

3.6.1.2.3 An efficient Board of Directors, whose remuneration promotes member attendance

- Every year the Board of Directors discusses its operations and that of its Committees and formally assesses, at least every three years, its ability to meet the expectations of shareholders, periodically reviewing its composition and that of its Committees, its organisation and working methods. Three formal assessments were carried out at the end of the 2013, 2016 and 2019 fiscal years, at the end of which the Chairman of the Board of Directors endeavoured to implement all the recommendations made. At the end of 2022, the company carried out a new internal assessment using an anonymous and very exhaustive questionnaire sent to Directors and non-voting members. This confirmed that the Board of Directors is deemed well-balanced, efficient, with a positive momentum, and with all the required tools to perform its duties. Details of this assessment are presented in Section 5.3.2.2.6.3 of the Universal Registration Document. The year 2023 and beyond will be used to continue the current good momentum and to implement the improvements proposed by the Directors.
- Through the application of the Board's Internal regulations, the company strives to prevent the occurrence of conflicts of interest, in particular when presenting investment opportunities submitted to the Board and/or to the Strategy and Investment Committee. Under these regulations, all Directors are required to make every effort possible to determine in good faith whether or not a conflict of interest exists. They must report this to the Chairman as soon as they are aware of any situation that may constitute a conflict between the company and themselves, the company which they represent, or any company of which they are employees or corporate officers. The conflict-of-interest prevention system is presented in Section 5.3.2.2.6.1 of the Universal Registration Document and applies mutatis mutandis the meetings of the other Committees set up by the Board.
- This applies in particular when, for any transaction being considered or undertaken by the company, a member of the Board or a company of which a Director is an employee or corporate officer might have competing interests or interests opposed to those of the company or the companies within its Group. In such a case, the Board member in question must refrain from participating in the discussions and deliberations of the Board and/or Strategy and Investment Committee and, more generally, observe a strict duty of confidentiality. In case of a standing conflict of interest, the Board member concerned (or the permanent representative of the legal-entity Board member concerned) must submit his or her resignation. For their work with the Board, Directors and the non-voting members receive a remuneration, the amount of which is determined by the Board of Directors based on a maximum overall annual amount of €800,000 approved by shareholders at the Combined General Meeting of 19 April 2018. The remuneration includes a fixed component and a variable component linked to attendance at meetings and effective contribution to the work of the Board and its Committees. Under the terms of the remuneration policy for Directors approved by the General Meeting of 21 April 2022, additional variable remuneration of €2,000 was allocated to each non-resident member physically present at the meetings of the Board of Directors and Committees (not cumulative on the same day). The remuneration policy for Directors, which will be subject to approval by the General Meeting of 20 April 2023, extends the allocation, under the same conditions, of an additional €1,000 for physical participation of resident members at meetings.

3.6.1.2.4 A Board of Directors attentive to CSR issues

CSR matters are regularly referred to the Board in order to incorporate them in the company's strategic guidelines. The actions taken by the company in this area are presented to the CSR Committee, which reports to the Board of Directors. The latter examines the company's performance in terms of environmental, social and corporate responsibility, monitors the progress made in relation to established objectives, approves major opportunities for improving CSR performance and compares the progress of the companies within the Group with that of peers in Europe.

The Board of Directors also examines non-financial information published by the company, with a particular focus on social and environmental matters. It also analyses the ratings issued by non-financial rating agencies. Lastly, it ensures that the ethical rules set out by the Group are applied and assesses sponsorship and philanthropic policies and actions carried out.

The progress made in relation to the objectives in each of the four areas of Covivio's CSR policy is regularly presented to the Board of Directors.

In 2022, the Board of Directors, drawing on the work of the CSR Committee, focused on the actions to be taken by Covivio to achieve its objective of reducing its greenhouse gas emissions by 40% between 2010 and 2030. Operational roadmaps directing the implementation of decarbonisation actions have been drawn up by each activity, as well as an assessment of the investments required. Throughout the year, three Board of Directors meetings had at least one CSR topic on the agenda.

In addition to the overall mapping of the risks and the special analyses conducted annually on matters that may represent specific risks (such as Cyber risks, the risks of Fraud and Corruption and CSR risks), in 2022, the Board of Directors carried out a review of the action plans put in place to address the main risks identified (3.2.4.2) and approved the 2023 audit plan and risk management policy.

3.6.1.3 An Executive Committee attentive to CSR performance

The Executive Committee, which met several times a month in Paris or one of the major cities in which the company operates, and on some 30 occasions in 2022, has a European dimension, and approves every decision or significant operation concerning the asset rotation policy, the monitoring of subsidiaries and holdings, the financial policy *etc.* It also addresses issues of organisation, CSR, tools, *etc.*

At the end of the 2022 fiscal year, the Executive Committee, whose composition is presented in section 6.3.1.4 of the Universal Registration Document, brings together 11 members, including representatives of all Covivio "country", "product" activities and corporate functions.

The diversity of this Committee, in terms of gender, age, experience, nationality and skills, helps it support the Group's strategic challenges. The Covivio Executive Committee is responsible for approving all investments and disposals whose value exceeds €5 million. Its members are in charge of implementing the CSR objectives of the Group within their area of responsibility and in coordination with the Sustainable Development Department.

The results achieved in this domain are now systematically incorporated into the criteria for determining the variable portion of the remuneration of Committee members. Objectives related to the progress of Covivio's carbon targets are thus taken into account in the calculation of the variable remuneration of the Chief Executive Officer, the Deputy CEO and the members of the Executive Committee; as are the issues of increasing the number of women in the teams and attracting and developing talent. These objectives are then rolled out operationally to the Group's managers, according to their operational responsibilities, and are communicated during individual appraisals.

At the end of 2022, the Board of Directors, on the proposal of the CSR Committee, decided, with regard to the Long-Term Incentives for the Chief Executive Officer and the Deputy Chief Executive Officer:

- to increase the weighting of CSR criteria from 20% to 30%
- to use the criterion of female representation every other year, alternating with the criterion of employee commitment, each counting for 15%
- keep as another criterion the progress of the greening of the portfolio, weighted at 15%
- set the target of the commitment criterion for the LTI 2022 at +10pts vs the benchmark
- set the target for the greening of the portfolio for the LTI 2022 at 100% by 2025.

3.6.1.4 General Meetings, a way to share the CSR policy and committed actions

Since 2013, Covivio has provided its shareholders with an online resource, avoiding the use of the post which uses lots of paper, enabling them to receive their meeting invitation and obtain details and input voting instructions prior to the General Meeting.

As a reminder, at the close of its General Meeting of 17 April 2015, Covivio maintained the principle of "one share = one vote", approved by the shareholders, thereby waiving the automatic assignment of double voting rights provided by the Florange law of 29 March 2014.

For many years, Covivio has operated a carbon and climate policy recognised by various organisations (SBTi, CDP, rating agencies, *etc.*), which contributes to the defence of the value of its portfolio and the sustainability of its economic model (3.3.). On 20 April 2023, shareholders will be asked to support Covivio's climate strategy and objectives in this area for 2030, by deliberating on a "say on climate" resolution.

3.6.1.4.1 Minutes of the Combined General Meeting of 21 April 2022

After two consecutive years of General Meetings held behind closed doors due to the Covid-19 epidemic, shareholders were able to discuss the company's strategy, development and outlook. The General Meeting was an opportunity to report to shareholders on the objectives of Covivio's CSR policy, praised several times by non-financial rating agencies, and on their progress over the 2021 fiscal year, with a particular focus on:

- the ambition to reduce the carbon trajectory by -40% between 2010 and 2030, on scopes 1, 2 and 3 (including construction), through greening the portfolio (91% certified green at the end of 2021), by promoting the renovation of existing buildings (as evidenced by the completion of the Silex[2] building in Lyon, which was the subject of an image presentation to shareholders), and by supporting tenants in reducing energy consumption
- the development of talents within a European team based mainly in France, Germany and Italy, representing 1,028 employees
- the desire to continue to increase the number of women on the Executive Committee and on the national Management Committees to 40% in 2023
- the strong commitment to all stakeholders
- the panel of associations supported by the Covivio Foundation, with a budget of €1.7 million for the next five years.

General Meeting statistics

	Combined General Meeting of 21 April 2022		Change 2021/2022	
	Ordinary resolutions	Extraordinary resolutions	Ordinary resolutions	Extraordinary resolutions
Number of shareholders present	26	26	n/a	n/a
Number of shareholders represented or having voted by post	2,517	2,517	+33.39%	+32.82%
Number of votes cast	74,295,655	74,296,454	-2.06%	-2.06%
Attendance rate	78.85%	78.85%	1.57 point	-1.57 point
Resolution approval rate	96.65%	97.52%	-1.92 point	-1.67 point

3.6.1.4.2 Shareholder consultation on "say on pay"

The shareholders at the General Meeting on 21 April 2022 voted on the remuneration policy applicable to the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy CEO and the Directors in respect of the 5th, 6th, 7th and 8th resolutions (*ex ante* "say on pay"), and on elements of individual compensation paid in the 2021 fiscal year, or allocated in that year, under the 9th, 10th, 11th, 12th and 13th resolutions (*ex post* "say on pay", "global" and "individual"). The average approval rates for the resolutions relating to the *ex ante* and *ex post* "say on pay" were 95.38% and 92.99% respectively, thus confirming the balance and effectiveness of the remuneration policy for corporate officers.

Details of the results of the "say on pay" resolutions

Corporate officers	Ex ante "say on pay"	"Global" ex post "say on pay"	"Individual" ex post "say on pay"
Jean Laurent, Chairman of the Board of Directors	99.74%		99.84%
Christophe Kullmann, Chief Executive Officer	90.98%		83.52%
Olivier Estève, Deputy CEO	90,98%	98.98%	83,52%
Dominique Ozanne, Deputy CEO	90,98%		99.08%
Directors	99.81%		N/A

The amounts resulting from the implementation of these corporate officer remuneration policies and paid for the fiscal year ended 31 December 2022 or allocated in the same year, will be submitted to the approval of the shareholders at the General Meeting to be held on 20 April 2023 as part of the approval of the 6th to 10th resolutions (*ex post* "say on pay").

3.6.1.4.3. Shareholder consultation on "say on climate"

For many years, Covivio has conducted a carbon and climate policy recognised by various organisations (SBTi, CDP, rating agencies, *etc.*), which contributes to the defence of the value of Covivio's portfolio as well as the sustainability of its economic model (3.3).

On 20 April 2023, shareholders will be asked to support Covivio's climate and carbon policy by voting on a "say on climate" resolution.

3.6.1.5 Addressing shareholder concerns and ensuring the transparency of financial information

Covivio does its utmost to provide institutional investors and individual shareholders with quality information regarding its business and strategy. It is thus conducting substantive work to consolidate its long-term relationship of trust with the financial community and to develop its market transparency.

The company is also helping to raise the level of professionalism within the industry and to issue high-quality information by means of its active involvement with the IEIF (Real Estate Savings Institution), the FEI (*Fédération des Entreprises Immobilières et Foncières*), and EPRA (European Public Real Estate Association). Covivio participates annually in around ten conferences for international investors and organised by renowned brokerage firms (such as Bank of America, Goldman Sachs, Morgan Stanley, Kepler Cheveux, Kempen, etc).

Covivio also takes a proactive attitude in dealings with institutional investors. As such, management holds some 400 meetings every year with their main representatives, particularly when the annual and semi-annual results are released in the major European and US markets, and sets up around ten site visits of representative assets in its portfolio for these groups.

3.6.1.5.1 Covivio listening to individual shareholders

Covivio publishes an annual newsletter for its 10,000 individual shareholders, posted on its website. Covivio also provides them with a dedicated section on its website, a documentation service as well as a shareholders' freephone number (+33 (0) 805 400 865).

3.6.1.5.2 A policy recognised by the 2022 EPRA Awards

The quality and transparency of Covivio's financial and non-financial reporting were recognised at the 2022 EPRA Annual Conference with two "Gold" awards for the quality of its financial and non-financial reporting.

3.6.2 Ethics and the fight against fraud and corruption, foundations of Covivio's governance

Promoting fair and ethical practices with all of the Group's stakeholders is a major challenge for Covivio and represents a response to the "fraud/corruption/ethics" risk identified in the CSR risk mapping. A breach of professional ethics and the Group's internal procedures, or insufficient control of commercial (negotiation, contracting, invoicing, *etc.*) and financial processes could lead to significant risks: negative reputational impact, loss of stakeholder confidence, financial losses, hindrance to the development of activities, *etc.* To remedy this, Covivio has implemented numerous risk management actions, in accordance with the regulations of the various countries in which it operates and the most recognised international standards in the sector. Its Code of Ethics, serving as a Code of Conduct within the meaning of law no. 2016-1691, known as "Sapin 2", was updated in 2022; it is enforceable against its employees and covers all ethical issues that Covivio may have to face.

In addition, Covivio signed the Diversity Charter in 2010 and has been a member of the UN Global Compact since 2011. It incorporates the 10 principles of the Global Compact into its strategy and practice and promotes them to its stakeholders, in particular its suppliers, through its Responsible Procurement Charter and yearly publication of a Communication on Progress (COP), made at the behest of the UN. Since it's 2018 COP, Covivio has reached the highest standard, GC Advanced, which demonstrates the fact that the Group is embracing the SDGs (Sustainable Development Goals) to a greater extent and highlights the connections between them and Covivio's CSR strategy.

Covivio's various COPs are published on its website in the Publications section and on the Global Compact website: https://www.unglobalcompact.org/what-is-gc/participants/15495.

3.6.2.1 An Ethical Charter for greater responsibility

A fundamental element of Covivio's ethics and compliance approach, its Ethical Charter is adapted, from a common base, to the specific legal and regulatory requirements of each country; it covers all of the Group's employees across Europe. It is available on the Covivio website and intranet (http://www.Covivio.eu). The Ethical Charter defines the ethical principles that all employees must follow as part of their professional practices and in their behaviour with external contacts. The core principles set out in this charter are as follows: respecting laws and regulations (prevention of insider trading, combating money-laundering, bribery and similar crimes); respect for the environment and individuals (health and safety in the workplace, prevention of discrimination, respecting third parties); protecting the company's assets (reputation, property, resources) and transparency of information provided; protection of personal data. The charter is regularly revised: in 2015, 2018 and the most recent in 2022.

Since it is legally enforceable against Group employees, the Ethical Charter is henceforth interpreted as a Code of Conduct within the meaning of the Sapin 2 law. As such, any breach of the rules laid down therein, and notably any proven incident of corruption, could, in addition to legal sanctions, be subject to heavy penalties leading to the possible termination of the employment contract or mandate of the person responsible.

The charter also restates Covivio's "zero tolerance" approach regarding corruption and influence peddling, as well as the possibility for all stakeholders (internal and external) to signal any conduct that contravenes the principles of this charter, *via* a whistleblowing system (alerte@Covivio.fr). In 2022, no employee was subject to a disciplinary sanction related to non-compliance with the Ethical Charter. Moreover, there were no complaints or convictions against Covivio on these grounds.

Employees aware and trained

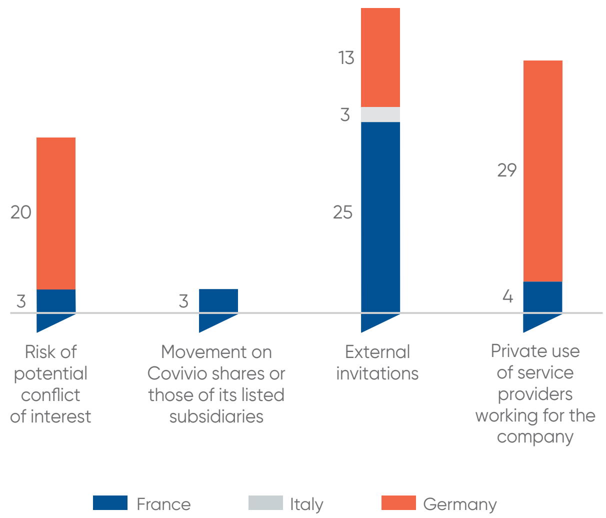
The Internal Risks, Compliance, Audit and Control department has put in place regular and compulsory training courses for all of its employees. These training sessions called "Process Mornings" focus on ethics, compliance and internal control. Initially launched in France, this practice has been generalised to involve all of the Group's employees across Europe. Each new employee is given a copy of the charter upon being hired by the Group.

The Ethics Officer

The Ethics Officer reports only to General Management. This function has been deployed in France[1], Germany and Italy. They have a duty of confidentiality with regard to information forwarded to them. Its mission includes several aspects: advising employees on conflicts of interest, gifts and other benefits received or offered; reminder of stock market law rules; monitoring the application of ethical rules; regulatory monitoring in terms of ethics.

In 2022, 100 notifications were received and processed by the three Group Ethics Officers. In addition, they recorded 346 declarations of gifts received for which the cumulative annual value may not exceed €150 (41 in France, 100 in Italy, and 205 in Germany) in accordance with the Group's Gift Policy. Solicitations of the ethics officer over risks of conflict of interest in Germany are exclusively related to the acquisition or leasing of housing held by Covivio.

Number of requests from compliance officers in 2022



(1) *The Ethics Officer France also covers issues that may be raised by employees in Spain and Luxembourg.*

The Group Compliance Officer

This function was created in 2018. The Group Compliance Officer coordinates the compliance activity at the European level with the support of local officers: the Compliance Officer Germany and the Compliance Officer Italy. As part of their duties of ensuring Group compliance with the rules and ethical principles applicable to it, the Group Compliance Officer:

- contributes to the drawing up of the Ethical Charter and its updating
- ensures its dissemination to all employees whenever it is updated and forwards it to all new employees when they take up their positions
- is in charge of its implementation: in this respect, they ensure that each department puts in place the necessary means to satisfy the provisions that apply to it, and draws on the support of the Audit function to conduct the checks deemed necessary
- maps and updates the corruption and influence peddling risks and ensures the proper implementation of the resulting recommendations
- conducts due diligence with regard to third parties
- in the event of failure to comply with these rules, ensures implementation of appropriate measures.

3.6.2.2 Preventing the risk of fraud and corruption

In compliance with the tenth principle of the UN Global Compact, Covivio has strengthened its risk prevention system in the areas of fraud, corruption and related infringements, such as influence peddling.

3.6.2.2.1 Fraud risk management

The separation between scheduling (ordering) and launching (payment) operations, as well as procedures related to competitive bidding thresholds, significantly reduce the risk of fraud. During the "Process Morning" sessions, the company makes employees who handle transactions aware of the risks of fraud and corruption and reminds them of the Group's zero tolerance approach. "Anti-fraud" audits are carried out regularly within the Group. These measures are the subject of internal control and assessment procedures under the audit plans validated by the Audit Committee.

3.6.2.2.2 Prevention of corruption risks

Covivio has implemented eight measures to prevent the risks of corruption and influence peddling as governed by the Sapin 2 law.

1) Corruption risk mapping

The cornerstone of the corruption risk prevention system, Covivio's corruption risk map wis regularly updated to reflect changes in the Group's activities. The recommendations resulting from the mapping are implemented at the European level by the Group Compliance Officer and are regularly monitored by the Audit Committee and the Management Committees in each country.

2) 3) Procedures for assessing the situation of customers and suppliers and accounting control procedures

With regard to the major risks identified by the mapping, Covivio pays particular attention to the integrity of its main customers and suppliers by carrying out appropriate analyses, and implements specific accounting reporting aimed at detecting any acts of fraud and corruption in its accounts. Transactions that are deemed sensitive – such as acquisitions, sales of assets or companies, construction and renovation work – are guided by appropriate procedures, especially regarding links with intermediaries.

4) 5) Code of Conduct and disciplinary regime

The Covivio Ethical Charter has been updated in accordance with the requirements of the Sapin 2 law to act as a Code of Conduct. In France, it is appended to the company's Internal regulations; it has similar binding force in Germany and Italy. Failure to comply with the provisions contained therein, and more particularly any proven act of corruption or influence peddling, would give rise to strict penalties, which could go as far as the termination of the employment contract or of the mandate of the person implicated.

More information in section 3.6.2.1 of this Document.

6) The whistleblowing system

Covivio introduced a whistleblowing system in 2015. Its operation has been amended in order to take into account the provisions of the Sapin 2 law. The whistleblowing may be covered by a wide range of events: crime or misdemeanour, gross and manifest violation of national or international regulations, serious threats or damage to the general interest, *etc*. It also enables any employee to report any departures from the principles laid down by the Ethical Charter, and more generally, in the following areas: financial, accounting, banking, anti-corruption, combating discrimination and harassment at work, *etc*.

The whistleblowing system is made available to Group employees and all stakeholders. It is the subject of an internal procedure disseminated and explained at European level. Partners and suppliers are made aware of its existence through the Covivio website while it is also mentioned in the Responsible Procurement Charter (3.4.2.1) rolled out in France. A specific email address has been created in each country (in France: alerte@Covivio.fr).

Covivio undertakes to protect the whistleblower:

- by maintaining confidentiality about their identity
- against possible victimisation, disciplinary action or legal proceedings, provided that the system is not used in an abusive manner and that it is employed in good faith.

The amendment made to the whistleblowing system in 2018 also provided the opportunity to open the system to anonymous reports. These are now processed where the severity of the facts is established and the factual evidence is sufficiently detailed. The whistleblowing procedure was updated in 2022 to take into account changes in regulations intended to strengthen the protection of whistleblowers.

After completing an internal inquiry into a notification that does not lead to any legal and/or disciplinary proceedings, Covivio anonymises all the data gathered after a period of two months.

In 2022, no alert was recorded.

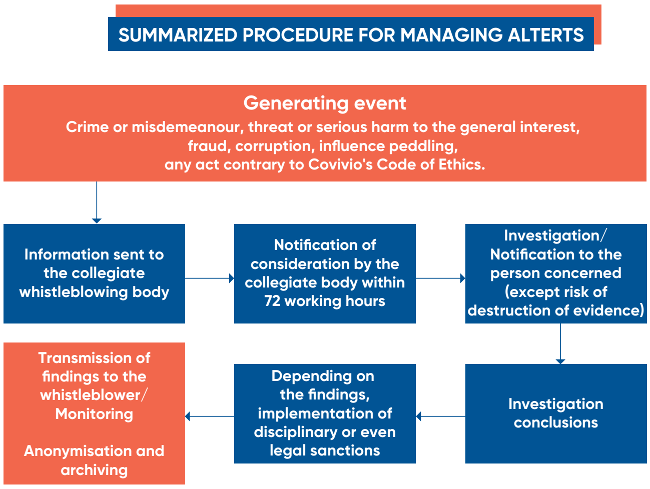
7) Employee training

Covivio employees are regularly made aware of the risks of corruption as part of the morning sessions of the process (see paragraphs 2.4.2.1.4 and 3.6.2.1 of this Document). The most exposed employees receive more in-depth training on these risks.

8) Monitoring and evaluation of the measures implemented

The Audit department carries out regular checks on the proper implementation of measures to prevent corruption risks (see paragraph 2.4.2.4.1) as part of the annual audit plans approved by the Audit Committee.

Summarised procedure for managing alerts



3.6.2.3 Guaranteeing fair competition

Covivio, in its business activities and more specifically in its sales, acquisition and construction work, complies with competition provisions and regulations in force in each country. The company has therefore implemented specific procedures: a competitive bidding process is mandatory above a certain threshold and the bidding framework includes procedures that have been put in place and validated by General Management.

Depending on the amounts and types of transactions, several companies must be consulted. In the same manner, the company uses a procedure for opening bids involving a minimum of two employees and the drafting of the opening of bids minutes for some tender processes in order to ensure the widest degree of transparency and fairest competition possible. Audits are performed regularly in order to ensure compliance with internal procedures in this area.

The risk of anti-trust behaviour is limited within the framework of Group activities as there are many owners of real estate assets.

3.6.2.4 Combating money laundering

Covivio, as a real estate operator, is bound by regulations on combating money-laundering in: its real estate leasing activity; registered office service; purchase and sale of buildings; transactions regarding business assets; and shares or holdings in real estate companies which might conceal one or more money-laundering activities subject to criminal sanctions. Undertaking capital transactions, Covivio is also obliged to notify the French Public Prosecutor of any suspicious transactions of which it is aware.

Covivio and its subsidiaries have introduced a system for combating money laundering and the financing of terrorism (LAB/LFT) – in keeping with each country's legal and regulatory requirement – in the form of a procedure that lists and describes actions to be taken by the employees concerned. The Group Compliance Officer and the Risks, Compliance, Audit and Internal Control Officer are LAB/FT (anti-money laundering and financing of terrorism) Managers as well as TRACFIN (French Ministry of Finance's anti-money laundering agency) Contacts and Registrants.

This system is based on vigilance when initiating business relationships and in relation to the third parties involved. The implementation of the LAB/FT system is supported by regular training campaigns during the "Process Mornings".

3.6.2.5 Association with, or membership of, domestic or international organisations

Covivio actively contributes to the French government's building policy through its strong commitment within working groups and professional associations. Covivio is a member of the sustainable development commissions of EPRA and of the *Fédération des Entreprises Immobilières* (FEI), whose CSR commission is chaired by Covivio Sustainable Development Director Jean-Éric Fournier. He is also Vice-Chairman of the French HQE-GBC Alliance, a member of the Sustainable Building Plan Office and Coordinator of the RICS France Professional Sustainability Group. Covivio's contribution to the promotion of sustainable real estate is evidenced by its involvement in various working groups alongside associations (including the HQE-GBC Alliance, Orée and the SBA-Smart Building Alliance, etc), and with scientific bodies (*Politecnico di Milano*), as well as its participation in studies at a national level (Palladio, IFPEB, SDG, FEI *etc.*) and Europe-wide level (EPRA, RICS, *etc.*), and its commitment to initiatives such as Act4nature of the Global Compact and the Diversity Charter.

3.6.2.6 Supervision of donations, memberships, contributions and lobbying activities

Covivio benefits from a specific procedure covering the following activities:

- participation of companies in donations (including sponsorship, philanthropy), memberships of or contributions to professional or non-professional associations or foundations
- lobbying (interest representation)/Public Relations operations carried out using specialised firms.

This procedure reiterates the principle that, while respecting the commitments of its employees who, as citizens, participate or wish to participate in public life in a private capacity, Covivio does not finance any public official, political party, public office holder or candidate for such office, nor any trade union or religious organisation that is not recognised as being of public interest. Donations, philanthropy, sponsorship and similar operations related to the protection of the environment or equal opportunities are intended to be carried out *via* the company's Foundation created in 2020. All other actions are centralised by the Management, which submits the request to the Compliance Officer in order to carry out due diligence prior to definitive approval of the project by General Management. Membership of professional associations by Covivio employees (whose contribution is covered by the company) is also subject to internal validation processes. The Compliance Officer may be asked to carry out a prior probity investigation.

If Covivio Développement, a Covivio subsidiary, comes into contact with and works with local authorities as part of its development activities, it will, in accordance with the regulations, report its actions for the year 2022 to the *Répertoire des Représentants d'Intérêts* (Directory of Interest Representatives) kept by the High Authority for Transparency in Public Life (HATVP), no later than 30 March 2023.

Covivio may nonetheless join professional associations carrying out such activities or call on specialised firms which are subject to particular vigilance and whose use is strictly governed by Covivio's procedures.

Therefore, any request for recourse to such a firm is addressed to the Director of Institutional Relations, who, with the support of the Compliance Officer, performs the following procedures:

- verifying the Firm's adherence to the rules and ethical principles laid down by law. no. 2013-907 of 11 October 2013 on the transparency of public life
- obtaining, from the proposed Firm, any document certifying compliance with these rules, in particular by signing an Ethical Charter (*e.g.*: charter of the *Association Française des Conseils en Lobbying et Affaires Publiques*)
- verifying the correct registration of the Firm in the Directory of Lobbyists provided to the French authority for transparency in public life
- as part of the contract, formalising the Firm's missions and establishes a remuneration structure based on an hourly rate: written activity reports and formal meeting reports
- ensuring that the contract includes the obligations stipulated by article 18–5 of the law no. 2013-907 of 11 October 2013 on the transparency of public life, and more particularly the prohibition of:
  - offer a gift of any kind to a public official, to one of his or her relatives or agents, regardless of the amount
  - paying a public official to take part in a conference
  - attempting to obtain information by fraudulent means
  - selling the information or documents it obtains from a public official.

If it deems it necessary, the Compliance Officer may initiate a probity survey of the envisaged Firm, the results of which will be submitted to the General Management, the only body authorised to sign this type of contract.

3.6.3 Protection of corporate/smart building data

When conducting its business Covivio creates and generates a large amount of data and is thus subject to the General Data Protection Regulation (GDPR). Furthermore, its properties use an ever-increasing number of computerised facilities and services that use digital systems. By becoming a "smart building", with ever-closer links to the "smart city" *via* a two-way data exchange, the building, in a similar manner to Covivio's activities, is exposed to the risk of cyber-attacks, data losses, degradation and theft, *etc*. Aware of these risks, Covivio has started a number of initiatives intended to protect its activity and that of its stakeholders. Some of them are described below and presented in greater depth in Chapter 2 (Risk factors) of this document.

3.6.3.1 Covivio steps up its digital transformation

As a European real estate player, Covivio has for several years undertaken a profound digital transformation, based on a collective reflection process. Conducted at the European level by the Chief Transformation Officer (Laurie Goudallier) and the country IT teams, in collaboration with the members of the Executive Committee and Transformation Committees, this digital transformation is a continuous improvement process designed to serve customer satisfaction, portfolio performance and the operational efficiency of Covivio's teams in Europe. By adopting a digital roadmap, the Group's ambition is to lead a sustainable and thoughtful digital transformation, in the service of Covivio's strategy, by closely associating all stakeholders at the European level.

Improving customer satisfaction by offering an innovative user experience

Among its digital transformation levers, Covivio places special emphasis on the services offered in its buildings. It is for this reason that Covivio has partnered with the start-up Witco to deploy a mobile application accessible to all occupants of its office buildings (2.4.3). The co-living activity is also widely relayed through the Covivio To share brand and web platform, to enable future customers to easily find Covivio's offers in Germany.

Adapting buildings to new technological developments

From 2022 onwards, Covivio will deploy an IT architecture model that will operate all of the data collected through new means (applications, software, sensors (IoT), customer surveys, *etc.*). In line with this objective and the Group's sustainable development strategy, Covivio has already begun to monitor around twenty of its buildings in order to measure energy consumption more precisely, *via* the creation of a portal that collects data in real time.

Building on synergies to strengthen the operational efficiency of teams

Covivio is deploying an ambitious strategy to adopt the best practices of its market, particularly in terms of tools, in a process of European integration of its business lines, its organisation and its information system, and to maintain greater control of its growth and its IT costs.

These tools are intended, for example, to support the digitisation of customer relations and the development of the Group's activities in Europe, notably *via* the Salesforce solution, intended to equip Covivio with a CRM (Customer Relation Management) software package or the deployment of the SAP software for France in 2021, for Italy in 2023 and Germany by 2024. With a view to managing change, the implementation of these tools gives rise to workshops to reflect on processes and the harmonisation of working methods (10% of the total workforce mobilised for SAP).

At the same time, always with the aim of accelerating the cooperation and integration of the IT function, a project to move the Group's IT infrastructure systems to the cloud was implemented. It allows more flexibility in the management of business applications and significantly improves the security of IT infrastructures at the European level.

3.6.3.2 Data protection: a key corporate issue

Personal data protection

Within the framework of the European Regulations concerning "the protection of natural persons with regard to the processing of personal data and on the free movement of such data" known as the General Data Protection Regulation (GDPR), intended to reinforce existing national regulations, Covivio has rolled out a pan-European compliance system for Group companies.

This system involves in particular:

- the appointment of a Data Protection Officer (DPO) in France, Italy and Germany: the DPO France (who can be contacted by email: dpo@Covivio.fr) is also responsible for European coordination
- a network of "GDPR Correspondents": these operational points of contact for the DPOs are tasked with ensuring that processing carried out by their department is compliant and instilling a culture of personal data protection in the entity for which they are responsible
- putting in place a European GDPR Code describing the Group's personal data protection policy and the technical and organisational measures deployed for this purpose
- the drafting of internal procedures to frame compliance with the system
- training on best practices in personal data protection, covering all Group employees
- creating a personal data processing register that is at the disposal of the Supervisory Authorities
- general work on data security (personal or not), *via* the appointment of an external Information Systems Security Officer, in charge of detecting any security breaches and implementing *ad hoc* remedial measures
- regular audits to ensure that employees comply with Group procedures.

Ensuring the security of all data processed by the Group

Beyond the protection of personal data, the subject of cybersecurity also became a major operational issue. The number of cyber-attacks is increasing, with a raised risk of financial losses, business continuity or image as a consequence. Very regularly, Covivio informs its employees about "Fraud and Cyber" risks as part of "Process Mornings" and *via* warning emails. This awareness-raising of employees is one of the many indicators monitored monthly by the Risk Committee. Phishing campaigns are also organised by the IT department to measure the knowledge of employees on cyber aspects and organise targeted training sessions when necessary.

In addition to creating the position of Information Systems Security Manager (ISSM) which is outsourced to a recognised firm, and an ISSP (Information Systems Security Policy), Covivio has developed a Business Recovery Plan (BRP) and regularly conducts intrusion tests and phishing campaigns on its Information System. This type of test aims to simulate hacking attempts in a realistic manner in order to verify, in practical terms, the Information System's level of resistance to these attacks, with a view to putting in place new and better adapted means of detection and protection. In particular, in 2022 Covivio finished the implementation of an SOC (Security Operation Center) in partnership with a recognised player in the market.

Covivio is thus continuously improving the Protection and Detection aspects of its IS security and the Compliance of its Information System.

Lastly, the Group's employees are subject to strictly regulated data access authorisations, differentiated according to their responsibilities with respect for the principle of least privilege, and are bound by confidentiality clauses, as are external service providers.

Harmonising practices within the Group

In line with the Group's transformation approach, Covivio continues to work towards bringing its three countries closer together in the area of IT systems. Thus, by pooling resources and aligning existing processes, the Information Systems departments in France, Germany and Italy converged towards a European Information Systems department.

The majority of digital issues are now addressed at the European level, and this, on all layers of the Information Systems: Security, Infrastructures, Architecture and Application Domains with in particular the gradual deployment of SAP on the basis of a European Core Model.

3.6.3.3 Data protection: a real estate issue

A growing number of cyber-attacks throughout the world target properties and their facilities (including BMS, cameras, access control and lighting). In 2016, Covivio commissioned Arp-Astrance to conduct a study on the risks of cyber-attacks on its building portfolios. In 2022, Covivio commissioned Mazars to define the principles of a Safety Insurance Plan for its buildings. This "SAP" includes a grid of security requirements for services as well as a security control plan for buildings.

These studies enabled the company to characterise the solutions required in order to reduce the risk for building management networks and equipment. In addition, note that connectivity services within new buildings are subject to R2S (Ready to Service) labelling for certain projects. Covivio signed the "Connected, solidarity-based and human-centric buildings" charter promoted by the French government, the HQE-GBC Alliance and the Smart Building Alliance (SBA). The work undertaken with these associations, of which the company is a member, has led to guidelines being defined for obtaining the R2S label. The first building awarded the R2S label is one of Covivio's properties in Toulouse, "21 Marquette". This label enables a building's performance to be measured in terms of connectivity and information security for the user. Several Covivio programmes benefit from the R2S label or its American equivalent WiredScore, mainly based on connectivity criteria. Each of the spaces deployed in France and Italy by Wellio benefits from one of these two labels.

Thus, the first WiredScore-certified building in Italy is the Wellio via Dante in Milan and the future Covivio tower located at AlexanderPlatz in Berlin is one of the very first buildings to test the SmartScore label. In the buildings it leases, Covivio ensures that it offers good conditions of access to communication networks, as well as connectivity services in common areas. Covivio also offers operated office services, in particular for IT aspects, where Covivio becomes the network operator in private spaces. This makes it possible to offer connectivity, audiovisual services or any other needs and enables a seamless user experience between private spaces and common areas, while ensuring the security and availability of services.

3.7 CSR performance

3.7.1 Environmental indicators

The non-financial reporting scope is based on the scope of Covivio's consolidated financial reporting. The information provided below relates to the following strategic activities: France Offices, Italy Offices, German Offices, German Residential, and Hotels Sector Europe. In order to maintain consistency with Covivio's financial approach, assets under construction or renovation are excluded from the reporting scope, as are assets acquired or sold during the year. This exclusion also applies to the corporate scope, *i.e.*, the main office buildings housing Covivio's employees.

Processing and analysis of consumption data

In accordance with Covivio's environmental reporting protocol (updated in 2020), consumption data is collected by the Group's Sustainable Development Department from Property Management departments and operators (invoices for common areas), tenants, and producers and distributors of energy and water. After consolidation, these data are restated to make climate adjustments (winter and summer) in order to make the results comparable from one year to the next. The data is analysed internally, leading to investigations with the parties concerned and then to verification by an independent third party (3.8.1).

Reporting tables and compliance with EPRA recommendations

As a member of the EPRA Sustainable Development Commission, Covivio helps promote good practices in environmental reporting in the European real estate sector. Covivio has incorporated EPRA recommendations in its internal and external reporting.

In order to simplify the reading of the reporting elements, the environmental indicators highlight the following distinction:

- **operational control:** this is the scope targeted by the EPRA recommendations. These are the common areas of multi-tenant buildings, for which the teams of Covivio or its subsidiaries have direct management. This scope also includes Covivio's head offices in Europe. Environmental information relating to common areas and equipment is collected internally by the property management services on behalf of the owner. These are Covivio scopes 1 and 2 (direct emissions linked to energy consumption of the scope managed directly and paid for by Covivio)
- **outside operational control:** this involves buildings or parts of buildings over which Covivio or its subsidiaries do not have direct management, which is provided by the tenant, from whom data on consumption of water and energy, and data on volumes of waste (if available) are collected. These are either tenant areas of multi-tenant buildings or single-tenant buildings (hotels and Offices). For Covivio, these asset classes, as well as German Residential, are scope 3, relating to the energy consumption of the buildings it owns. For the calculation of ratios, the types of surface areas used are: m^2SHON in France - m^2GLA in Italy - m^2Nütz in Germany.

The table below presents an overview of the methodology and reporting process implemented by Covivio, in line with the EPRA's Best Practice Recommendations (BPR) and its general principles, in order to achieve the highest level of compliance.

Compliance with EPRA recommendations (2017 EPRA's BPRs)

● Compliance ● Partial compliance ● Non-compliant

EPRA Performance Indicators	Compliance self-assessment	Covivio's approach
ENVIRONMENTAL INDICATORS (3.7.1.1 to 3.7.1.6 for the different portfolios)		
Total electricity consumption (in annual kWh)	● Compliance	Elec-Abs – Covivio reports its electricity consumption, taking into account renewable energy production. The annual total energy consumption data is gathered based on invoices (meter readings) using the process described above. The consumption is presented in terms of final energy. The total is expressed as final energy as well as primary energy.
Total energy consumption of heating and cooling networks (in annual kWh)	● Compliance	DH&C-Abs – Covivio reports its energy consumption from district heating and cooling, collected based on invoices (meter readings) using the process described above. The consumption is presented in terms of final energy. The total is expressed as final energy as well as primary energy.
Total energy consumption from fuels (in annual kWh)	● Compliance	Fuel-Abs – Covivio reports its total energy consumption from fuels (natural gas, fuel oil and wood), based on invoices (meter readings) using the process described above. The consumption information and totals are expressed in terms of both final and primary energy.
Energy intensity of buildings (in kWh/m^2/year)	● Compliance	Energy-Int – Covivio reports its energy intensity ratios calculated per m^2 on the basis of the invoiced amounts (meter readings): energy (in kWh), divided by the corresponding occupied surface area (in m^2). The consumption ratios are presented in terms of final energy and primary energy. Consumption is reported "process included" with the exception of telephone equipment in Orange assets.
Total direct GHG emissions (in annual tCO_2e)	● Compliance	GHG-Dir-Abs – Covivio reports on all of its carbon emissions in tonnes of CO_2 equivalent per year (in tCO_2e/year) based on fuel energy bills (natural gas, fuel oil and wood). These are Scope 1 emissions as described in the GHG Protocol.

EPRA Performance Indicators	Compliance self-assessment	Covivio's approach
Total indirect GHG emissions (in annual tCO_2e)	●	GHG-Indir-Abs – This data is reported in tonnes of CO_2 equivalent per year (in tCO_2e/year) based on the energy invoices for electricity and district heating and cooling. These are Scope 2 emissions as described in the GHG Protocol.
Carbon intensity of buildings ($kgCO_2e/m^2/year$)	●	GHG-Int – Covivio reports its carbon intensity ratios per m^2, as calculated directly from the invoice (meter readings) divided by the corresponding occupied surface area (in m^2).
Total volume of water withdrawn by source (in m^3 annual)	●	Water-Abs – Covivio reports its total annual water consumption in m^3 for all of its portfolios in operation and the headquarters buildings occupied by its own employees. The total annual water consumption data is gathered on the basis of the invoiced amounts (meter readings) using the process described above.
Water intensity of buildings (in litres/person/year or $m^3/m^2/year$)	●	Water-Int - Data are reported in m^3/m^2SHON/year. The intensity ratios per m^2 are calculated by comparing the volumes collected to the corresponding occupied surface area (in m^2).
Total mass of waste by treatment method (in annual tonnes)	●	Waste-Abs – Waste is collected by public organisations directly linked to the municipalities. Covivio pays for this service through local taxes. It is not possible to monitor the total waste mass, except for assets with private waste contractors (as specified in the comments accompanying the waste reporting tables). The proportion of waste by disposal method (in % of total waste) is indicated when it can be monitored by the service providers.
Year-on-year like-for-like comparison	●	Elec-LfL, DH&C-LfL, Fuels-LfL, GHG-Dir-LfL, GHG-Indir-LfL, Water-LfL, Waste-LfL – The data is calculated on a like-for-like scope for energy, carbon, water and waste and is used to assess changes from one year to the next for assets owned over the last 24 months whose consumption is known for that period. Example: ● in year N-1, consumption data was collected on 70 assets, with a possible reporting scope of 90 assets ● in year N, consumption data was collected on 95 assets, with a possible reporting scope of 100 assets ● of these, data was collected on 65 assets present in both N-1 and N, while there were 93 assets held in both N-1 and N. → The like-for-like basis therefore relates to 65 of 93 assets.
Type and number of sustainably certified assets	●	Cert-Tot – This indicator is expressed by dividing the value of the assets with certification at 31 December N by the value of the total portfolio held by a business on the same date.
SOCIAL INDICATORS (3.7.2.1 to 3.7.2.3 for the three entities)		
Employee gender diversity	●	Diversity-Emp – The breakdown of workforce by gender is reported each year in the corporate reporting section of this document where Covivio provides data on each country, contract type and level of responsibility at 31/12/N.
Gender pay ratio	●	Diversity-Pay – The three social reporting entities (UES France, Italy and Germany) publish an annual salary gap ratio (average annual gross salaries), broken down by level of responsibility (manager/non-manager). Wage gaps are examined and various measures have been put in place to ensure gender equality within the Group, in particular within the framework of the Ex-aequo programme.
Employee skills training and development	●	Emp-Training – This indicator is expressed in number of hours of training per employee trained during the year. In addition, the three social reporting entities (France, Italy and Germany) also published the workforce training rate (number of employees trained in relation to the total workforce at 31/12/N). The training indicators take into account all professional training carried out internally and externally.
Employee performance appraisals	●	Emp-Dev – The individual appraisal and skills development interview is a core element of the Group's Human Resources policy. It is the subject of a monitoring indicator (annual number of appraisal interviews/workforce) in all Group entities.
New hires and turnover	●	Emp-Turnover – Covivio publishes the total number of departures and recruitments that took place during the year. Each entity's Human Resources Department also publishes a departure turnover rate (for permanent employees) and a recruitment rate (for permanent employees).
Employee health and safety	●	H&S-Emp – On workplace accidents, the following indicators are published: accident rate, severity rate and frequency rate; absenteeism rate; number of deaths and occupational diseases.

EPRA Performance Indicators	Compliance self-assessment	Covivio's approach
Asset health and safety assessments	●	H&S-Asset – Each building managed by Covivio and its subsidiaries is monitored for environmental risks, taking into account local regulations. The monitoring and analysis are explained by business activity in this document. The risks for which the occupant is responsible are excluded from the scope of this indicator. (3.3.3)
Asset health and safety compliance	●	H&S-Comp – Covivio publishes the number of convictions related to non-compliance with environmental or health regulations. The HR section of this document also includes any incidents related to these aspects occurring within the boundaries of its own premises. (3.3.3)
Community engagement, impact assessment and development programmes	●	For several years, Comty-Eng-Covivio has been carrying out a socio-economic impact study of its Offices, residential and hotel activities in Germany, France and Italy. A summary of this study is presented in this document. In addition, many initiatives are implemented in the various regions where the company operates. These are discussed in Section 3.4.
SOCIETAL INDICATORS		
Composition of the highest governance body	●	Gov-Board – Covivio publishes all information related to governance. Information on the Board of Directors and its Committees are: ● summarised in Chapter 3.6 of this document; and ● discussed in more detail in Chapter 5 of Covivio's Universal Registration Document (URD): number of executive members; number of independent Directors; attendance rate for each Director and for each Committee; list of Directors' mandates; number of members with expertise in environmental and social issues.
Process for nominating and selecting the highest governance body	●	Gov-Select - The process for selecting and appointing Directors is explained, both for the Board of Directors and for its Committees, in the Governance section of this document. (Chapter 6 URD)
Process for managing conflicts of interest	●	Gov-Col – the various initiatives in place to prevent the risk of conflicts of interest for corporate officers (publication of the list of mandates and functions exercised, family ties, etc.) are described in Chapter 5 of Covivio's URD.

EPRA general recommendations and principles	Compliance self-assessment	EPRAs BPR guidelines and methodology
Organisational boundaries	●	As in previous years, reporting is based on what is known as "Operational Control", which corresponds to the scope within which Covivio, its subsidiaries and investments directly manage energy, water and waste. The results for this scope are printed on a grey background in the tables in Chapter 2.7.1. This environmental reporting scope is based on the consolidated financial scope for the sake of consistency with the other sections of the management report and with the provisions of Decree no. 2017-1265 of 9 August 2017 for the implementation of Order no. 2017-1180 of 19 July 2017 relating to the publication of non-financial information known as the "non-financial performance statement" (SNFP). The scope thus includes the different strategic activities: France Offices, Italy Offices, German Offices, German Residential (Covivio Immobilien) as well as Hotels and Service Sector Europe (Covivio Hotels). The reporting scope for year N includes all assets owned at 31/12/N. Assets under construction, in redevelopment, vacant, or acquired or sold during the year are not included. If an asset is sold during the year, the tenant will not necessarily provide consumption data if there no longer exists any legal connection with the former owner of the asset. The environmental reporting period runs from 1 January to 31 December.
Distribution of consumption owner - tenant	●	Covivio's reporting is separated into three levels of data collection and analysis: ● corporate" scope: these are the head office buildings hosting Covivio teams ● operational control" scope: this includes buildings under full management, for which Covivio controls the management of shared equipment (i.e. equipment located in common areas) and the consumption of water and energy (lighting, collective heating, etc.). These are Scope 1 and 2 emissions as described in the GHG Protocol. The reporting is based on invoices, with no estimates or resorting to submeters ● tenant area" scope: this relates to the tenant areas of multi-let buildings (where Covivio has "operational control" over the building's common areas, while tenants are responsible for individual energy consumption and water use) and of single-let buildings, where users are wholly responsible for managing building facilities as well as the building's energy and water consumption. Covivio does not rebill its tenants for energy, with the exception of energy used in the common areas of multi-let buildings, which is rebilled under operating expenses. Estimates are not made. However, data may be extrapolated based on the intensity ratios, thus permitting the assessment of the environmental footprint for the portfolio as a whole. Performance measurements involving extrapolated data are clearly indicated in the tables (white background, outside EPRA scope).

EPRA general recommendations and principles	Compliance self-assessment	EPRAs BPR guidelines and methodology
Consumption reporting – headquarters buildings	●	As indicated previously, Covivio reports the consumption for buildings occupied by its own employees. The results are presented in Section 2.7.1.6 under the Headquarters heading.
Intensity normalisation	●	The Intensity ratios by m² are calculated by comparing the environmental data for a year N concerning energy, water and carbon with the corresponding occupied area, expressed in terms of m². These calculations are used to measure efficiency for each indicator. In France, a distinction is drawn between final energy (fe), which is consumed and invoiced, and primary energy (pe), which is required to produce final energy.
Segmental analysis	●	Covivio has structured its analysis by segment and business line: France Offices, Italy Offices, German Offices German Residential (Covivio Immobilien), and the Hotels & Service Sector Europe (Covivio Hotels).
Coverage ratio of data collection	●	The coverage ratio is indicated by segment and business line in each reporting table (energy, carbon, water and waste). For each indicator, the extent of the reporting scope is calculated by surface area (in % of m²) and by number of assets.
Narrative on performance	●	Covivio provides comments and explanations on environmental performance trends and data: ● in Section 3.3 ● in the section containing performance data for each business (see Section 3.7.1).
Assurance – external verification by an independent third party	●	Since the 2011 report, corporate, societal and environmental information have been verified by an independent third party. The EPRA indicators and compliance with its methodology are verified as part of the process, as is compliance with GRI Standards (2017 version), CRESD and the GHG emissions report. The assurance letter is published in Covivio's annual URD and in its Sustainable Development Report. These documents are available in both English and French on the Covivio website.
Location of EPRA Sustainability Performance Measurements	●	The performance measurements and corresponding EPRA overarching recommendations are disclosed and reported in Covivio's annual URD and in its Sustainable Development Report. These documents are available in both English and French on the Covivio website.
Materiality	●	A materiality study was conducted at the Group level. Published each year in Covivio's URD and Sustainable Development Report. The most material issues are given special attention and closely monitored, in line with the CSR risk mapping conducted by the Group in 2018.

3.7.1.1 France Offices

The France Offices reporting scope covers 49 sites out of the 122 in the financial scope. Exclusions concern the development or renovation portfolio, residential development (11 assets), assets acquired or sold during the year as well as buildings located in condominiums or ASLs. All consumption figures are derived from invoices based on direct statements, without the use of estimates. Some of the data is obtained directly via the energy suppliers' digital platforms. A consumption monitoring system was rolled out in 2019 for 100% of the "operational control" scope (3.3.2).

Certifications – (Cert-tot) (Chapter 3.3.1.3)

As of 31 December 2022, 100% (in value, Group share) of the "core" Office assets, *i.e.* long-term assets set to remain in the portfolio, had HQE and/or BREEAM certifications (construction and/or operation) and/or were ISO 50001 certified.

Energy – Direct and indirect energy consumption by primary energy source and energy intensity ratio for buildings in use

The consumption reported below (with adjustment for climate) uses the consumption data collected according to two scopes as explained above: "operational control" corresponding to the common areas of multi-tenant buildings; "Non-operational control" corresponding to the tenant areas of multi-tenant buildings and single-tenant buildings that all benefit from private sub-meters (SASB IF-RE410a.2).

			Multi-let buildings							
			Scope "operational control"		Scope "private areas"		Single-let buildings		Portfolio total	
Total energy consumption (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			242,029	196,947	209,773	176,864	348,808	345,894	590,836	542,841
Reporting scope coverage by surface area (in %)			100%	100%	97%	100%	83%	83%	89%	88%
Number of applicable properties			16/16	14/14	15/16	14/14	31/34	33/35	47/50	47/49
Proportion of estimated data			0%	0%	0%	0%	0%	0%	0%	0%
Intensity (in KWhfe/m²SHON/year)	**CRE1**	**Energy-Int**	**152**	**115**	**54**	**57**	**153**	**135**	**172**	**146**
Intensity (in kWhpe/m²SHON/year)			**185**	**141**	**102**	**105**	**317**	**238**	**299**	**237[1]**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**7,916,672**	**5,516,900**	**-**	**-**	**8,194,872**	**11,777,695**	**16,111,543**	**17,294,595**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	7,916,672	5,516,900	-	-	7,869,125	11,682,995	15,785,796	17,199,895
Natural gas (direct energy) – renewable source			0	0	-	-	0	0	0	0
Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	-	-	142,377	94,700	142,377	94,700
Wood (direct energy)	302-1	Fuel-Abs	0	0	-	-	183,370	0	183,370	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**28,934,845**	**17,072,635**	**11,257,795**	**10,092,610**	**45,097,689**	**34,976,035**	**85,290,329**	**62,141,281**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	4,975,031	4,023,061	6,412,535	6,485,767	36,247,212	27,399,174	47,634,778	37,908,003
Electricity (indirect energy) – renewable source			6,875,861	4,161,673	4,845,260	3,606,843	2,680,977	2,495,842	14,402,097	10,264,358
Renewable energy production	302-1	Elec-Abs	0	0	-	-	149,503	0	149,503	0
of which solar			0	0	-	-	149,503	0	149,503	0
District heating and cooling (indirect energy)	302-1	DH&C-Abs	17,083,953	8,887,900	-	-	6,319,003	5,081,020	23,402,956	13,968,920
Total energy consumption (in kWhfe)			**36,851,517**	**22,589,534**	**11,257,795**	**10,092,610**	**53,292,560**	**46,753,730**	**101,401,872**	**79,435,875**
Total energy (in GJ)			132,665	81,322	40,528	36,333	191,853	168,313	365,047	285,969
Total energy consumption (in kWhpe)			**44,712,066**	**27,819,514**	**21,389,600**	**18,524,108**	**110,489,808**	**82,372,657**	**176,591,474**	**128,716,279**
Estimated consumption for vacant space (in kWhpe)			0	0	0	0	0	0	0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			0	0	727,930	0	22,612,760	17,310,745	21,336,346	17,236,015
Total measured and extrapolated energy consumption (in kWhpe)			44,712,066	27,819,514	22,117,530	18,524,108	133,102,568	99,683,401	197,927,820	145,952,293

(1) The primary energy factor was updated in 2022 (2.3 vs 2.58 in 2021), at constant factor, the intensity would have been 257 kWhpe/m²/year.

		Total consumption (Abs) "operational control" scope				Emissions on a like-for-like basis (LfL) - "Operational control" scope			Like-for-like (LfL) scope - Total portfolio		
		2021	2022			2021	2022		2021	2022	
Coverage of the reporting scope by surface area (in m²)	EPRA BPRs	242,029	196,947		EPRA BPRs	177,501			452,178		
Reporting scope coverage by surface area (in %)		100%	100%			90%			81%		
Reporting scope in number of applicable properties		16/16	14/14			13/14			40/45		
Proportion of estimated data		0%	0%			0%			0%		
Paid by owner				**Change**				**Change**			**Change**
Total Electricity (in kWh)	Elec-Abs	**11,850,892**	**8,184,735**	**-30.9%**	Elec-LfL	**9,100,770**	**7,888,205**	**-13.3%**	**39,958,002**	**32,879,253**	**-17.7%**
of which on a tenant submeter		0	0			0	0		0	0	
of which shared services		11,850,892	8,184,735	-30.9%		9,100,770	7,888,205	-13.3%	39,958,002	32,879,253	-17.7%
Total district heating and cooling (in kWh)	DH&C-Abs	**17,083,953**	**8,887,900**	**-48.0%**	DH&C-LfL	**12,962,304**	**8,887,900**	**-31.4%**	**18,229,251**	**13,026,447**	**-28.5%**
of which on a tenant submeter		0	0			0	0		0	0	
of which shared services		17,083,953	8,887,900	-48.0%		12,962,304	8,887,900	-31.4%	18,229,251	13,026,447	-28.5%
Total Gas-Fuel oil-Wood (in kWh)	Fuel-Abs	**7,916,672**	**5,516,900**	**-30.3%**	Fuels-LfL	**7,539,481**	**5,450,608**	**-27.7%**	**14,082,439**	**11,891,951**	**-15.6%**
of which on a tenant submeter		0	0			0	0		0	0	
of which shared services		7,916,672	5,516,900	-30.3%		7,539,481	5,450,608	-27.7%	14,082,439	11,891,951	-15.6%
				INTENSITY (IN KWHFE/M²SHON/YEAR)		**166.8**	**125.2**	**-24.9%**	**159.8**	**127.8**	**-20.0%**
				INTENSITY (KWHPE/M²SHON/YEAR)					**273.3**	**204.2**	**-25.3%**

Carbon – Total direct or indirect GHG emissions and greenhouse gas emissions from buildings

In compliance with the GHG Protocol, scopes 1 and 2 correspond to the "operational control" scope, while emissions linked to consumption from tenant areas and single-let buildings come under scope 3.

			Multi-let buildings				Single-let buildings		Portfolio total	
			Scope "operational control"		Scope of "private areas"					
		GHG Protocol:	Scopes 1 & 2		Scope 3 (excluding upstream)		Scope 3 (excluding upstream)		Scopes 1, 2 and 3 (excluding upstream)	
Total carbon emissions (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			242,029	196,947	209,773	176,864	348,808	345,894	590,836	542,841
Reporting scope coverage by surface area (in %)			100%	100%	97%	100%	83%	83%	89%	88%
Number of applicable properties			16/16	14/14	15/16	14/14	31/34	33/35	47/50	47/49
Proportion of estimated data			0%	0%	0%	0%	0%	0%	0%	0%
Carbon intensity (in $kgCO_2e/m^2$SHON/year)	**305-4**	**GHG-Int**	**11.3**	**8.5**	**1.2**	**1.4**	**10.2**	**10.0**	**11.1**	**9.9***
Total emissions (in tCO_{2e})			**2,727**	**1,671**	**261**	**246**	**3,574**	**3,455**	**6,562**	**5,372**
of which direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,338	932	0	0	1,371	2,000	2,709	2,933
of which indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	1,389	738	261	246	2,203	1,454	3,853	2,439
Estimated emissions on vacant areas (in tCO_2e)			0	0	0	0	0	0	0	0
Estimated emissions for occupied areas where no data is available (in tCO_2e)			0	0	9	0	731	726	793	719
Total extrapolated carbon emissions (in tCO_2e)			2,727	1,671	270	246	4,305	4,181	7,355	6,091

* This data takes into account the low level of emissions associated with green electricity contracts. With coefficients that do not take this into account, the total emissions of the assets would amount to 5,625 tCO_2e, with a carbon intensity of 10.4 $kgCO_2e/m^2$/year.

In addition, the emission factor for electricity has changed in France (0.038gCO_2/kWh vs 0.0407). At constant factor the intensity would have been 10.1$kgeqCO_2/m^2$/year.

	GRI standards	EPRA BPRs	Total emissions (Abs) – "Operational control" scope 2021	2022			Emissions on a like-for-like basis (LfL) – "Operational control" scope 2021	2022		Like-for-like (LfL) scope - Total portfolio 2021	2022	
Coverage of the reporting scope by surface area (in m²)			242,029	196,947			177,501			452,178		
Reporting scope coverage by surface area (in %)			100%	100%			90%			81%		
Reporting scope in number of applicable properties			16/16	14/14			13/14			40/45		
Proportion of estimated data			0%	0%	Change		0%		Change	0%		Change
Carbon intensity (in $kgCO_2e/m^2SHON/year$)	**305-4**	**GHG-Int**	**11.3**	**8.5**	**-24.7%**		**12.5**	**9.3**	**-25.5%**	**11.2**	**8.8**	**-21.3%**
GHG Protocol						**EPRA BPRs**						
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,338	932	-30.3%	GHG-Dir-LfL	1,274	921	-27.7%	2,395	2,019	-15.7%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	1,389	738	-46.9%	GHG-Indir-LfL	939	727	-22.5%	2,659	1,959	-26.3%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG- Indir-LfL	0	0		0	0	
Total emissions (in $tCO_2e/year$)			**2,727**	**1,671**			**2,213**	**1,648**		**5,054**	**3,978**	
CHANGE IN CARBON EMISSIONS				**-38.7%**			**-25.5%**			**-21.3%**		

Water – Total water consumption and water intensity ratio for buildings in use

In each of the buildings included in the reporting scope, the water used comes from a single source: municipal water supplies. Covivio does not take samples directly from groundwater. According to the WRI Aqueduct map[1], 4.6% and 0%, respectively, of the water scope (in surface area) is located in a region with a high or very high risk of baseline water stress (SASB-IF-RE-140a), *i.e.* 4.5% of water consumption. 94.2% of multi-let assets (in surface area) are equipped with water submeters (SASB IF-RE 410a.2).

- Multi-let buildings: the landlord receives the invoices; tenants do not have individual contracts.
- Single-let buildings: the tenant has an individual contract with the water supply company. All the elements reported below are taken from invoices.

Water consumption shows an upward trend this year, mainly in connection with the return to a pre-Covid level of occupancy.

			Multi-let buildings – Scope "operational control"		Multi-let buildings – Scope of "private areas"		Single-let buildings		Portfolio total	
Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			242,029	196,947			353,534	292,284	595,563	489,231
Reporting scope coverage by surface area (in %)			100%	100%			84%	70%	90%	79%
Number of applicable properties			16/16	14/14			27/34	20/35	43/50	34/49
Water intensity (in $m^3/m^2SHON/year$)	**CRE2**	**Water-Int**	**0.25**	**0.29**			**0.21**	**0.24**	**0.22**	**0.26**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**60,469**	**58,044**	Not applicable		**72,998**	**69,858**	**133,467**	**127,902**
Estimated water consumption in vacant space (in m³)			0	0			0	0	0	0
Estimated consumption in occupied areas for which data is not available (in m³)			0	0			13,764	30,187	14,939	33,019
Total extrapolated water consumption (in m³)			60,469	58,044			86,762	100,045	148,406	160,922
Water consumption - Like-for-like scope (LfL)										
Coverage of the reporting scope (in m²SHON)			196,947				231,571		428,518	
Reporting scope coverage by surface area (in %)			100%				64%		77%	
Reporting scope in number of applicable properties			14/14				15/31		29/45	
Proportion of estimated data			0%		Not applicable		0%		0%	
Water intensity (in $m^3/m^2SHON/year$)			**0.24**	**0.29**			**0.19**	**0.21**	**0.21**	**0.25**
Like-for-like water consumption (in m³)	303-1	Water-LfL	46,841	58,044			44,969	48,934	91,811	106,978
CHANGE IN WATER CONSUMPTION INTENSITY			**23.9%**				**8.8%**		**16.5%**	

(1) *Beta Aqueduct 2021 – Baseline Water Stress country ranking – https://wri.org/applications/aqueduct/country-rankings/*

Waste – Total mass of waste in tonnes by type and disposal method

In France, waste removal is carried out by municipal services which do not weigh the waste and do not provide any follow-up information. Recording tonnage data is possible only where waste is managed by private waste contractors.

			Multi-let buildings							
			Scope "operational control"		Scope "tenant areas"		Single-let buildings		Portfolio total	
Total waste production (Abs)	GRI	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			182,736	181,770			208,132	42,140	390,868	223,910
Coverage of scope in surface area (in %)			76%	92%			50%	10%	59%	36%
Number of applicable properties			10/16	11/14			9/34	4/35	19/50	15/49
Proportion of estimated data			13%	35%			18%	59%	16%	41%
Total waste (in tonnes)	**306-2**	**Waste-Abs**	**483**	**596**			**633**	**183**	**1,116**	**779**
Total Hazardous waste (in tonnes)			0	0			0	0	0	0
of which recycled, re-used or composted waste	306-2	Waste-Abs	152	162	Not applicable		174	25	326	187
i.e. (in %)			31%	27%			27%	14%	29%	24%
of which incinerated (including with energy recovery)	306-2	Waste-Abs	NC	NC			NC	NC	NC	NC
of which landfill	306-2	Waste-Abs	NC	NC			NC	NC	NC	NC
of which other disposal methods	306-2	Waste-Abs	NC	NC			NC	NC	NC	NC
Rate of selective collection			**100%**	**100%**			**100%**	**100%**	**100%**	**100%**
Total extrapolated production of waste (in tonnes)			640	646			1,278	1,815	1,891	2,141
Coverage of the reporting scope by surface area (in m²)			137,656				37,698		175,354	
Coverage of scope in surface area (in %)			70%		Not applicable		10%		31%	
Number of applicable properties			8/14				3/31		11/45	
Proportion of estimated data			20%				65%		32%	
Rate of selective collection			**100%**	**100%**			**100%**	**100%**	**100%**	**100%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**407**	**486**			**164**	**175**	**571**	**660**
Total Hazardous waste (in tonnes)			**0**	**0**			**0**	**0**	**0**	**0**
of which recycled, re-used or composted waste			126	131			28	22	154	153
i.e. (in %)			31%	27%			17%	13%	27%	23%
of which incinerated (including with energy recovery)			NC	NC			NC	NC	NC	NC
of which landfill			NC	NC			NC	NC	NC	NC
of which other disposal methods			NC	NC			NC	NC	NC	NC
CHANGE IN TOTAL WASTE PRODUCTION			**19.3%**				**6.4%**		**15.6%**	

3.7.1.2 Green Bond Portfolio

The details of Covivio's two Green Bond issues of April 2016 and September 2019 are set out in Chapter 3.3.4. The following tables only concern the first Green Bond issue, as the assets underlying the second issue were all under development or too recently delivered at 31 December 2021. The consumption reported here is included in the France Offices portfolio (3.7.1.1).

Certifications and labels (Cert-Tot)

In accordance with the Sustainable Bond Framework, 100% of the assets selected have environmental certification higher than Excellent/Gold for buildings or Very Good for operations.

Energy – direct and indirect energy consumption by primary energy source and energy intensity ratio for the fully owned portfolio (operational control scope)

Total energy consumption (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m^2)			359,574	434,214
Reporting scope coverage by surface area (in %)			94%	89%
Number of applicable properties			23/25	30/31
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m^2/year)	**CRE1**	**Energy-Int**	**164.9**	**191.5**
Intensity (in KWhpe/m^2/year)			**271.4**	**270.2**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**8,479,537**	**9,376,297**
Natural gas *(direct energy) – non-renewable source*	302-1	Fuel-Abs	8,479,537	9,376,297
Natural gas *(direct energy) – renewable source*	302-1		0	0
Fuel oil *(direct energy)*	302-1	Fuel-Abs	0	0
Wood *(direct energy)*	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**50,809,623**	**73,785,729**
Electricity *(indirect energy) – non-renewable source*	302-1	Elec-Abs	27,263,991	27,076,479
Electricity *(indirect energy)* – renewable source			12,299,327	27,013,911
Renewable energy production	302-1	Elec-Abs	87,332	127,459
of which solar			87,332	127,459
District heating and cooling *(indirect energy)*	302-1	DH&C-Abs	11,333,637	19,822,798
Total energy consumption (in kWhfe)			**59,289,160**	**83,162,026**
Total energy (in GJ)			213,441	299,383
Total energy consumption (in kWhpe)			**97,598,454**	**117,310,279**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			6,212,534	15,187,161
Total measured and extrapolated energy consumption (in kWhpe)			103,810,988	132,497,440

3

	EPRA BPRs	Like-for-like (LfL) 2021	2022	Change
Coverage of the reporting scope by surface area (in m²)		291,937		
Reporting scope coverage by surface area (in %)		83%		
Reporting scope in number of applicable properties		21/23		
Proportion of estimated data		0%		
Paid by owner	EPRA BPRs			**Change**
Total Electricity (in kWh)		**31,355,137**	**29,850,005**	**-4.8%**
of which on a tenant submeter		0	0	
of which shared services	**Elec-LfL**	31,355,137	29,850,005	-4.8%
Total heating and cooling networks (in kWh)		**11,333,637**	**8,933,343**	**-21.2%**
of which on a tenant submeter	**DH&C -LfL**	0	0	
of which shared services		11,333,637	8,933,343	-21.2%
Total Gas-Fuel oil-Wood (in kWh)		**7,540,097**	**5,274,628**	**-30.0%**
of which on a tenant submeter		0	0	
of which shared services	**Fuels-LfL**	7,540,097	5,274,628	-30.0%
	INTENSITY (IN KWHFE/M²/YEAR)	**172.1**	**150.9**	**-12.3%**
	INTENSITY (IN KWHPE/M²/YEAR)	**277.7**	**233.7**	**-15.8%**

Carbon – Total GHG emissions and carbon intensity ratio for fully-owned assets (operational control scope)

	GRI standards	EPRA BPRs	Total Emissions (Abs) 2021	2022			Emissions on a like-for-like basis (LfL) 2021	2022	
Coverage of reporting scope by surface area (in m²Nütz)			359,574	434,214			291,937		
Reporting scope coverage by surface area (in %)			94%	89%			83%		
Reporting scope in number of applicable properties			23/25	30/31			21/23		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in KgCO₂e/m²Nütz/year)	**305-4**	**GHG-Int**	**17.3**	**15.9**			**20.1**	**15.4**	**-23.4%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,433	1,585	0.4%	GHG-Dir-LfL	1,274	891	-30.0%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	4,770	5,318	9.3%	GHG-Indir-LfL	4,580	3,593	-21.5%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			**6,203**	**6,903**			**5,854**	**4,485**	
CHANGE IN CARBON EMISSIONS			**-7.9%**				**-23.4%**		

Water – Total water consumption and water intensity ratio for fully owned buildings (operational control scope)

Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m²)			359,574	442,424
Reporting scope coverage by surface area (in %)			96%	90%
Number of applicable properties			26/31	26/31
Water intensity (in m³/m²/year)	**CRE2**	**Water-Int**	**0.34**	**0.39**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**123,930**	**174,108**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			4,979	18,891
Total extrapolated water consumption (in m³)			128,910	192,999
Water consumption - Like-for-like scope (LfL)				
Coverage of the reporting scope by surface area (in m²)			294,721	
Reporting scope coverage by surface area (in %)			84%	
Number of applicable properties			17/23	
Proportion of estimated data			0%	
Water intensity (in m³/m²/year)			**0.37**	**0.42**
Like-for-like water consumption (in m³)	303-1	Water-LfL	107,598	123,212
CHANGE IN WATER CONSUMPTION INTENSITY			**14.5%**	

Waste – Total mass of waste in tonnes by type and disposal method

Total waste production (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of reporting scope by surface area (in m²GLA)			264,509	200,525
Reporting scope coverage by surface area (in %)			66%	41%
Number of applicable properties			15/31	15/31
Proportion of estimated data			NC	76%
Total non-hazardous waste (in tonnes)	**306-2**	**Waste-Abs**	**1,052**	**1,289**
Total Hazardous waste (in tonnes)	**306-2**		**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	291	415
i.e. (in %)			28%	32%
Rate of selective collection			**100%**	**100%**
Total extrapolated production of waste (in tonnes)			1,604	3,153
Waste production – Like-for-like (LfL)				
Coverage of reporting scope by surface area (in m²GLA)			127,660	
Reporting scope coverage by surface area (in %)			36%	
Number of applicable properties			8/23	
Proportion of estimated data			43%	
Rate of selective collection			**100%**	**100%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**577**	**634**
Total Hazardous waste (in tonnes)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			143	169
i.e. (in %)			25%	27%
CHANGE IN TOTAL WASTE PRODUCTION			**9.8%**	

3.7.1.3 Italy Offices

The environmental reporting of the Italy Offices portfolio covers buildings under direct management (multi-tenant), corresponding to the EPRA scope as mentioned above, and a few single-tenant buildings for which tenants have agreed to share their consumption.

Certifications and labels - (Cert-tot) (3.3.1.3)

At 31 December 2022, 98% (in value, Group share) of office buildings in Italy were certified for construction (LEED/ITACA/BREEAM) or operation (BraVe/BREEAM In-Use). This percentage is expressed relative to all the assets held on this date, including both assets under construction and in operation.

Energy - Direct and indirect energy consumption by source and energy intensity ratio of assets

Consumption data is based on invoices obtained from the property management company or energy suppliers. All of the assets have submeters for tenant areas (SASB IF-RE 410a.2), of which the energy consumption is not reported here. The increase in urban heating is linked to the increase in the occupancy rate of an asset representing one third of the scope in surface area (around 50% last year compared to more than 80% occupancy this year).

			Multi-let buildings							
			Scope "operational control"		Scope "private areas"		Single-let buildings		Portfolio total	
Total energy consumption (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			140,379	133,308	22,351	64,190	70,967	304,555	211,346	437,863
Reporting scope coverage by surface area (in %)			100%	100%	NC	NC	38%	79%	64%	84%
Number of applicable properties			12/12	11/11	6/12	10/11	7/27	21/33	19/39	32/44
Proportion of estimated data			0	0%	0%	0%	0%	0%	0%	0%
Intensity (in KWhfe/m²/year)	**CRE1**	**Energy-Int**	**136.1**	**116.1**	**41.5**	**34.9**	**197.8**	**142.7**	**161.2**	**139.7**
Intensity (in KWhpe/m²/year)			**136.1**	**116.1**	**84.8**	**69.5**	**398.8**	**270.2**	**233.3**	**233.4**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**4,080,653**	**2,827,530**	**-**	**-**	**0**	**368,788**	**4,080,653**	**3,196,318**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	4,080,653	2,827,530	-	-	0	368,788	4,080,653	3,196,318
Natural gas (direct energy) – renewable source			0	0	-	-	0	0	0	0
Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	-	-	0	0	0	0
Wood (direct energy)	302-1	Fuel-Abs	0	0	-	-	0	0	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**15,029,479**	**12,645,479**	**926,621**	**2,241,260**	**14,035,368**	**43,106,385**	**29,991,468**	**57,993,124**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	0	0	821,248	2,018,969	12,087,657	35,280,082	12,908,906	37,299,051
Electricity (indirect energy) – renewable source			11,354,188	9,897,258	105,373	222,291	2,025,419	7,937,149	13,484,979	18,056,698
Renewable energy production	302-1	Elec-Abs	9,624	16,612	-	-	77,708	110,847	87,332	127,459
of which solar			9,624	16,612	-	-	77,708	110,847	87,332	127,459
District heating and cooling (indirect energy)	302-1	DH&C-Abs	3,684,915	2,764,834	-	-	0	0	3,684,915	2,764,834
Total energy consumption (in kWhfe)			**19,110,131**	**15,473,009**	**926,621**	**2,241,260**	**14,035,368**	**43,475,173**	**34,072,120**	**61,189,441**
Total energy (in GJ)			68,796	55,703	3,336	8,069	50,527	156,511	122,660	220,282
Total energy consumption (in kWhpe)			**19,110,131**	**15,473,009**	**1,895,693**	**4,462,126**	**28,298,804**	**82,283,263**	**49,304,629**	**102,218,398**
Estimated consumption for vacant space (in kWhpe)			0	0	0	0	0	0	0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			0	0	NC	NC	46,503,263	22,036,172	27,206,027	19,040,611
Total measured and extrapolated energy consumption (in kWhpe)			19,110,131	15,473,009	NC	NC	74,802,067	104,319,435	76,510,656	121,259,009

		Total consumption (Abs) "operational control" scope				Emissions on a like-for-like basis (LfL) - "Operational control" scope			Like-for-like (LfL) scope - Total portfolio		
		2021	2022			2021	2022		2021	2022	
Coverage of the reporting scope by surface area (in m²)		140,379	133,308			115,304			186,118		
Reporting scope coverage by surface area (in %)		100%	100%			100%			69%		
Reporting scope in number of applicable properties	EPRA BPRs	12/12	11/11		EPRA BPRs	10/10			17/30		
Proportion of estimated data		0%	0%			0%			0%		
Paid by owner				**Change**				**Change**			**Change**
Total Electricity (in kWh)		**11,354,188**	**9,897,258**	**-12.8%**		**8,721,263**	**7,297,482**	**-16.3%**	**22,969,505**	**19,878,977**	**-13.5%**
of which on a tenant submeter	**Elec-Abs**	0	0		**Elec-LfL**	0	0		0	0	
of which shared services		11,354,188	9,897,258	-12.8%		8,721,263	7,297,482	-16.3%	22,969,505	19,878,977	-13.5%
Total district heating and cooling (in kWh)		**3,684,915**	**2,764,834**	**-25.0%**		**2,688,555**	**2,764,834**	**2.8%**	**2,688,555**	**2,764,834**	**2.8%**
of which on a tenant submeter	**DH&C-Abs**	0	0		**DH&C-LfL**	0	0		0	0	
of which shared services		3,684,915	2,764,834	-25.0%		2,688,555	2,764,834	2.8%	2,688,555	2,764,834	2.8%
Total Gas-Fuel oil-Wood (in kWh)		**4,080,653**	**2,827,530**	**-30.7%**		**3,037,258**	**2,827,530**	**-6.9%**	**3,037,258**	**2,827,530**	**-6.9%**
of which on a tenant submeter	**Fuel-Abs**	0	0		**Fuels-LfL**	0	0		0	0	
of which shared services		4,080,653	2,827,530	-30.7%		3,037,258	2,827,530	-6.9%	3,037,258	2,827,530	-6.9%
					INTENSITY (IN KWHFE/M²SHON/YEAR)	**125.3**	**111.8**	**-10.8%**	**154.2**	**136.9**	**-11.2%**
					INTENSITY (KWHPE/M²SHON/YEAR)				**231.1**	**186.1**	**-19.5%**

Carbon – Total GHG emissions and carbon intensity ratio for fully-owned assets (operational control scope)

In compliance with the GHG Protocol, scopes 1 and 2 correspond to the "operational control" scope, while emissions linked to consumptionfrom tenant areas and single-let buildings come under scope 3.

			Multi-let buildings				Single-let buildings		Portfolio total	
			Scope "operational control"		Scope of "private areas"					
	GHG Protocol:		Scopes 1 & 2		Scope 3 (excluding upstream)		Scope 3 (excluding upstream)		Scopes 1, 2 and 3 (excluding upstream)	
Total carbon emissions (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			140,379	133,308	22,351	64,190	70,967	304,555	211,346	437,863
Reporting scope coverage by surface area (in %)			100%	100%	NC	NC	38%	79%	64%	84%
Number of applicable properties			12/12	11/11	6/12	10/11	7/27	21/33	19/39	32/44
Proportion of estimated data			0%	0%	0%	0%	0%	0%	0%	0%
Carbon intensity (in $kgCO_2e/m^2/year$)	**305-4**	**GHG-Int**	**9.3**	**7.3**	**10.3**	**8.9**	**47.9**	**32.8**	**23**	**26.3**
Total emissions (in tCO_2e)			**1,311**	**968**	**231**	**568**	**3,401**	**9,996**	**4,943**	**11,532***
of which direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	755	523	0	0	0	68	755	591
of which indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	556	445	231	568	3,401	9,928	4,188	10,941
Estimated emissions on vacant areas (in tCO_2e)			0	0	0	0	0	0	0	0
Estimated emissions for occupied areas where no data is available (in tCO_2e)			0	0	NC	NC	5,590	2,677	2,728	2,148
Total extrapolated carbon emissions (in tCO_2e)			1,311	968	NC	NC	8,991	12,673	7,671	13,681

* This data takes into account the low level of emissions associated with green electricity contracts. With coefficients that do not take this into account, the total emissions of the assets would amount to 16,614 tCO_2e, with a carbon intensity of 37.9 $kgCO_2e/m^2/year$.

	GRI standards	EPRA BPRs	Total emissions (Abs) – "Operational control" scope 2021	2022			Emissions on a like-for-like basis (LfL) – "Operational control" scope 2021	2022		Like-for-like (LfL) scope - TOTAL PORTFOLIO 2021	2022	
Coverage of the reporting scope by surface area (in m²)			140,379	133,308			115,304			186,118		
Reporting scope coverage by surface area (in %)			100%	100%			100%			69%		
Reporting scope in number of applicable properties			12/12	11/11			10/10			17/30		
Proportion of estimated data			0	0%	Change		0%		Change	0%		Change
Carbon intensity (in $kgCO_2e/m^2$SHON/year)	**305-4**	**GHG-Int**	**9.3**	**7.3**	**-22.2%**		**8.6**	**8.4**	**-2.7%**	**23.8**	**18.0**	**-24.5%**
GHG Protocol						**EPRA BPRs**						
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	755	523	-30.7%	GHG-Dir -LfL	562	523	-6.9%	562	523	-6.9%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	556	445	-19.9%	GHG-Indir -LfL	433	445	2.8%	3,867	2,820	-27.1%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG-Indir -LfL	0	0		0	0	
Total emissions (in tCO_2e/year)			**1,311**	**968**			**995**	**968**		**4,429**	**3,343**	
CHANGE IN CARBON EMISSIONS			**-22.2%**				**-2.7%**			**-24.5%**		

Water – Total water consumption and water intensity ratio for fully owned buildings (operational control scope)

Water used in the portfolio comes from a single source: municipal water supplies. According to the WRI Aqueduct map[1], 0% of the directly managed portfolio is located in a region with a high or very high risk of baseline water stress (SASB IF-RE-140a).

			Multi-let buildings – Scope "operational control"		Multi-let buildings – Scope of "private areas"		Single-let buildings		Portfolio total	
Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022	2021	2022	2021	2022	20211	2022
Coverage of the reporting scope by surface area (in m²)			140,379	133,308			75,958	64,322	216,337	197,630
Reporting scope coverage by surface area (in %)			100%	100%			40%	17%	66%	38%
Number of applicable properties			12/12	11/11			9/27	9/33	21/39	20/44
Water intensity (in m³/m²/year)	**CRE2**	**Water-Int**	**0.92**	**0.88**			**0.84**	**1.12**	**0.89**	**0.96**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**128,630**	**116,871**			**63,616**	**72,325**	**192,246**	**189,196**
Estimated water consumption in vacant space (in m³)			0	0			0	0	0	0
Estimated consumption in occupied areas for which data is not available (in m³)			0	0	Not applicable		93,491	361,834	99,198	308,062
Total extrapolated water consumption (in m³)			128,630	116,871			157,107	434,159	291,444	497,258
Water consumption - Like-for-like scope (LfL)										
Coverage of the reporting scope (in m²)			115,304						115,304	
			100%						43%	
Reporting scope in number of applicable properties			10/10						15/30	
Proportion of estimated data			0%						0%	
Water intensity (in m³/m²/year)			**1.04**	**0.98**					**1.04**	**0.98**
Like-for-like water consumption (in m³)	303-1	Water-LfL	120,436	113,268					120,436	113,268
CHANGE IN WATER CONSUMPTION INTENSITY			**-6%**						**-6%**	

(1) *Beta Aqueduct 2021 – Baseline Water Stress country ranking – https://wri.org/applications/aqueduct/country-rankings/.*

Waste – Total mass of waste in tonnes by type and disposal method

			Multi-let buildings							
			Scope "operational control"		Scope of "private areas"		Single-let buildings		Portfolio total	
			2021	2022	2021	2022	2021	2022	2021	2022
Coverage of the reporting scope by surface area (in m²)			72,981	107,610				21,599	85,481	129,209
Coverage of scope in surface area (in %)			52%	81%				6%	26%	25%
Number of applicable properties			10/12	10/11				3/33	11/39	13/44
Proportion of estimated data			100%	100%				0%	100%	100%
Total waste (in tonnes)	**306-2**	**Waste-Abs**	**1,010**	**2,007**				**462**	**1,137**	**2,469**
Total Hazardous waste (in tonnes)			**0**	**0**				**0**	**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	429	915	Not applicable			160	466	1,075
i.e. (in %)			42%	46%				35%	41%	44%
of which incinerated (including with energy recovery)	306-2	Waste-Abs	NC	NC				NC	NC	NC
of which landfill	306-2	Waste-Abs	NC	NC				NC	NC	NC
of which other disposal methods	306-2	Waste-Abs	NC	NC				NC	NC	NC
Rate of selective collection			**100%**	**100%**				**100%**	**100%**	**100%**
Total extrapolated production of waste (in tonnes)			1,943	2,487				8,256	4,362	9,926
Waste production – Like-for-like (LfL)										
Coverage of the reporting scope by surface area (in m²HS)			50,392						50,392	
Coverage of scope in surface area (in %)			44%						18.8%	
Number of applicable properties			8/10						8/44	
Proportion of estimated data			100%						100%	
Rate of selective collection			**100%**	**100%**					**100%**	**100%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**818**	**814**					**903**	**814**
Total Hazardous waste (in tonnes)			**0**	**0**	Not applicable				**0**	**0**
of which recycled, re-used or composted waste			344	322					385	322
i.e. (in %)			43%	40%					43%	40%
of which incinerated (including with energy recovery)			NC	NC					NC	NC
of which landfill			NC	NC					NC	NC
of which other disposal methods			NC	NC					NC	NC
CHANGE IN TOTAL WASTE PRODUCTION			**-0.5%**						**-9.9%**	

3.7.1.4 Germany Offices

Acquired in 2020, the office portfolio in Germany was the subject of an initial report on the basis of consumption figures in 2020. These are presented here for information purposes only. The 2021 data will be processed this year and can thus be compared with the 2020 data. This first exercise made it possible to identify the points of contact and to understand the typology of assets, thus preparing the collection of information for the coming years.

Certifications and labels - (Cert-tot) (3.3.1.3)

46.1% of the portfolio is subject to certification at the end of 2022, an operation certification programme has been launched for the next two years.

Energy - Direct and indirect energy consumption by source and energy intensity ratio of assets

Consumption data is based on invoices obtained from the *property* management company or energy suppliers.

			Multi-let buildings		
			Scope "operational control"	Scope of "private areas"	Portfolio total
Total energy consumption (Abs)	GRI standards	EPRA BPRs	2022	2022	2022
Coverage of the reporting scope by surface area (in m²)			222,210	88,702	222,210
Reporting scope coverage by surface area (in %)			96%	42%	96%
Number of applicable properties			11/12	3/12	11/12
Proportion of estimated data			0%	0%	0%
Intensity (in KWhfe/m²/year)	**CRE1**	**Energy-Int**	**122.5**	**47.1**	**141.3**
Intensity (in KWhpe/m²/year)			**127.8**	**47.1**	**146.6**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**8,116,028**	**-**	**8,116,028**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	0	-	0
Natural gas (direct energy) – renewable source			8,116,028	-	8,116,028
Fuel oil (direct energy)	302-1	Fuel-Abs	0	-	0
Wood (direct energy)	302-1	Fuel-Abs	0	-	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**19,098,591**	**4,175,197**	**23,273,787**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	0	0	0
Electricity (indirect energy) – renewable source			4,297,156	4,175,197	8,472,352
Renewable energy production	302-1	Elec-Abs	0	-	0
of which solar			0	-	0
District heating and cooling (indirect energy)	302-1	DH&C-Abs	14,801,435	-	14,801,435
Total energy consumption (in kWhfe)			**27,214,618**	**4,175,197**	**31,389,815**
Total energy (in GJ)			97,973	15,031	113,003
Total energy consumption (in kWhpe)			**28,398,733**	**4,175,197**	**32,573,930**
Estimated consumption for vacant space (in kWhpe)			0	0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			1,279,230	5,662,329	1,467,304
Total measured and extrapolated energy consumption (in kWhpe)			29,677,964	9,837,525	34,041,233

Note that the total intensity does not include the tenant areas for 58% of the buildings in the scope.

Carbon – Total GHG emissions and carbon intensity ratio for fully-owned assets (operational control scope)

			Multi-let buildings		Portfolio total
			Scope "operational control"	Scope of "private areas"	
		GHG Protocol:	Scopes 1 & 2	Scope 3 (excluding upstream)	Scopes 1, 2 and 3 (excluding upstream)
Total carbon emissions (Abs)	GRI standards	EPRA BPRs	2022	2022	2022
Coverage of the reporting scope by surface area (in m²)			222,210	88,702	222,210
Reporting scope coverage by surface area (in %)			96%	42%	96%
Number of applicable properties			11/12	3/12	11/12
Proportion of estimated data			0%	0%	0%
Carbon intensity (in $kgCO_2e/m^2/year$)	**305-4**	**GHG-Int**	**8.9**	**0.0**	**8.9**
Total emissions (in tCO_2e)			**1,976**	**0**	**1,976**
of which direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	0	0	0
of which indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	1,976	0	1,976
Estimated emissions on vacant areas (in tCO_2e)			0	0	0
Estimated emissions for occupied areas where no data is available (in tCO_2e)			89	0	89
Total extrapolated carbon emissions (in tCO_2e)			2,065	0	2,065

* This data takes into account the low level of emissions associated with green electricity contracts. Taking a factor for conventional electricity, total emissions would amount to 7,911 $teqCO_2$ for an intensity of 35.6$kgeqCO_2/m^2$/year.

Water – Total water consumption and water intensity ratio for fully owned buildings (operational control scope)

Water used in the portfolio comes from a single source: municipal water supplies. According to the WRI Aqueduct map 55.6% and 0%, respectively, of the water scope (in surface area) is located in a region with a high or very high risk of baseline water stress (SASB-IF-RE-140a), *i.e.* 59% of water consumption.

			Portfolio total Operational control
Total water consumption (Abs)	GRI standards	EPRA BPRs	2022
Coverage of the reporting scope by surface area (in m²)			232,219
Reporting scope coverage by surface area (in %)			100%
Number of applicable properties			12/12
Water intensity (in $m^3/m^2/year$)	**CRE2**	**Water-Int**	**0.19**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**45,007**
Estimated water consumption in vacant space (in m³)			0
Estimated consumption in occupied areas for which data is not available (in m³)			0

Waste – Total mass of waste in tonnes by type and disposal method

			Portfolio total
			2022
Coverage of the reporting scope by surface area (in m²)			184,084
Coverage of scope in surface area (in %)			79%
Number of applicable properties			11/12
Proportion of estimated data			100%
Total waste (in tonnes)	**306-2**	**Waste-Abs**	**1,864**
Total Hazardous waste (in tonnes)			**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	29
i.e. (in %)			2%
Rate of selective collection			**100%**
Total extrapolated production of waste (in tonnes)			2,352

3.7.1.5 German Residential

Given the size of the residential portfolio held by Covivio Immobilien, the Group decided in 2014 to monitor fluid consumption and waste production for a representative sample. This sample was updated and supplemented in 2019 in coordination with the CSTB to take into account changes in the portfolio. It now includes 201 assets accounting for 5% of the portfolio assets (in surface area). The representativeness of the sample is ensured through the following selection criteria:

- four geographic areas: Berlin, North Rhine-Westphalia, Hamburg, Saxony
- 12 construction periods: pre-1859 to post-2016
- four types of heat generation: urban heating systems, district heating, gas boilers and individual heating.

Given the specificities of the residential portfolio, the data presented refer to the financial years 2021 and 2022 in general, but to 2020 and 2021 respectively for energy consumption.

Certifications and labels - (Cert-Tot) (3.3.1.3)

100% of the residential portfolio held by Covivio in Germany is HQE™ Operation certified, representing a total of more than 40,000 housing units, located in 17 cities across Germany.

Energy – Direct and indirect energy consumption by primary energy source and energy intensity ratio for buildings in use

The data relates to the owner scope and is based on invoices with no estimates. Property owners cannot ask for the tenants' energy consumption data. All of the assets have submeters for tenant areas (SASB IF-RE 410a.2), the energy consumption of which is not reported here.

	GRI standards	EPRA BPRs	2021	2022
Coverage of reporting scope by surface area (in m²Nütz)			114,516	112,756
Reporting scope coverage by surface area (in %)			86%	84%
Number of applicable properties			171/201	164/201
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m²Nütz/year)	**CRE1**	**Energy-Int**	**185**	**185**
Intensity (in KWhpe/m²Nütz/year)			**197**	**195**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**9,085,209**	**9,177,410**
Natural gas *(direct energy)* – non-renewable source	302-1	Fuel-Abs	8,826,142	9,052,032
Natural gas *(direct energy)* – renewable source	302-1		0	0
Fuel oil *(direct energy)*	302-1	Fuel-Abs	259,067	125,377
Wood *(direct energy)*	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**12,124,876**	**11,684,974**
Electricity *(indirect energy) – non-renewable source*	302-1	Elec-Abs	222,471	208,031
Electricity *(indirect energy) – renewable source*			0	0
Renewable energy production	302-1	Elec-Abs	32,316	29,574
of which solar			32,316	29,574
District heating and cooling *(indirect energy)*	302-1	DH&C-Abs	11,934,721	11,506,517
Total energy consumption (in kWhfe)			**21,210,085**	**20,862,384**
Total energy (in GJ)			76,356	75,105
Total energy consumption (in kWhpe)			**22,600,906**	**22,011,739**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			3,609,717	4,237,587
Total measured and extrapolated energy consumption (in kWhpe)			26,210,623	26,249,326

By extrapolating the consumption of the representative panel to the entire German Residential portfolio, i.e. 2,597,617 m², energy consumption would amount to 426,224,055 kWhpe and 449,959,203 kWhpe, or an intensity of 173.2 kWhpe/m². This data is calculated by reintegrating the 26 assets equipped with individual heaters not included in the reporting scope (i.e. 11% of surface areas).

		2021	2022			2021	2022	
Coverage of reporting scope by surface area (in m²Nütz)	EPRA BPRs	114,516	112,756		EPRA BPRs	109,018		
Reporting scope coverage by surface area (in %)		86%	84%			82%		
Reporting scope in number of applicable properties		171/201	164/201			159/197		
Proportion of estimated data		0%	0%			0%		
				Change				Change
Total Electricity (in kWh)	**Elec-Abs**	**222,471**	**208,031**	**-6.5%**	**Elec-LfL**	**217,832**	**205,333**	**-5.7%**
of which on a tenant submeter								
of which shared services		222,471	208,031	-6.5%		217,832	205,333	-5.7%
Total district heating and cooling (in kWh)	**DH&C-Abs**	**11,934,721**	**11,506,517**	**-3.6%**	**DH&C-LfL**	**11,173,112**	**11,132,633**	**-0.4%**
of which on a tenant submeter								
of which shared services		11,934,721	11,506,517	-3.6%		11,173,112	11,132,633	-0.4%
Total Gas-Fuel oil-Wood (in kWh)	**Fuel-Abs**	**9,085,209**	**9,177,410**	**1,0%**	**Fuels-LfL**	**8,831,410**	**9,177,410**	**3.9%**
of which on a tenant submeter								
of which shared services		9,085,209	9,177,410	1,0%		8,831,410	9,177,410	3.9%
					INTENSITY (IN KWHFE/M²NÜTZ/YEAR)	**185.5**	**188.2**	**1.4%**

Emissions are up slightly this year, mainly due to the revision of the conversion coefficient for heating networks. On a like-for-like basis, we see a decrease of 3.5%.

Carbon – Total direct or indirect GHG emissions and greenhouse gas emissions from buildings

			Total Emissions (Abs)				Emissions on a like-for-like basis (LfL)		
	GRI standards	EPRA BPRs	2021	2022			2021	2022	
Coverage of reporting scope by surface area (in m²Nütz)			114,516	112,756			109,018		
Reporting scope coverage by surface area (in %)			86%	84%			82%		
Reporting scope in number of applicable properties			171/201	164/201			159/197		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in $KgCO_2e/m^2$Nütz/year)	**305-4**	**GHG-Int**	**29.6**	**28.8**	**-2.5%**		**29.7**	**29.4**	**-1.0%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,702	1,708	0.4%	GHG-Dir-LfL	1,655	1,708	3.2%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	1,684	1,542	-8.4%	GHG-Indir-LfL	1,581	1,494	-5.5%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			**3,386**	**3,250**			**3,235**	**3,202***	
CHANGE IN CARBON EMISSIONS								**-1%**	

* By extrapolating Covivio Immobilien's carbon emissions to the scale of the total portfolio of 2,597,617 m² by adding the assets equipped with individual heating (i.e. 11% of the assets' surface area), total emissions amount to 66,457 tCO_2e, i.e. an intensity of 25.6kg CO_2e/m^2.

3

Water – Total water consumption and water intensity ratio for buildings in use

Water used in the portfolio comes from a single source: municipal water supplies. According to the WRI Aqueduct map[1], 44.5% of the water scope (*i.e.* 45.6% of water consumption) in surface area is located in a region with a high risk of baseline water stress (SASB IF-RE140a). Covivio does not, however, extract water directly from the water table. The water consumption is exclusively linked to tenant usage.

Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of reporting scope by surface area (in m^2Nütz)			125,835	127,322
Reporting scope coverage by surface area (in %)			95%	95%
Number of applicable properties			193/201	191/201
Water intensity (in m^3/m^2Nütz/year)	**CRE2**	**Water-Int**	**1.24**	**1.23**
Total water consumption (in m^3)	**303-1**	**Water-Abs**	**155,738**	**156,880**
Estimated water consumption in vacant space (in m^3)			0	0
Estimated consumption in occupied areas for which data is not available (in m^3)			8,627	8,798
Total extrapolated water consumption (in m^3)			164,365	165,678
Water consumption - Like-for-like scope (LfL)				
Coverage of reporting scope by surface area (in m^2Nütz)			125,324	
Reporting scope coverage by surface area (in %)			94%	
Reporting scope in number of applicable properties			187/197	
Proportion of estimated data			0%	
Water intensity (in m^3/m^2Nütz/year)			**1.21**	**1.23**
Like-for-like water consumption (in m^3)	303-1	Water-LfL	151,386	153,844
CHANGE IN WATER CONSUMPTION INTENSITY			**1.6%**	

By extrapolating water consumption to the entire portfolio (2,597,617 m^2), a consumption level of 3,200,646 m^3 is obtained.

Waste – Total mass of waste in tonnes by type and disposal method

Total waste production (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of reporting scope by surface area (in m^2Nütz)			132,806	134,463
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			201/201	201/201
Proportion of estimated data			100%	100%
Total non-dangerous waste (in m^3)	**306-2**	**Waste-Abs**	**2,371**	**2,503**
Total dangerous waste (in m^3)	**306-2**	**Waste-Abs**	**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	111	127
i.e. (in %)			5%	5%
of which incinerated (including with energy recovery)	306-2	Waste-Abs	NC	NC
of which landfill	306-2	Waste-Abs	NC	NC
of which other disposal methods	306-2	Waste-Abs	NC	NC
Rate of selective collection			**100%**	**100%**
Total extrapolated production of waste (in tonnes)				
Waste production – Like-for-like (LfL)				
Coverage of reporting scope by surface area (in m^2Nütz)			132,836	
Reporting scope coverage by surface area (in %)			100%	
Number of applicable properties			197/197	
Proportion of estimated data			100%	
Rate of selective collection			**100%**	**100%**
Total non-dangerous waste (in m^3)	**306-2**	**Waste-LfL**	**2,320**	**2,476**
Total dangerous waste (in m^3)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			111.40	127
i.e. (in %)			5%	5%
CHANGE IN TOTAL WASTE PRODUCTION			**6.7%**	

(1) *Beta Aqueduct 2021 – Baseline Water Stress country ranking – https://wri.org/applications/aqueduct/country-rankings/.*

3.7.1.6 Hotels in Europe

Covivio's Hotels and Service Sector portfolio is made up entirely of single-let buildings. The tenants are responsible for the operation and management of energy, water and waste for each asset. As such, Covivio does not have "operational control" of the assets and is thus exempted from environmental reporting in light of the EPRA recommendations.

Nonetheless, Covivio is determined to monitor and reduce the environmental footprint of its portfolio and organises reporting with its tenants, who provide their data on waste production, energy and water consumption each year.

Since 2018, the reporting scope covers not only the assets held in France but also hotels held by Covivio Hotels in the rest of Europe (including Hotel Operating properties). The environmental reporting scope is based on Covivio's consolidated financial reporting scope. Assets under development, under promise, or acquired less than a year ago at the end of December 2022 are excluded from this scope. Reporting therefore covers 302 assets out of the 320 comprising the financial scope (*i.e.* 1,950,000 m^2).

Certifications and labels - (Cert-Tot) (3.3.1.3)

As at 31 December 2022, 87.5% of the reporting scope (in value, Group share) had a building certification (HQE or BREEAM) and/or an operating certification: BREEAM In-Use or sector-specific labels adapted to their activity, such as Green Key, Planet21, GSTC and Green Globe.

Energy – Direct and indirect energy consumption by primary energy source and energy intensity ratio for buildings in use

The figures presented below correspond to scope 3 of the GHG protocol, since none of this consumption is managed or paid for by the owner ("outside operational control"). The energy intensity of the hotel portfolio increased this year, mainly due to Covivio's upscale strategy and notably with its entry into 4 or 5 star assets that are equipped with premium restaurants and services.

	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m²)			1,619,222	1,666,246
Reporting scope coverage by surface area (in %)			83%	91%
Number of applicable properties			285/323	271/302
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m²/year)	**CRE1**	**Energy-Int**	**162**	**179**
Intensity (in KWhpe/m²/year)			**286**	**273**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**56,865,242**	**93,452,909**
Natural gas *(direct energy) – non-renewable source*	302-1	Fuel-Abs	53,897,242	89,846,523
Natural gas *(direct energy) – renewable source*	302-1		1,050,668	1,391,467
Fuel oil *(direct energy)*	302-1	Fuel-Abs	1,917,333	2,214,919
Wood *(direct energy)*	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	302-1	Elec-Abs	204,881,294	204,263,332
Electricity *(indirect energy) – non-renewable source*	302-1	Elec-Abs	124,711,523	125,676,713
Electricity *(indirect energy) – renewable source*			33,337,866	35,462,816
Renewable energy production	302-1	Elec-Abs	64,553	110,644
of which solar			64,553	110,644
District heating and cooling *(indirect energy)*	302-1	DH&C-Abs	46,896,458	43,234,446
Total energy consumption (in kWhfe)			**261,746,536**	**297,716,241**
Total energy (in GJ)			942,288	1,071,778
Total energy consumption (in kWhpe)			**463,198,137**	**454,613,212**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			91,895,871	45,894,107
Total measured and extrapolated energy consumption (in kWhpe)			555,094,009	500,507,319

	Total consumption (Abs)				Like-for-like (LfL)			
	EPRA BPRs	2021	2022	Change	EPRA BPRs	2021	2022	Change
Coverage of the reporting scope by surface area (in m²)	EPRA BPRs	1,619,222	1,666,246		EPRA BPRs	1,408,841		
Reporting scope coverage by surface area (in %)		83%	91%			77%		
Reporting scope in number of applicable properties		285/323	271/302			238/302		
Proportion of estimated data		0%	0%			0%		
Total Electricity (in kWh)	Elec-Abs	**158,049,389**	**161,139,529**	**2.0%**	Elec-LfL	**138,058,537**	**140,101,961**	**1.5%**
of which on a tenant submeter								
of which shared services		158,049,389	161,139,529	2.0%		138,058,537	140,101,961	1.5%
Total heating and cooling networks (in kWh)	DH&C -Abs	**46,896,458**	**43,234,446**	**-7.8%**	DH&C -LfL	**33,661,415**	**35,387,358**	**5.1%**
of which on a tenant submeter								
of which shared services		46,896,458	43,234,446	-7.8%		33,661,415	35,387,358	5.1%
Total Gas-Fuel oil-Wood (in kWh)	Fuel-Abs	**82,146,622**	**93,452,909**	**13.8%**	Fuels-LfL	**72,471,583**	**83,419,295**	**15.1%**
of which on a tenant submeter								
of which shared services		82,146,622	93,452,909	13.8%		72,471,583	83,419,295	15.1%
					Intensity (in KWhfe/m²GLA/year)	**173.3**	**183.8**	**6.0%**

Carbon – Total direct or indirect GHG emissions and greenhouse gas emissions from buildings

The emissions presented in this table represent Scope 3 emissions for Covivio in accordance with the GHG Protocol. The carbon intensity of the hotel portfolio is up sharply this year, as a result of the integration of high-end hotels, consuming more fuel oil and gas than in previous years.

	GRI standards	EPRA BPRs	Total Emissions (Abs) 2021	Total Emissions (Abs) 2022	Change		Emissions on a like-for-like basis (LfL) 2021	Emissions on a like-for-like basis (LfL) 2022	Change
Coverage of the reporting scope by surface area (in m²)			1,619,222	1,666,246			1,408,841		
Reporting scope coverage by surface area (in %)			83%	91%			77%		
Reporting scope in number of applicable properties			285/323	271/302			238/302		
Proportion of estimated data			0%	0%			0%		
CARBON INTENSITY (in $kgCO_2e/m^2/year$)	**305-4**	**GHG-Dir-Abs**	**20,5**	**25,1**	**22,7%**		**22.0**	**23.7**	**7.7%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Indir-Abs	10 069	16 917	68,0%	GHG-Dir-LfL	12,967	14,941	15.2%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Dir-Abs	23 068	24 916	8,0%	GHG-Indir-LfL	18,096	18,504	2.3%
Scope 3 – Other emissions (in tCO_2e)		GHG-Dir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			*33 137*	*41 832*			*31,064*	*33,445*	
CHANGE IN CARBON EMISSIONS							**7.7%**		

* This data takes into account the low level of emissions associated with green electricity contracts. With coefficients that do not take this into account, the total emissions of the assets would amount to 54,886 tCO_2e, with a carbon intensity of 32.9 $kgCO_2e/m^2$/year.

Water – Total water consumption and water intensity ratio for buildings in use

The water used in the portfolio comes from a single source: municipal water supplies. Missing consumption figures were not included in the evaluation. According to the WRI Aqueduct map[1], 25.5% and 14% respectively of the surface water scope (*i.e.*, 33% and 32.8% of water consumption in 2022) is located in a region at high or very high risk of baseline water stress (SASB IF-RE140a).

Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m²)			1,561,594	1,702,313
Reporting scope coverage by surface area (in %)			80%	93%
Number of applicable properties			263/323	279/302
Water intensity (in m³/m²/year)	**CRE2**	**Water-Int**	**1.09**	**1.55**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**1,701,116**	**2,641,210**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			412,723	205,028
Total extrapolated water consumption (in m³)			2,113,840	2,846,238
Water consumption - Like-for-like scope (LfL)				
Coverage of the reporting scope by surface area (in m²)			1,406,879	
Reporting scope coverage by surface area (in %)			77%	
Number of applicable properties			228/302	
Proportion of estimated data			0%	
Water intensity (in m³/m²/year)			**1.11**	**1.58**
Like-for-like water consumption (in m³)	303-1	Water-LfL	1,556,683	2,222,985
CHANGE IN WATER CONSUMPTION INTENSITY			**42.8%**	

Waste – Total mass of waste in tonnes by type and disposal method

In most cases, municipalities are in charge of waste removal and provide no information as to the weight of the waste. However, the tonnage is available on certain sites.

Total waste production (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m²)			710,400	630,416
Reporting scope coverage by surface area (in %)			37%	34%
Number of applicable properties			45/323	39/302
Proportion of estimated data			50%	50%
Total non-hazardous waste (in tonnes)	**306-2**	**Waste-Abs**	**3,510**	**5,161**
Total Hazardous waste (in tonnes)	**306-2**		**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	1,315	1,366
i.e. (in %)			37%	26%
of which incinerated (including with energy recovery)	306-2	Waste-Abs	NC	NC
of which landfill	306-2	Waste-Abs	NC	NC
of which other disposal methods	306-2	Waste-Abs	NC	NC
Rate of selective collection			**91%**	**100%**
Total extrapolated production of waste (in tonnes)			9,588	15,018
Waste production – Like-for-like (LfL)				
Coverage of the reporting scope by surface area (in m²)			541,895	
Reporting scope coverage by surface area (in %)			30%	
Number of applicable properties			32/302	
Proportion of estimated data			46%	
Rate of selective collection			94%	100%
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**2,232**	**4,658**
Total Hazardous waste (in tonnes)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			870	1,246
i.e. (in %)			39%	27%
CHANGE IN TOTAL WASTE PRODUCTION			**108.7%**	

(1) *Beta Aqueduct 2021 – Baseline Water Stress country ranking – https://wri.org/applications/aqueduct/country-rankings/.*

3.7.1.7 Covivio head offices

Since 2017, the reporting of Covivio's headquarters covers its sites in Paris and Metz in France, Oberhausen and Berlin in Germany, and Milan and Rome in Italy.

Certifications and labels (Cert-Tot)

50% (in number), *i.e.*, three of Covivio's six major sites in Europe are certified. The two buildings occupied by Covivio in France are certified: HQE for Divo in Metz and BREEAM In-Use for 30 Kléber in Paris. Covivio's Milan headquarters is also labelled BRaVe BB (3.3.1.4). The German head offices are also in the process of obtaining BREEAM In-Use certification as part of the certification of the Germany Offices portfolio.

Energy – Direct and indirect energy consumption by source and energy intensity ratio for "corporate" buildings occupied by Covivio (operational control scope)

Consumption data is based on invoices obtained from (internal) Property Management departments or energy suppliers.

	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m^2)			24,966	22,427
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			7/7	6/6
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m^2/year)	**CRE1**	**Energy-Int**	**153**	**150**
Intensity (in KWhpe/m^2/year)			**260**	**212**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**704,656**	**499,389**
Natural gas *(direct energy) – non-renewable source*	302-1	Fuel-Abs	704,656	499,389
Natural gas *(direct energy) – renewable source*			0	0
Fuel oil *(direct energy)*	302-1	Fuel-Abs	0	0
Wood *(direct energy)*	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**3,115,026**	**2,858,221**
Electricity *(indirect energy) – non-renewable source*	302-1	Elec-Abs	1,455,775	1,079,117
Electricity *(indirect energy) – renewable source*			316,404	359,087
Renewable energy production	302-1	Elec-Abs	15,023	16,029
of which solar			15,023	16,029
District heating and cooling *(indirect energy)*	302-1	DH&C-Abs	1,357,869	1,436,046
Total energy consumption (in kWhfe)			**3,819,681**	**3,357,610**
Total energy (in GJ)			13,751	12,087
Total energy consumption (in kWhpe)			**6,495,713**	**4,745,103**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			0	0
Total measured and extrapolated energy consumption (in kWhpe)			6,495,713	4,745,103

		Total consumption (Abs)				Like-for-like (LfL)		
		2021	2022			2021	2022	
Coverage of the reporting scope by surface area (in m²)	EPRA BPRs	24,966	22,427		EPRA BPRs	22,427		
Reporting scope coverage by surface area (in %)		100%	100%			100%		
Reporting scope in number of applicable properties		7/7	6/6			6/6		
Proportion of estimated data		0%	0%			0%		
Managed and paid by the Tenant				**Change**				**Change**
Total Electricity (in kWh)	**Elec-Abs**	**1,772,179**	**1,438,204**	**-18.8%**	**Elec-LfL**	**1,812,615**	**1,438,204**	**-20.7%**
of which on a tenant submeter								
of which shared services		1,772,179	1,438,204	-18.8%		1,812,615	1,438,204	-20.7%
Total heating and cooling networks (in kWh)	**DH&C-Abs**	**1,357,869**	**1,436,046**	**5.8%**	**DH&C-LfL**	**1,237,734**	**1,436,046**	**16.0%**
of which on a tenant submeter								
of which shared services		1,357,869	1,436,046	5.8%		1,237,734	1,436,046	16.0%
Total Gas-Fuel oil-Wood (in kWh)	**Fuel-Abs**	**704,656**	**499,389**	**-29.1%**	**Fuels-LfL**	**703,912**	**499,389**	**-29.1%**
of which on a tenant submeter								
of which shared services		704,656	499,389	-29.1%		703,912	499,389	-29.1%
				Intensity (in KWhfe/m²/year)		**167.4**	**150.4**	**-10.1%**

Carbon – Total direct or indirect GHG emissions and carbon intensity ratio for "corporate" buildings (operational control scope)

	GRI standards	EPRA BPRs	Total Emissions (Abs) 2021	2022			Emissions on a like-for-like basis (LfL) 2021	2022	
Coverage of the reporting scope by surface area (in m²)			24,966	22,427			22,427		
Reporting scope coverage by surface area (in %)			100%	100%			100%		
Reporting scope in number of applicable properties			7/7	6/6			6/6		
Proportion of estimated data			0%	0%	Change		0%		Change
CARBON INTENSITY (in $kgCO_2e/m^2$/year)	**305-4**	**GHG-Int**	**24.9**	**24.7**	**-0.7%**		**27.4**	**20.0**	**-27.1%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Indir-Abs	123	87	-29.6%	GHG-Dir-LfL	123	87	-29.5%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Dir-Abs	498	468	-6.1%	GHG-Indir-LfL	492	361	-26.5%
Scope 3 – Other emissions (in tCO_2e)		GHG-Dir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			*621*	*554*			*615*	*448*	
CHANGE IN CARBON EMISSIONS							**-27.1%**		

* This data takes into account the low level of emissions associated with green electricity contracts. With coefficients that do not take this into account, the total emissions of the assets would amount to 554 tCO_2e, with a carbon intensity of 24.7 $kgCO_2e/m^2$/year.

Water – Total water consumption and water intensity ratio for "corporate" buildings (operational control scope)

Total water consumption (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m^2)			24,966	22,427
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			7/7	6/6
Water intensity (in m^3/m^2/year)	**CRE2**	**Water-Int**	**0.25**	**0.18**
Total water consumption (in m^3)	**303-1**	**Water-Abs**	**6,348**	**3,951**
Estimated water consumption in vacant space (in m^3)			0	0
Estimated consumption in occupied areas for which data is not available (in m^3)			0	0
Total extrapolated water consumption (in m^3)			6,348	3,951
Water consumption - Like-for-like scope (LfL)				
Coverage of the reporting scope by surface area (in m^2)			22,427	
Reporting scope coverage by surface area (in %)			100%	
Reporting scope in number of applicable properties			6/6	
Proportion of estimated data			0%	
Water intensity (in m^3/m^2/year)			**0.25**	**0.18**
Like-for-like water consumption (in m^3)	303-1	Water-LfL	5,694	3,951
CHANGE IN WATER CONSUMPTION INTENSITY			**-30.6%**	

Waste – Total mass of waste in tonnes by type and disposal method for the "corporate" buildings (operational control scope)

Total waste production (Abs)	GRI standards	EPRA BPRs	2021	2022
Coverage of the reporting scope by surface area (in m^2)			8,876	22,427
Reporting scope coverage by surface area (in %)			36%	100%
Number of applicable properties			4/7	6/6
Proportion of estimated data			53%	90%
Total waste (in tonnes)	**306-2**	**Waste-Abs**	**91**	**387**
of which recycled, re-used or composted waste	306-2	Waste-Abs	41	162
i.e. (in %)	306-2		45.7%	42%
of which incinerated (including with energy recovery)		Waste-Abs	NC	NC
of which landfill	306-2	Waste-Abs	NC	NC
of which other disposal methods	306-2	Waste-Abs	NC	NC
Rate of selective collection			**100%**	**100%**
Total extrapolated production of waste (in tonnes)			255	387
Waste production – Like-for-like (LfL)				
			7,891	
Reporting scope coverage by surface area (in %)			35%	
Number of applicable properties			4/6	
Proportion of estimated data			9%	
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**91**	**74**
of which recycled, re-used or composted waste			41	31
i.e. (in %)			46%	42%
CHANGE IN WASTE PRODUCTION			**-18.1%**	

3.7.1.8 Consolidated environmental data

		GRI	EPRA BPRs	Total operational control 2021	Total operational control 2022	Total Group 2021	Total Group 2022
ENERGY/ CARBON	Coverage of the energy/carbon reporting scope by surface area (m^2)			407,374	574,892	2,560,887	3,004,344
	Reporting scope coverage by surface area (in %)			100%	98%	83%	89%
	Intensity (kWhfe/m^2/year)	CRE1	Energy-Int	146.7	105.3	164.9	164.4
	Intensity (kWhpe/m^2/year)			172.6	133.0	280.4	247.9
	Total direct energy (kWhfe)	302-1	Fuel-Abs	12,701,980	8,843,818	86,847,303	131,736,648
	Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	12,701,980	8,843,818	83,294,488	119,794,156
	Natural gas (direct energy) – renewable source	302-1		0	0	1,050,668	9,507,495
	Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	2,318,777	2,434,997
	Wood (direct energy)	302-1	Fuel-Abs	0	0	183,370	0
	Total indirect energy (kWhfe)	302-1	Elec-Abs	47,079,350	51,674,926	335,402,992	362,214,718
	Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	6,430,806	5,102,178	186,933,453	202,170,914
	Electricity (indirect energy) – renewable source	302-1		18,546,453	18,715,174	61,541,347	72,615,313
	Renewable energy production	302-1	Elec-Abs	24,647	32,641	348,727	283,706
	of which solar			24,647	32,641	348,727	283,706
	District heating and cooling (indirect energy)	302-1	DH&C-Abs	22,126,738	27,890,214	87,276,920	87,712,197
	Total energy consumption (in kWhfe)			59,781,330	60,518,744	422,250,295	493,951,366
	Total energy (GJ)			215,213	247,085	1,520,101	1,778,225
	Total energy consumption (in kWhpe)			70,317,911	76,436,359	718,190,859	744,878,660
	CARBON INTENSITY (kgCO_2e/m^2/year)	305-4	GHG-Int	11.4	8.8	19	21.4
	GHG Protocol						
	Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	2,216	1,542	2,216	1,542
	Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	2,443	3,521	2,443	3,521
	Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0	43,990	59,227
	Total emissions (tCO_2e/year)			4,659	5,063	48,649	64,290
WATER	Reporting scope coverage by surface area (m^2)			407,374	584,902	2,423,371	2,771,143
	Reporting scope coverage by surface area (in %)			100%	100%	84%	83%
	WATER INTENSITY (m^3/m^2/year)	CRE2	Water-Int	0.48	0.38	0.90	1.14
	Total water consumption (in m^3)	303-1	Water-Abs	195,447	223,873	2,182,568	3,164,146
WASTE	Reporting scope coverage by surface area (m^2)			264,592	495,891	1,120,299	1,324,509
	Scope coverage (in %)			65%	85%	42%	39%
	Total non-hazardous waste (in tonnes)	306-2		1,584	4,855	7,592	13,163
	of which % recycled			39%	26%	27%	22%
Other environmental indicators	Percentage of buildings with environmental certification for construction or operation (in value)		Cert-Tot			90.7%	93.2%
	Share of buildings with an energy performance diagnostics (weighted average in value)					93.6% (excluding hotels)	94.8%
	Share of buildings less than 1 km from public transport					99.8%	99.8%
	Share of revenue eligible for taxonomy					86%	78.5%
	Share of Capex eligible for taxonomy					100%	100%

Environmental indicators without climate corrections

	France Offices	Italy Offices	Germany Offices	German Residential	Hotels in Europe	Corporate	Total operating	Total Group
Operational control surface area (reporting coverage in m^2)	196,947	133,308	222,210			22,427	574,892	
Total surface area (reporting coverage in m^2)	542,841	437,863	222,210	112,756	1,666,246	22,427	574,892	3,004,344
Energy consumption for operational control (kWhfe)	24,339,573	16,789,753	29,099,282	N/A	N/A	3,403,984	73,632,592	N/A
Energy consumption for operational control (kWhpe)	29,670,800	16,789,753	30,255,044	N/A	N/A	4,875,502	81,591,099	N/A
Final energy intensity for operational control (kWhfe/m^2/year)	123.6	125.9	131.0	N/A	N/A	151.8	128.1	N/A
Primary energy intensity for operational control (kWhpe/m^2/year)	150.7	125.9	136.2	N/A	N/A	217.4	141.9	N/A
Total energy consumption (in kWhfe)	84,770,436	65,597,841	33,664,842	20,517,613	300,421,045	3,403,984	N/A	508,375,761
Total energy consumption (in kWhpe)	138,825,089	109,602,730	34,820,605	21,649,603	461,984,086	4,875,502	N/A	771,757,615
Total final energy intensity of the portfolio (kWhfe/m^2/year)	156.16	149.81	151.50	181.96	180.30	151.78	N/A	169.21
Total primary energy intensity of portfolio (kWhpe/m^2/year)	255.7	250.3	156.7	192.0	277.3	217.4	N/A	256.9
Scope 1 – Total direct emissions (in tCO_2e)	857	516	0	0	0	83	1,456	
Scope 2 – Total indirect emissions (in tCO_2e)	758	444	1,929	0	0	375	3,507	
Scope 3 – Other emissions (in tCO_2e)	3,786	11,292	0	3,199	41,734	0	60,011	
Total emissions (tCO_2e/year)	5,402	12,253	1,929	3,199	41,734	458	64,974	
Carbon intensity (in $kgCO_2e/m^2$/year)	10.0	28.0	8.7	28.4	25.0	20.4	8.6	21.6

3.7.2 Social indicators

3.7.2.1 ESU Covivio France

Number of employees	GRI standards	Total	2020	2021	2022
		TOTAL (including CAPs)	**301**	**302**	**309**
Total workforce broken down by gender		Men	44.0%	43.0%	45.3%
		Women	56.0%	57.0%	54.7%
Total workforce by type of employment contract broken down by gender		**Permanent**	**94.0%**	**92.7%**	**92.2%**
		Men	45.0%	42.9%	44.2%
		Women	55.0%	57.1%	55.8%
		Temporary	**1,0%**	**2.0%**	**1,0%**
		Men	33.3%	0%	66.7%
		Women	66.7%	100%	33.3%
		CAPs (Apprenticeship contracts)	**5.0%**	**5.3%**	**6.8%**
		Men	40.0%	45.3%	57.1%
		Women	60.0%	54.7%	42.9%
Total workforce by type of job broken down by gender		**Full time**	**93.0%**	**92.7%**	**93.9%**
		Men	47.0%	45.0%	46.9%
		Women	53.0%	55.0%	53.1%
		Part time	**7.0%**	**7.3%**	**6.1%**
		Men	10.0%	18.2%	21.1%
		Women	90.0%	81.8%	78.9%
Distribution of workforce by geographic area and broken down by gender	102-8	**Paris**	**75.7%**	**74.5%**	**75.7%**
		Men	45.0%	45.3%	46.6%
		Women	55.0%	54.7%	53.4%
		Metz	**18.6%**	**20.2%**	**18.1%**
		Men	43.0%	37.7%	42.9%
		Women	57.0%	62.3%	57.1%
		Regional Offices	**5.6%**	**5.3%**	**6.1%**
		Men	41.0%	31.3%	36.8%
		Women	59.0%	68.8%	63.2%
Breakdown of workforce by professional category		**Managers**	**84.1%**	**83.4%**	**83.8%**
		Men	47.0%	44.4%	46.3%
		Women	53.0%	55.6%	53.7%
		Supervisors	**10.3%**	**8.9%**	**8.4%**
		Men	22.6%	22.2%	23.1%
		Women	77.4%	77.8%	76.9%
		Employees	**5.6%**	**7.6%**	**7.8%**
		Men	41.2%	52.2%	58.3%
		Women	58.8%	47.8%	41.7%
Breakdown of managerial staff		Male managers	49.3%	46.6%	45.3%
		Female managers	50.7%	53.4%	54.7%
Breakdown of workforce by age group		Age < 30	20.0%	18.2%	22.0%
		30-50 years old	53.0%	53.0%	49.5%
		Age > 50	27.0%	28.8%	28.5%

Number of employees	GRI standards	Total	2020	2021	2022
Turnover of M/F personnel	401-1	**Total permanent contract departures**	**20**	**25**	**32**
		Turnover rate of permanent contract departures	**7.0%**	**8.8%**	**11.4%**
		Men	2.1%	3.9%	4.3%
		Women	4.2%	4.9%	7.1%
Turnover by age group		Age < 30	1,0%	2.5%	2.9%
		30-50 years old	4.2%	5.3%	7.1%
		Age > 50	1.7%	1.1%	1.4%
Turnover by geographic area		Paris	4.9%	7.1%	10%
		Metz	1.7%	1.4%	0.7%
		Regional Offices	0.3%	0.4%	0.7%
Turnover rate of less than two years		**Turnover rate related to permanent contract departures -2 years**	**1.9%**	**7.9%**	**12.9%**
Level of incoming staff by contract type		**Total joiners (first contract to staff excluding replacement caretaker staff)**	**31**	**53**	**67**
		Total number of recruits on permanent contracts	**16**	**22**	**38**
		Of which conversion to permanent contract	2	9	60
		Youth Policy (summer jobs or apprentices)	12	16	23
		Medium temporary and temporary replacement contracts	3	6	6
Average number of hours of training per employee by gender and professional category	404-1	**Per employee**	**21**	**18.7**	**21.0**
		Per man	22	18.2	22.0
		Per woman	18	18.4	20.0
		Per manager	20	20.0	21.00
		Per supervisor	24	18.2	14.00
		Per employee	7	5.8	21.0
Percentage of employees receiving regular performance and career development reviews, by gender	404-3	**Total**	**100%**	**99.6%**	**98.9%**
		Per man	100%	100%	98.4%
		Per woman	100%	99.4%	99.4%
Absenteeism rate by gender	403-2	**Total**	**2.2%**	**2.2%**	**2.1%**
		Men	1.7%	1.2%	1,0%
		Women	2.6%	2.9%	3.1%
Work accident rate by geographic area and by gender		**Total**	**0.96%**	**0.71%**	**0.00%**
		Frequency rate	**5.95**	**4.10**	-
		Severity rate	**0.11**	**0.09**	-
		Men	0.6%	0%	-
		Women	0.3%	0.7%	-
		Paris	0.96%	0.7%	-
		Metz	0%	0%	-
		Regional Offices	0%	0%	-
Occupational illness rate		**Total**	**0.3%**	**0.3%**	**0.0%**
Percentage of all employees covered by collective agreements	102-41	**%**	**100%**	**100%**	**100%**
Ratio between the base salary and remuneration for women compared with the ratio for men, by professional category and by main operating sites	405-2	Base salary for men (average)	€70,119	€69,753	€73,245
		Base salary for women (average)	€57,724	€57,757	€59,728
		Average F/M ratio (excl. apprentices and suspension)	**0.82**	**0.83**	**0.82**
		Base salary for men (median)			€60,000
		Basic salary for women (median)			€49,338
		Median F/M ratio			**0.82**
		Base salary, male managers	€72,393	€72,210	€75,798
		Base salary, female managers	€62,219	€62,499	€63,448
		F/M ratio, managers	**0.86**	**0.87**	**0.84**
		Average base salary, male supervisors	€36,877	€36,913	€36,069
		Average base salary, female supervisors	€33,857	€33,931	€35,348
		F/M ratio, supervisors	**0.92**	**0.92**	**0.98**
		Base salary, male office staff	€32,209	€30,665	€31,546
		Base salary, female office staff	€32,686	€26,010	€33,999
		F/M ratio, office staff	**1.00**	**0.85**	**1.08**

Number of employees	GRI standards	Total	2020	2021	2022
Return to work and retention rates after parental leave, by gender	401-3	Number of employees with right to parental leave (with children younger than 3 years)	12.0%	12.0%	8%
		Women	7.3%	7.6%	5%
		Men	4.7%	4.3%	3%
		Employees who took parental leave (part-time or full-time)	33.0%	28.0%	27%
		Women	100%	100%	100%
		Men	0%	0%	0%
		Employees who returned to work after parental leave (for full-time departures only)	100%	100%	100%
		Women	100%	100%	100%
		Men	NA	NA	NA
		Employees who returned to work after parental leave (full-time departures only) and are still employed 12 months later	100%	100%	100%
		Women	100%	100%	100%
		Men	NA	NA	NA
Percentage of total workforce represented in mixed Management-Employee Health and Safety Committees, monitoring and submitting opinions on the health and safety programme	**403-1**		**100%**	**100%**	**100%**
Percentage of employees having received training	**Covivio indicator**		**68.0%**	**85.0%**	**74%**
Payroll dedicated to training	**Covivio indicator**		**3.95%**	**4.08%**	**3.64%**
Internal mobility	**Covivio indicator**		**8**	**17**	**9**
Loans to personnel (% of employees who took out new loans compared to total staff)	**Covivio indicator**		**0.0%**	**0.4%**	**0.6%**
Works Council subsidies (% of payroll)	**Covivio indicator**		**2.0%**	**2.0%**	**2.0%**

3.7.2.2 Italy Offices

Number of employees	GRI standards	Total	2020	2021	2022
Total workforce broken down by gender		**Total**	**94**	**99**	**104**
		Men	52.1%	49.5%	51.0%
		Women	47.9%	50.5%	49.0%
Total workforce by type of employment contract broken down by gender		**Permanent**	**98.9%**	**99.0%**	**96.2%**
		Men	52.7%	49.0%	51.0%
		Women	47.3%	51.0%	49.0%
		Temporary	**1.1%**	**1.0%**	**3.8%**
		Men	0%	100%	50.0%
		Women	100%	0%	50.0%
	102-8	**CAP**	**0%**	**0%**	**0%**
		Men	0%	0%	0%
		Women	0%	0%	0%
Total workforce reported by geographical area		**Rome**	**41.5%**	**40.4%**	**41.3%**
		Men	38.5%	32.5%	32.6%
		Women	61.5%	67.5%	67.4%
		Milan	**57.4%**	**58.6%**	**58.7%**
		Men	61.1%	60.3%	63.9%
		Women	38.9%	39.7%	36.1%
		Other Italian cities	**1.1%**	**1.0%**	**0%**
Total workforce reported by geographical area		Men	100%	100%	0%
		Women	0%	0%	0%

102-8

Number of employees	GRI standards	Total	2020	2021	2022
Total workforce by type of job broken down by gender		**Full time**	**94.7%**	**94.9%**	**96.2%**
		Men	55.1%	52.1%	53.0%
		Women	44.9%	47.9%	47.0%
		Part time	**5.3%**	**5.1%**	**3.8%**
		Men	0%	0%	0.0%
		Women	100%	100%	100.0%
Total workforce by type of professional category reported by gender		**Managers**	**12.8%**	**12.1%**	**9.6%**
		Men	58.3%	58.3%	50.0%
		Women	41.7%	41.7%	50.0%
		Non-manager	**87.2%**	**87.9%**	**90.4%**
		Men	51.2%	48.3%	51.1%
		Women	48.8%	51.7%	48.9%
Total workforce broken down by age group		Age < 30	4.3%	6.1%	5.8%
		30-50 years old	74.5%	68.7%	66.3%
		Aged over 50	21.3%	25.3%	27.9%
Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**7**	**6**	**6**
		of which temporary contracts	14.3%	0%	0%
		Turnover of permanent contracts	**4.1%**	**6.5%**	**6.1%**
		Men	2.7%	4.3%	4.1%
		Women	1.4%	2.2%	2.0%
		Age < 30	0%	1.1%	0%
		30-50 years old	3.4%	3.2%	6%
		Aged over 50	0.7%	2.2%	0%
Recruitment rate broken down by gender, work contract and age group	401-1	**Total new arrivals**	**2**	**11**	**11**
		of which temporary contracts	50.0%	9.1%	36.4%
		Recruitment rate, permanent contracts	0.7%	10.8%	7.1%
		Men	0%	6.5%	6.1%
		Women	0.7%	4.3%	1,0%
		Age < 30	0%	3.2%	0.0%
		30-50 years old	0.7%	7.5%	7.1%
		Aged over 50	0%	0%	0.0%
Average number of training hours per employee by gender and by professional category	404-1	**Total**	**10.3**	**27.5**	**28.0**
		Men	10.2	29.8	29.1
		Women	10.4	24.6	26.9
		Managers	1.5	34.3	25.4
		Non-manager	10.4	26.2	28.3
Proportion of employees given an annual performance and development appraisal interview, by gender	404-3	**Total**	**86.0%**	**93.9%**	**94.0%**
		Men	95.9%	93.8%	98.0%
		Women	75.0%	94.0%	85.7%
Absenteeism rate	403-2	**Total**	**2.4%**	**1,0%**	**2.5%**
		Men	NC	0.6%	1.1%
		Women	NC	0.5%	1.4%
Occupational illness rate		**Total**	**0%**	**0%**	**0%**
Occupational accident rate reported by gender		**Total**	**1.1%**	**0%**	**0%**
		Men	2.0%	0%	0%
		Women	0%	0%	0%
		Frequency rate	**5.29**	**0**	**0%**
		Severity rate	**0.002**	**0**	**0%**
Percentage of employees covered by a collective bargaining agreement	102-41	**Total**	**100%**	**100%**	**100%**

Number of employees	GRI standards	Total	2020	2021	2022
Ratio of basic salary and remuneration of women to men, by professional category	**405-2**	Female base salary (av)	€52,810	€52,101	€56,626
		Male base salary (av)	€64,822	€64,735	€66,671
		F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract)	**0.81**	**0.80**	**0.85**
		Base salary for men (median)			€45,008
		Base salary for women (median)			€55,357
		Median F/M ratio			**0.85**
		Female manager base salary	€134,136	€134,471	€141,071
		Male manager base salary	€136,429	€145,081	€185,000
		F/M manager ratio	**0.98**	**0.93**	**0.85**
		Base salary female non-manager	€42,644	€42,949	€46,807
		Base salary male non-manager	€53,127	€51,344	€54,345
		F/M non-manager ratio	**0.80**	**0.84**	**0.85**
Percentage of total workforce represented in mixed Management-Employee Health and Safety Committees, monitoring and submitting opinions on the H&S programme	**403-1**	**Total**	**100%**	**100%**	**100%**
Payroll dedicated to training	**Covivio indicator**	**Total**	**NC**	**0.92%**	**1,0%**
Training rate	**Covivio indicator**	**Total**	**58.5%**	**74.7%**	**100%**
Internal mobility (within a corporate entity)	**Covivio indicator**	**Total**	**3**	**2**	**1**
Loans to personnel (% of employees who took out new loans compared to total staff)	**Covivio indicator**	**Total**	**0%**	**0%**	**0%**
Works Council subsidies (% of payroll)	**Covivio indicator**	**Total**	**NC**	**NC**	**NC**

3.7.2.3 German Residential

Number of employees	GRI standards	Total	2020	2021	2022
Total workforce broken down by gender	**102-8**	**TOTAL (including CAPs)**	**574**	**627**	**637**
		Men	52.4%	53.3%	52.7%
		Women	47.6%	46.7%	47.3%
Total workforce by type of employment contract broken down by gender		**Permanent**	**90.4%**	**91.4%**	**93.6%**
		Men	53.9%	53.8%	52.9%
		Women	46.1%	46.2%	47.1%
		Temporary	**7.0%**	**6.1%**	**4.6%**
		Men	32.5%	42.1%	51.7%
		Women	67.5%	57.9%	48.3%
		CAP	**2.6%**	**2.6%**	**1.9%**
		Men	53.3%	62.5%	50.0%
		Women	46.7%	37.5%	50.0%
Total workforce reported by geographical area		**Oberhausen**	**55.6%**	**54.7%**	**54.2%**
		Men	52.4%	52.2%	51.3%
		Women	47.6%	47.8%	48.7%
		Berlin	**34.3%**	**34.9%**	**36.9%**
		Men	53.3%	55.7%	55.3%
		Women	46.7%	44.3%	44.7%
		Other German cities	**10.1%**	**10.4%**	**8.9%**
		Men	50.0%	50.8%	50.9%
		Women	50.0%	49.2%	49.1%
Total workforce by type of job broken down by gender		**Full time**	**78.6%**	**80.5%**	**84.0%**
		Men	60.8%	60.8%	60.2%
		Women	39.2%	39.2%	39.8%
		Part time	**21.4%**	**19.5%**	**16.0%**
		Men	22.0%	22.1%	13.7%

102-8

Number of employees	GRI standards	Total	2020	2021	2022
		Women	78.0%	77.9%	86.3%
Total workforce by type of professional category reported by gender		**Managers**	**12.7%**	**11.5%**	**11.9%**
		Men	65.8%	65.3%	63.2%
		Women	34.2%	34.7%	36.8%
		Non-manager	**87.3%**	**88.5%**	**88.1%**
		Men	50.5%	51.7%	51.3%
		Women	49.5%	48.3%	48.7%
Total workforce broken down by age group		Age < 30	15.2%	15.9%	15.5%
		30-50 years old	50.7%	53.4%	53.2%
		Aged over 50	34.1%	30.6%	31.2%
Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**79**	**60**	**91**
		of which temporary contracts	31.6%	16.7%	15.4%
		Turnover of permanent contracts	**11.5%**	**9.6%**	**13.4%**
		Men	6.8%	5.6%	8.0%
		Women	4.7%	4.0%	5.4%
		Age < 30	1.1%	1,0%	1.9%
		30-50 years old	6.8%	4.8%	7.9%
		Aged over 50	3.6%	3.9%	3.7%
Recruitment rate broken down by gender, work contract and age group	401-1	**Total new arrivals**	**119**	**80**	**100**
		of which temporary contracts	17.6%	15%	13%
		Recruitment rate, permanent contracts	**20.9%**	**13.1%**	**15.2%**
		Men	14.0%	8.5%	9.4%
		Women	6.8%	4.6%	5.8%
		Age < 30	3.4%	3%	4.0%
		30-50 years old	13.6%	9%	8.2%
		Aged over 50	3.8%	2%	3.0%
Average number of hours of training per employee by gender and professional category	404-1	**Total**	**24.4**	**17.1**	**21.5**
		Men	26.0	16.3	22.4
		Women	22.3	17.9	20.6
		Managers	24.4	11.3	21.3
		Non-manager	24.5	18.4	21.5
Proportion of employees given an annual performance and development appraisal interview, by gender	404-3	**Total**	**64.2%**	**67.0%**	**69.6%**
		Men	67.8%	72.1%	75.2%
		Women	60.3%	60.8%	63.3%
Reported absenteeism rate by gender	403-2	**Total**	**4.1%**	**3.8%**	**5.2%**
		Men	4.1%	3.2%	4.3%
		Women	4.1%	4.2%	6.2%
Rate of occupational illnesses reported		**Total**	**0%**	**0%**	**0%**
Occupational accident rate reported by gender		**Total**	**1.7%**	**1.75%**	**1.51%**
		Men	0.4%	1.95%	0.63%
		Women	3.3%	1.51%	2.14%
		Frequency rate	**7.63**	**7.81**	**5.97**
		Severity rate	**0.014**	**0.012**	**0.005**
Percentage of employees covered by a collective bargaining agreement	102-41	**Total**	**92.5%**	**93.0%**	**93.9%**

Number of employees	GRI standards	Total	2020	2021	2022
Ratio of basic salary and remuneration of women to men, by professional category	405-2	Female base salary (av)	€48,759	€49,986	€51,096
		Male base salary (av)	€57,580	€58,255	€59,089
		F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract)	**0.85**	**0.86**	**0.86**
		Female base salary (median)			€49,520
		Male base salary (median)			€54,000
		F/M Median ratio			**0.92**
		Female manager base salary	€74,308	€75,810	€78,138
		Male manager base salary	€82,620	€86,508	€88,776
		F/M manager ratio	**0.90**	**0.88**	**0.88**
		Base salary female non-manager	€46,017	€47,291	€48,291
		Base salary male non-manager	€53,252	€54,293	€54,378
		F/M non-manager ratio	**0.86**	**0.87**	**0.89**
Return to work and retention rates after parental leave, by gender	414-2	Number of employees entitled to parental leave (with children under the age of 3)	22	20	6.0%
		Men	5	7	36.1%
		Women	17	13	63.9%
		Employees who have exercised their right to parental leave (full-time or part-time)	22	19	100.0%
		Men	5	60	36.1%
		Women	17	13	63.9%
		Return rate after parental leave (full-time only)	11	14	66.7%
		Men	5	60	58.3%
		Women	6	8	41.7%
		Retention rate following parental leave (12 months following return)	8	8	38.9%
		Men	4	4	42.9%
		Women	4	4	57.1%
Percentage of total workforce represented in mixed Management-Employee Health and Safety Committees, monitoring and submitting opinions on the health and safety programme	**403-1**	**Total**	**100%**	**100%**	**100%**
Payroll dedicated to training	**Covivio indicator**	**Total**	**0.3%**	**0.8%**	**4%**
Training rate	**Covivio indicator**	**Total**	**16.4%**	**37.6%**	**68%**
Internal mobility (within a corporate entity)	**Covivio indicator**	**Total**	**21**	**18**	**19**
Loans to personnel (% of employees who took out new loans compared to total staff)	**Covivio indicator**	**Total**	**2.4%**	**0.6%**	**0.8%**
Works Council grants	**Covivio indicator**	**Total**	**0.1%**	**0.2%**	**0.3%**

3.7.3.4 Consolidated Group

NUMBER OF EMPLOYEES	GRI STANDARDS	TOTAL	2020	2021	2022
Total workforce broken down by gender	102-8	**TOTAL (including CAPs)**	**969**	**1,028**	**1,050**
		Men	483	513	529
		Women	486	515	521
Total workforce by type of employment contract broken down by gender		**Permanent**	**895**	**951**	**981**
		Men	455	476	492
		Women	440	475	489
		Temporary	**44**	**45**	**36**
		Men	14	17	19
		Women	30	28	17
		CAP	**30**	**32**	**33**
		Men	14	20	18
		Women	16	12	15
Total workforce reported by geographical area		**Germany**	**574**	**627**	**622**
		Men	301	334	300
		Women	273	293	322
		France	**301**	**302**	**352**
		Men	133	130	193
		Women	168	172	159
		Italy	**94**	**99**	**76**
		Men	49	49	36
		Women	45	50	40
Total workforce by type of job broken down by gender		**Full time**	**820**	**879**	**925**
		Men	454	482	511
		Women	366	397	414
		Part time	**149**	**149**	**125**
		Men	29	31	18
		Women	120	118	107
Total workforce by type of professional category reported by gender		**Managers**	**152**	**157**	**157**
		Men	88	88	89
		Women	64	69	68
		Non-manager	**817**	**871**	**893**
		Men	395	425	440
		Women	422	446	453
Total workforce broken down by age group		Age < 30	152	161	173
		30-50 years old	521	563	561
		Aged over 50	296	304	316
Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**129**	**103**	**135**
		of which temporary contracts	38.0%	21.4%	14.8%
		Turnover of permanent contracts	**8.86%**	**9.05%**	**12.1%**
		Men	4.7%	4.9%	6.5%
		Women	4.2%	4.1%	5.6%
		Age < 30	0.9%	1.5%	2.0%
		30-50 years old	5.4%	4.8%	7.5%
		Aged over 50	2.5%	2.8%	2.6%
Recruitment rate broken down by gender, work contract and age group		**Total new arrivals**	**152**	**138**	**178**
		of which temporary contracts	25.0%	27.5%	25.8%
		Recruitment rate, permanent contracts	**12.62%**	**11.17%**	**13.9%**
		Men	8.4%	6.5%	8.3%
		Women	4.3%	4.7%	5.6%
		Age < 30	2.7%	3.2%	5.0%
		30-50 years old	8.0%	6.9%	6.8%
		Aged over 50	2.1%	1,0%	2.0%

NUMBER OF EMPLOYEES	GRI STANDARDS	TOTAL	2020	2021	2022
Average number of hours of training per employee by gender and professional category	404-1	**Total**	**18.4**	**19.3**	**22.2**
		Men	19.9	19.0	23.2
		Women	16.7	19.0	21.3
		Managers	16.9	17.9	21.8
		Non-manager	15.2	17.8	21.2
Proportion of employees given an annual performance and development appraisal interview, by gender	404-3	**Total (Group weighted average)**	**77.8%**	**79.4%**	**80.6%**
		Men	79.8%	81.3%	83.5%
		Women	75.9%	77.3%	77.3%
Reported absenteeism rate by gender	403-2	**Total**	**3.3%**	**3.0%**	**4.0%**
		Men	3.0%	2.5%	3.1%
		Women	3.1%	3.4%	4.7%
Rate of occupational illnesses reported		**Total**	**0.1%**	**0.1%**	**0.0%**
Occupational accident rate reported by gender		**Total**	**1.4%**	**1.1%**	**0.9%**
		Men	0.6%	1.3%	0.4%
		Women	1.9%	0.9%	1.2%
		Frequency rate	**6.86**	**5.91**	**3.6270**
		Severity rate	**0.1367**	**0.0976**	**0.0304**
Percentage of employees covered by a collective bargaining agreement	102-41	**Total**	**95.7%**	**95.8%**	**96.3%**
Ratio of basic salary and remuneration of women to men, by professional category	405-2	**Average F/M salary ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract) (Group weighted average)**	**0.84**	**0.85**	**0.85**
		Median F/M salary ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract) (Group weighted average)			**0.89**
		F/M manager ratio (av)	**0.90**	**0.88**	**0.88**
		F/M non-manager ratio (av)	**0.86**	**0.87**	**0.87**
Payroll dedicated to training	Covivio indicator	**Total**	**1.4%**	**1.8%**	**3.6%**
Training rate	Covivio indicator	**Total**	**37.1%**	**55.3%**	**73%**
Internal mobility (within a corporate entity)	Covivio indicator	**Total**	**32**	**37**	**29**
Loans to personnel (% of employees who took out new loans compared to total staff)	Covivio indicator	**Total**	**1.4%**	**0.5%**	**0.6%**

3.7.3 Regulatory tables related to European taxonomy

The table below presents the data relating to the taxonomy; the methodology used is detailed in Section 3.3.4.1.

3.7.3.1 Revenues

				Substantial contribution criterion					
Economic activities	Code	Absolute revenues	Share of revenues	Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	%	%	%	%	%	%
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
7.1 Construction of new buildings	L68	€350,000	0.0%	0.0%					
7.7 Acquisition and ownership of buildings	F41.1, F41.2, F43	€258,106,554	21.6%	21.6%					
4.1 Solar energy production	D35.11, F42.22	€308,000	0.0%	0.0%					
Revenue from environmentally sustainable activities (aligned with taxonomy) (A.1)		**€258,764,554**	**21.7%**	21.7%	0	0	0	0	0
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
7.1 Construction of new buildings	L68	€25,247,000	2.1%						
7.7 Acquisition and ownership of buildings	F41.1, F41.2, F43	€652,010,326	54.7%						
Revenue from activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)		**€677,257,326**	**56.8%**						
Total A (A.1 +A.2)		**€936,021,880**	**78.5%**						
B. Activities not eligible for taxonomy									
Revenue from activities not eligible for taxonomy (B)		€256,803,000	21.5%						
Total A + B		**€1,192,824,880**	**100%**						

No significant harm criterion (DNSH)										
Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Share of revenue aligned with taxonomy, year N	Share of revenue aligned with taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	H	T
	Yes	Yes	Yes	Yes	Yes	Yes	0.0%			T
	Yes	Yes	Yes	Yes	Yes	Yes	21.6%			T
	Yes	Yes	Yes	Yes	Yes	Yes	0.0%		H	
							21.7%			
							21.7%	0		

3.7.3.2 Capex

				Substantial contribution criterion					
Economic activities	Code	Absolute Capex	Share of Capex	Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	%	%	%	%	%	%
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
7.2 Renovation of existing buildings	F41, F43	€65,241,178	10.4%	10.4%					
7.3 Installation, maintenance and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	€17,432,002		2.8%					
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	€2,324	0%	0%					
7.7 Acquisition and ownership of buildings (including new constructions for real estate companies)	L68	€390,863,070	62%		62%				
Capex of environmentally sustainable activities (aligned with taxonomy) (A.1)		**€473,538,575**	**75.1%**	**13%**	**62%**	**0**	**0**	**0**	**0**
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
7.7 Acquisition and ownership of buildings (including new constructions for real estate companies)	L68	€156,749,434	24.9%						
Capex of activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)		**€156,749,434**	**24.9%**						
Total A (A.1 + A.2)		**€630,288,009**	**100%**						
B. Activities not eligible for taxonomy									
Capex of activities not eligible for taxonomy (B)			0%						
Total A + B		**€630,288,009**	**100%**						

In the case of Covivio, Capex related to real estate activities aligned under the mitigation objective is also automatically aligned under the adaptation objective (3.3.4.1). The Capex for activity 7.7 are thus included in the adaptation box, but 57% of the Group's Capex is also aligned for mitigation.

In addition, to avoid double counting, priority has been given to activity 7.7, so that an energy efficiency Capex is only included in the table if it relates to non-green assets under mitigation or adaptation headings.

No significant harm criterion (DNSH)										
Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Share of Capex aligned with taxonomy, year N	Share of Capex aligned with taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	H/T	
	Yes	Yes	Yes	Yes	Yes	Yes	10.4%			T
	Yes	Yes	Yes	Yes	Yes	Yes	2.8%		H	
	Yes	Yes	Yes	Yes	Yes	Yes	0.0%		H	
		Yes	Yes	Yes	Yes	Yes	62.0%			T
							75.1%			
							75.1%	0		

3.7.3.3 OPEX

Economic activities	Code	Absolute Capex	Share of Capex	Substantial contribution criterion: Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	%	%	%	%	%	%
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
OPEX of environmentally sustainable activities (aligned with taxonomy) (A.1)	F41, F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12, L68	NC	NC	NC	NC	NA	NA	NA	NA
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
OPEX of activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)	F41, F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12, L68	NC	NC						
Total A (A.1 + A.2)		**0**[(1)]	**0%**						
B. Activities not eligible for taxonomy									
OPEX for activities not eligible for taxonomy (B)		NC	NC						
Total A + B		**€533,375,275**	**100%**						

A materiality analysis of OPEX found that approximately 9% of the Group's total OPEX fell within the scope of the taxonomy. This 9% was calculated on the basis of income statement items. A more detailed analysis would have further reduced the scope of OPEX covered by the taxonomy.

(1) 6 0 in order to comply with the regulations but the calculation exercise was carried out to justify the non-materiality

No significant harm criterion (DNSH)										
Climate change mitigation	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees	Share of Capex aligned with taxonomy, year N	Share of Capex aligned with taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	H/T	
NA	NA	NA	NA	NA	NA	NA	NC	NC		
							NC	NC		

NC = Not Calculated

NA = Not Applicable (objectives 3 to 6 not published and DNSH not analysed due to exemption)

3.7.4 Concordance table – regulatory obligations

Covivio's SNFP meets the obligations of the Decree of 9 August 2017 to implement the Order of 19 July 2017 on the publication of non-financial information, as shown in the tables below.

Topics from Article L. 225-102-1 resulting from Order no. 2017-1162 of 12 July 2017	Chapters
Respect for human rights	**3.6.2**
Fight against corruption	**3.6.2.2**
Impact of activities on climate change	**3.3.3.1**
Societal commitments to Sustainable Development	**3.4.1**
Circular economy	**3.3.1.3**
Combating food waste	**3.3.2.5**
Fight against discrimination and promotion of diversity	**3.5.1.5**
Collective agreements and working conditions	**3.5.2.1**

The provisions of the law of 23 October 2018 relating to the fight against tax evasion are taken into account in Covivio's risk review. Chapter 3.6.1.5. describes the policies and actions implemented to comply with the tax regulations of the countries in which Covivio operates. The list of consolidated companies is presented in Chapter 5.2.3.5. of this document.

Considering the nature of Covivio's business, details of which can be found in this document and more particularly in its business model (3.2.5), it appears that the implications of the French Sustainable Food Act of 30 October 2018 (combating food insecurity, respect for animal welfare and responsible, fair and sustainable food) are limited for the company.

<table>
<tr><th rowspan="2">Topics and subtopics arising from the decree of 9 August 2017</th><th colspan="4">Compliance with decree</th></tr>
<tr><th>France Offices</th><th>Italy Offices</th><th>Germany</th><th>Hotels in Europe</th></tr>
<tr><td colspan="5">Employment</td></tr>
<tr><td>Total workforce and breakdown of employees by gender, age and geographic area</td><td rowspan="3">3.7.2.1</td><td rowspan="3">3.7.2.2</td><td rowspan="3">3.7.2.3</td><td rowspan="3">3.7.2.1</td></tr>
<tr><td>New hires and redundancies</td></tr>
<tr><td>Remuneration and changes in remuneration</td></tr>
<tr><td colspan="5">Organisation of work</td></tr>
<tr><td>Organisation of working hours</td><td>3.7.2.1</td><td>3.7.2.2</td><td>3.7.2.3</td><td rowspan="2">3.7.2.1</td></tr>
<tr><td>Absenteeism</td><td></td><td></td><td></td></tr>
<tr><td colspan="5">Labour/management relations</td></tr>
<tr><td>Organisation of staff communications, specifically employee information and consultation as well as negotiation procedures</td><td colspan="4" rowspan="2">3.5.2.1</td></tr>
<tr><td>Analysis of collective labour agreements</td></tr>
<tr><td colspan="5">Health and safety</td></tr>
<tr><td>Workplace health and safety conditions</td><td colspan="4" rowspan="2">3.5.2.1</td></tr>
<tr><td>Analysis of workplace health and safety agreements signed with trade union organisations or employee representatives</td></tr>
<tr><td>Workplace accidents, particularly frequency and severity, and occupational illnesses</td><td>3.7.2.1</td><td>3.7.2.2</td><td>3.7.2.3</td><td>3.7.2.1</td></tr>
<tr><td>Training policies implemented, particularly related to environmental protection</td><td colspan="4">3.5.1.2</td></tr>
<tr><td>Total number of hours of training</td><td>3.7.2.1</td><td>3.7.2.2</td><td>3.7.2.3</td><td>3.7.2.1</td></tr>
<tr><td colspan="5">Diversity and equal opportunities/equal treatment</td></tr>
<tr><td>Policy established and steps taken to promote gender equality</td><td colspan="4" rowspan="3">3.5.2.4</td></tr>
<tr><td>Policy established and steps taken to promote hiring and integration of people with disabilities</td></tr>
<tr><td>Policy established and steps taken to combat discrimination</td></tr>
<tr><td colspan="5">Promotion of and compliance with the provisions of the fundamental ILO conventions</td></tr>
<tr><td>Freedom of association and the right to collective bargaining</td><td colspan="4">3.5.2.1</td></tr>
<tr><td>The elimination of discrimination with respect of employment and occupation</td><td colspan="4">3.5.1.5</td></tr>
<tr><td>The elimination of forced or compulsory labour</td><td colspan="4" rowspan="2">3.5.1.4</td></tr>
<tr><td>The effective abolition of child labour</td></tr>
<tr><td colspan="5">General environmental policy</td></tr>
</table>

<table>
<tr><th rowspan="2">Topics and subtopics arising from the decree of 9 August 2017</th><th colspan="4">Compliance with decree</th></tr>
<tr><th>France Offices</th><th>Italy Offices</th><th>Germany</th><th>Hotels in Europe</th></tr>
<tr><td>Company organisation to take environmental issues into account and processes in place for environmental evaluation and certification, where applicable</td><td colspan="4">3.2.5.1</td></tr>
<tr><td>Employee environmental protection training and information</td><td colspan="4">3.5.2.2.3</td></tr>
<tr><td>Resources allocated to preventing environmental and pollution risks</td><td colspan="4">3.3.3</td></tr>
<tr><td>The amount of provisions and insurance for environmental risks, except if the nature of this information would cause serious harm to the company in connection with ongoing litigation</td><td colspan="4">3.3.3.3</td></tr>
<tr><td colspan="5">Pollution and waste management</td></tr>
<tr><td>Measures to prevent, reduce or remedy discharges into the water, air and soil that have serious environmental impacts</td><td colspan="4">3.3.3.3</td></tr>
<tr><td>Consideration of any form of pollution specific to a particular activity, especially noise and light pollution</td><td colspan="4">3.3.3.3.2</td></tr>
<tr><td colspan="5">Circular economy, waste prevention and management</td></tr>
<tr><td>Measures to prevent, recycle, reuse, and otherwise reclaim and eliminate waste</td><td colspan="4" rowspan="2">3.3.2.5</td></tr>
<tr><td>Measures implemented to combat food waste</td></tr>
<tr><td colspan="5">Sustainable use of resources</td></tr>
<tr><td>Water consumption and supply based on local constraints</td><td colspan="4">3.3.2.4</td></tr>
<tr><td>Consumption of raw materials and steps taken to improve efficiency of use</td><td colspan="4">3.3.1.2</td></tr>
<tr><td>Energy consumption, steps taken to improve energy efficiency and the use of renewable energy</td><td colspan="4">3.3.2.2</td></tr>
<tr><td>Land use</td><td colspan="4">3.3.3.2</td></tr>
<tr><td colspan="5">Climate change</td></tr>
<tr><td>Facilities emitting significant amounts of greenhouse gases</td><td colspan="4">3.3.2.3</td></tr>
<tr><td>Adaptation to climate change impacts</td><td colspan="4">3.3.3.1</td></tr>
<tr><td>Voluntary medium- and long-term GHG reduction targets and resources implemented</td><td colspan="4">3.2.6</td></tr>
<tr><td colspan="5">Protection of biodiversity</td></tr>
<tr><td>Steps taken to promote biodiversity</td><td colspan="4">3.4.1.4</td></tr>
<tr><td colspan="5">Regional economic and social impact of the company's operations/Corporate commitments to Sustainable Development</td></tr>
<tr><td>Employment and regional/local development</td><td colspan="4">3.4.1.2.1</td></tr>
<tr><td>Local and waterfront communities</td><td colspan="4">3.4.1.2.2</td></tr>
<tr><td>Relations and quality of dialogue with these individuals or organisations/stakeholders</td><td colspan="4">3.4.1.1</td></tr>
<tr><td>Partnership and sponsorship activities</td><td colspan="4">3.4.1.3</td></tr>
<tr><td colspan="5">Sub-contracting and suppliers</td></tr>
<tr><td>Consideration of social and environmental issues in the company's purchasing policy</td><td colspan="4" rowspan="3">3.4.2</td></tr>
<tr><td>Significance of subcontracting and consideration, in relationships with subcontractors and suppliers, of their social and environmental responsibility</td></tr>
<tr><td>Consideration, in relationships with subcontractors and suppliers, of their social and corporate responsibility</td></tr>
<tr><td colspan="5">Fair business practices</td></tr>
<tr><td>Actions taken to prevent corruption</td><td colspan="4">3.6.2</td></tr>
<tr><td>Steps taken to ensure consumer health and safety</td><td colspan="4">3.3.3.3</td></tr>
<tr><td colspan="5">Human Rights</td></tr>
<tr><td>Steps taken to support human rights</td><td colspan="4">3.2.3.3</td></tr>
</table>

Promotion of and compliance with the provisions of the fundamental ILO conventions

ILO's aim is for every person to have access to decent and productive work in conditions of freedom, equality, safety and dignity. Covivio and its subsidiaries apply all the ILO conventions (3.6.2). In addition, the countries in which they operate their business have adopted legislation that is influenced and guided by the conventions adopted by the ILO.

3.7.5 SASB Index – Real Estate Standards

Sustainability Disclosure Topics & Accounting metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Offices/ France	Offices/ Italy	Residen-tial/ Germany	Hotels/ Europe	Group
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property subsector	Quantitative	% by floor area	IF-RE-130a.1	3.7.1.1	3.7.1.2	3.7.1.3	3.7.1.4	3.3.2.2.1
	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Quantitative	kWh,%	IF-RE-130a.2	3.7.1.1	3.7.1.2	3.7.1.3	3.7.1.4	3.3.2.2.1
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Quantitative	%	IF-RE-130a.3	3.7.1.1	37.1.2	3.7.1.3	3.7.1.4	NC
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to energy performance standards, by property subsector	Quantitative	% by floor area	IF-RE-130a.4	(1) 3.3.2.2.3 (2) 3.3.1.3.1.	(1) 3.3.2.2.3 (2) 3.3.1.3.1	(1) 3.3.2.2.3 (2) 3.3.1.3.1	(1) 3.3.2.2.3 (2) 3.3.1.3.1	(1) 3.3.2.2.3 (2) 3.3.1.3.1
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and analysis	N/A	IF-RE-130a.5	3.3.2.2	3.3.2.2	3.3.2.2	3.3.2.2	3.3.2.2
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Quantitative	% by floor area	IF-RE-140a.1	3.7.1.1	3.7.1.2	3.7.1.3	3.7.1.4	3.3.2.4.1
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water stress, by property subsector	Quantitative	m^3,%	IF-RE-140a.2	3.7.1.1	3.7.1.2	3.7.1.3	3.7.1.4	3.3.2.4.1
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Quantitative	%	IF-RE-140a.3	3.7.1.1	3.7.1.2	3.7.1.3	3.7.1.4	3.7.1.7.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	N/A	IF-RE-140a.4	3.3.2.4	3.3.2.4	3.3.2.4	3.3.2.4	3.3.2.4
Management of tenant sustainability impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	Quantitative	% by floor area, m^2	IF-RE-410a.1	Depending on local regulation and on the types of leases				
	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Quantitative	% by floor area	IF-RE-410a.2	3.7.1.1	3.7.1.2	3.7.1.3	NA	NA
	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	Discussion and analysis	N/A	IF-RE-410a.3					3.4.3.3
Climate change adaptation	Area of properties located in 100-year flood zones, by property subsector	Quantitative	m^2	IF-RE-450a.1					3.3.3.1
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion and analysis	N/A	IF-RE-450a.2					Intro 3.3 - TCFD

Activity Metric	Category	Unit of Measure	Code	France Offices	Italy Offices	Germany Offices	German Residential	Hotels in Europe	Group
Number of assets, by property subsector	Quantitative	Number	IF-RE-000.A	122	93	26	41,200 units	320	561 & 41,200 residential units
Leasable floor area, by property subsector	Quantitative	m^2	IF-RE-000.A	1,248, 928	946,397	444,638	2,597,618	44,400[(1)] rooms	5,237,581 m^2 & 44,400 rooms
Percentage of indirectly managed assets, by property subsector	Quantitative	% by floor area	IF-RE-000.C	84.2%	85.9%	0%	0%	100%	N/A
Average occupancy rate, by property subsector	Quantitative	%	IF-RE-000.C	94.4%	98.4%	85.1%	99.2%	100%	96.6%

(1) 7 54,900 rooms including hotels held in partnership

3.7.6 Cross-reference table between Covivio's materiality matrix and GRI Standards

Responsible procurement	Purchasing practices/Environmental assessment/Human Rights/Suppliers' employment practices	France Offices, France Corporate (Int Imp + Ext Imp)(1)	GRI 308-1 – Percentage of new suppliers that were screened using environmental criteria – see Chapter 3.4.2. GRI 414-1 – Percentage of new suppliers that were screened using social criteria – see Chapter 3.4.2
Biodiversity	Biodiversity	All portfolios (Int Imp + Ext Imp)	GRI 304-1 – Habitats protected or restored. GRI 304-2/GRI 304-3/GRI 304-4 – see Chapter 3.4.1.4
Climate change	Emissions	All portfolios (Int Imp + Ext Imp)	GRI 305-1 - Direct GHG emissions (Scope 1). GRI 305-2/GRI 305-5/GRI 305-7 - see GHG section of each activity, Chapter 3.7.1
Skills/Talent	Employment Training/education	ESU Covivio, Italy Offices, Covivio Immobilien (Int Imp)	GRI 404-1 - Average number of training hours per year, broken down by employee, gender and professional category. GRI 404-2/GRI 404-3 – see Chapter 3.7.2
Waste	Effluents and waste	All portfolios (Int Imp + Ext Imp)	GRI 306-2 – Total mass of waste by type and disposal method – see Waste data for each business provided in Chapter 3.7.1
Local development	Indirect economic impact	France Offices (Imp Ext)	GRI 203-1 – Development and impact of investments in infrastructure and support for services – see Chapter 3.4.1.2
Digital	Outside GRI Standards	All portfolios	Chapter 3.7.3
Diversity/Equality	Diversity and equal opportunity Equal remuneration for men and women Labour/management relations	UES Covivio, Italy Offices, Covivio Immobilien (Int Imp)	GRI 401-1 – Total number and percentage of new employee hires and employee turnover by age group, gender and geographic area. GRI 401-3/GRI 402-1/GRI 403-1/GRI 405-2 – see Chapter 3.7.2
Human Rights	Non-discrimination	UES Covivio, Italy Offices, Covivio Immobilien (Int Imp + Imp Ext)	GRI 406-1 – Total number of incidents of discrimination and corrective actions taken – see Chapter 2.5.2.4. GRI 412-1/GRI 409-1/GRI 414-1
Water	Water	All portfolios (Int Imp + Ext Imp)	GRI 303-1 – Total water withdrawal by source. CRE-2 – Water intensity of buildings in operation – see Water data for each business provided in Chapter 3.7.1
Energy	Energy	All portfolios (Int Imp + Ext Imp)	GRI 302-1 – Energy consumption within the organisation, CRE1 – see Energy data for each business provided in Chapter 3.7.1 of GRI 302-3
Risk management	Consumer health and safety	All portfolios (Int Imp + Ext Imp)	GRI 416-2 - Total number of incidents of non-compliance with regulations and voluntary Codes concerning the health and safety impacts of products and services during their life cycle, by type of result - CRE-5 - Field being or to be remediated to allow legal exploitation. – see Chapter 3.3.3.3
Governance/Ethics	General information Ethics and integrity/Combating corruption/Compliance	Covivio (Int Imp)	GRI 102-18 – Governance structure of the organisation – see Chapter 3.6.1.1. GRI 205-2 – Communication and training on anti-corruption policies and procedures – see Chapter 3.6.2.1 GRI 102-16 – Organisation's values, principles, standards and norms of behaviour – see Chapter 3.6.2.2
Mobility	Outside GRI Standards	All portfolios	Chapter 3.4.1.5.2
New services	Outside GRI Standards	All portfolios	Chapter 3.3.1.2
Tenant partnership	Outside GRI Standards	All portfolios (Int Imp + Ext Imp)	Chapter 3.4.3.1
Philanthropy and sponsorship	Outside GRI Standards	All portfolios (Int Imp + Ext Imp)	Chapter 3.4.1.3.2
Health/Safety/Comfort	Consumer health and safety	All portfolios (Int Imp + Ext Imp)	GRI 416-2 – Total number of incidents of non-compliance with regulations and voluntary Codes concerning the health and safety impacts of products and services during the life cycle, by type of outcome – see Chapter 3.3.3.3
Sustainable value	Outside GRI Standards	All portfolios (Int Imp + Ext Imp)	Chapter 3.2.2.2
Sustainable inclusive city	Indirect economic impact	All portfolios (Int Imp + Ext Imp)	GRI 203-1 – Development and impact of investments in infrastructure and support for services – see Chapter 3.4.1.2 CRE7 – Number of people voluntarily or involuntarily displaced and/or rehoused due to development, by project

(1) Int Imp = Internal Impact/Ext Imp = External Impact.

3.8 Independent third-party audit

3.8.1 Verification of corporate, environmental and societal information

Financial year ending 31 December 2022[1]

Independent third party's report on consolidated non-financial statement presented in the management report

To the General Assembly,

In our capacity as an independent third party ("third party"), accredited by COFRAC (Accreditation COFRAC Inspection, no. 3-1681, scope available on www.cofrac.fr) and as a member of the network of one of the statutory auditors of your company (hereafter "entity"), we carried out work to formulate a reasoned opinion expressing a conclusion of limited assurance on the compliance of the consolidated statement of non-financial performance, for the financial year ended 31 December 2022 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code and on the fairness of the historical information (recorded or extrapolated) provided pursuant to paragraph 3 of I and the II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), presented in the management report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we have implemented, as described in the "Nature and scope of work" section, and the information we have collected, we have not identified any significant anomaly that would call into question the fact that the consolidated statement of non-financial performance complies with the applicable regulatory provisions and that the Information, taken as a whole, is fairly presented in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Information allows the use of different but acceptable measurement techniques that may affect comparability between entities and over time. Consequently, the Information must be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement and available on request at the Entity's head office.

Limitations inherent in the preparation of the Information

The Information may be subject to an uncertainty inherent to the state of scientific or economic knowledge and the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used to prepare it and presented in the Statement.

The Entity's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information
- prepare a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy)
- and to put in place the internal control that it deems necessary to prepare information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared in accordance with the Entity's Guidelines as mentioned above.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code
- the fairness of the information provided (recorded or extrapolated) in accordance with Article R. 225-105, I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As we are responsible for making an independent conclusion on the Information as prepared by management, we are not authorised to be involved in the preparation of such Information as this could compromise our independence. It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (in particular in terms of information referred to in Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance and anti-corruption plan and tax evasion)
- the fairness of the information referred to in Article 8 of Regulation (EU) 2020/852 (green taxonomy)
- Compliance of products and services with applicable regulations.

(1) *This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

Regulatory provisions and applicable professional doctrine

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes relating to this intervention in lieu of an audit programme and the international standard ISAE 3000 (revised);[1]

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Means and resources

Our verification work mobilized the skills of five people and took place between September 2022 and March 2023, over a total duration of intervention of about eleven weeks.

To assist us in performing our work, we called on our experts in sustainable development and societal responsibility. We conducted three interviews with the people responsible for preparing the Statement, representing in particular the Sustainable Development, Technical and Innovation Departments.

Nature and scope of work

We have planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we have conducted, exercising our professional judgement, enable us to formulate a conclusion of limited assurance;

- we obtained an understanding of the activity of all the consolidated entities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement covers each category of information provided for in III of Article L. 225-102-1 of the French Commercial Code in terms of social and environmental matters as well as respect for human rights and the fight against corruption and tax evasion.
- we verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III of the French Commercial Code, paragraph 2 of the French Commercial Code.
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. For certain risks (integration within the sustainable city, responsible supply chain, ethics and the fight against fraud and corruption), our work was carried out at the level of the consolidating entity, for other risks, work was carried out at the level of the consolidating entity and in a selection of portfolios listed below: Office Holding (German Offices) and France Core Offices;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any variations in those data;
  - detailed tests on the basis of sampling or other means of selection, consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documents. This work was carried out on a selection of portfolios listed above and covers between 5% and 100% of the consolidated data selected for these tests (5% of water consumption, 21% of waste production, 24% of final energy consumption, 100% of energy performance diagnostics performed);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

(1) *ISAE 3000 (revised) – Assurance engagements other than audits or reviews of historical financial information.*

The procedures implemented as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed according to professional doctrine; a higher level of assurance would have required more extensive verification work.

Paris-La Défense, 14 March 2023

French original signed by:

Independent third party

EY & Associés

Philippe Aubain

Partner, Sustainable Development

Appendix 1: The most important information

Social Information

Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
Total workforce Share of employees on permanent contracts Percentage of employees trained Average number of training hours per employee trained Employee turnoverNumber of internal mobilities Percentage of employees receiving an annual performance and development review Ratio of basic salary and remuneration of women to men	Measures implemented in terms of recruitment Measures implemented to ensure the development of employees' skills Measures implemented for career management Measures implemented to attract and retain talent Covivio's commitments to diversity and equal pay Measures implemented for the health, safety and professional balance of employees

Environmental Information

Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
Certification rate of assets (France Core Offices, Italy Offices, German Offices, German Residential, Hotels Europe) Energy intensity (kWhfe/m²/year and kWhpe/m²/year) of the real estate portfolio Carbon intensity (kgCO2/m²/year) of the the real estate portfolio - Scope 1 – Scope 2 (market-based) – Scope 3 including: o emissions from the energy consumption of tenant areas of multi-tenant offices, single-tenant offices, hotels and residential in Germany o upstream emissions associated with energy consumption.Water intensity (m3/m²/year) of the portfolio Percentage of sites benefiting from selective collection Total amount of waste Proportion of tertiary assets benefiting from health and safety monitoring and controls Rate of energy performance diagnostics carried out (France Core Offices, Italy Offices, German Offices, German Residential, Hotels)	Health risk and regulatory compliance Measures taken to exceed construction standards and combat asset obsolescence Results of asset certification measures Measures taken to improve the portfolio's environmental performance and reduce operating costs The carbon trajectory developed for Covivio's activities, in line with the 1.5 and 2 °C objectives and validated by the Science Based Targets initiative Measures taken to exceed construction standards and combat asset obsolescence

Societal Information

Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
Accessibility of public transportRate of accessibility of office buildings to people with reduced mobility (PRM) The number of suppliers evaluated by Ecovadis The average score of the evaluated suppliers Number of solicitations of ethics officers	Measures to guarantee the sustainability of the supply chain Relations and cooperation with stakeholders, in particular customers Measures taken to protect personal and real estate data Partnerships implemented to integrate Covivio into the sustainable city Measures taken to promote the accessibility of buildings

3.8.2 Verification of the independent third party – Green Bond

Independent report of one of the statutory auditors on compliance with environmental and social criteria for selection and monitoring of assets eligible for "Sustainable Financing Bonds", and on the value of the selected asset portfolio.

Financial year ended 31 December 2022[1]

To Mr. Christophe Kullmann, Chief Executive Officer,

In our capacity as statutory auditor of the company, we hereby present our report on compliance of the selected assets with the environmental and social qualification and monitoring criteria defined in the "Use of Proceeds"[2] criteria of the "Sustainable Financing Bonds" published on 19 May 2022, and on the value of these assets.

Responsibility of the company

It is the responsibility of the Company's Chairman to establish the Selection and Monitoring Criteria and ensure their implementation.

Independence and quality control

Our independence is defined by regulatory requirements and the Code of Ethics of our profession and the conditions laid down by Article L. 822-11-3 of the French Commercial Code. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards and applicable laws and regulations.

Responsibility of the Statutory Auditor

It is our role, based on our work to:

- express a reasonable assurance conclusion that the assets selected for the "Sustainable Financing Bonds" meet, in all material respects, the environmental and social qualification and monitoring criteria set out in the "Use of Proceeds" criteria published on May 19th, 2022 (reasonable assurance report);
- attest to the consistency of the accounts with the value of the portfolio of selected assets (Statement).

It is not our role to assess the alignment of Covivio's "Sustainable Financing Bonds" framework with the International Capital Market Association's "Green Bond Principles".

We conducted the work described below in accordance with the international standard ISAE 3000 (International Standard on Assurance Engagements) and the professional doctrine of the French Compagnie Nationale des Commissaires aux Comptes in relation to this intervention. We called, to assist us in performing our work, on our experts in sustainable development, under the responsibility of Mr. Philippe Aubain, Partner.

1. Reasonable assurance report on respect for environmental and social criteria for selection and monitoring

Nature and scope of work

In order to be able to express our conclusion, we undertook the following work, between September 2022 and February 2023:

- We conducted interviews at the company's registered office to familiarize ourselves with the qualification and monitoring procedures and to verify the compliance with Qualification and Monitoring Criteria with the supporting documentation, published on 19 May 2022, relating to the assets monitored under the "Sustainable Financing Bonds" (53 assets).
- We conducted interviews with managers and tenants of three qualified assets (Gobelins, CB21 and Calypso) in order to verify locally compliance with the qualification and monitoring criteria, in particular for the operating phase.

Information or explanations on the Selection and Monitoring Criteria

- The Selection and Monitoring Criteria only cover environmental and social aspects of eligible assets and exclude their economic aspects. These Criteria are the minimum requirements to be met by eligible assets in order to be considered as "Sustainable Financing Bonds". They are related to construction and operating phases and the monitoring of assets. The company also publishes the justification or the confirmation of the compliance with each criterion for the selected assets.
- Part of the criteria cannot be applied and verified before the end of the certification process for assets still under construction or recently delivered (Fontenay-sous-Bois - Le Floria, Levallois Perret - Maslo, Paris Madrid – Saint Lazare, Paris – Anjou, Vélizy – Extension, Corso Italia 19, Symbiosis – Edificio C+E, Symbiosis – Edificio G+H, The Sign – Edificio D, Alexanderplatz D3, LOFT – Alt Moabit, Plano).

Conclusion

In our opinion, the assets selected for "Sustainable Financing Bonds" in effect on May 19th, 2022 comply, in all material aspects, with the Selection and Monitoring Criteria.

(1) *This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and applicable regulations in France.*
(2) *Press release of 19 May 2022 on the qualification and monitoring criteria for responsible Sustainable Financing Bonds available at https://www.covivio.eu/en/finance/financing-public-offers/consent-solicitations-green-bonds-proposal/*

2. Statement on the allocation of funds

It is also our responsibility to express our conclusion on the funds allocated to the assets that were selected and on the consistency between the amount of funds allocated to these assets within the framework of the "Sustainable Financing Bonds" issuance and the accounting records and their underlying data.

In our capacity as statutory auditor of Covivio, we conducted jointly with Mazars, the co-statutory auditor, the audit of the consolidated financial statements of the company for the year ended December 31st, 2022. Our audit, conducted in accordance with the professional standards applicable in France, aimed at expressing an opinion on the consolidated financial statements considered globally and not on specific elements of these statements used to establish this information. Therefore, we did not perform any audit tests or sampling to this purpose and we do not express any opinion on these isolated elements.

Our intervention, which is neither an audit nor a limited review, was performed in accordance with the professional doctrine of the French Compagnie Nationale des Commissaires aux Comptes in relation to this intervention. Our procedures involved:

- understanding the procedures implemented by the company to determine the value of the portfolio of the selected assets published on March 16th, 2023 on the basis of information as of December 31st, 2022;
- verifying the consistency of the value of the selected assets with the data underlying the consolidated accounts for the year ending December 31st, 2022 (appraisal values and work budgets for assets under development);
- verifying that the total value of the portfolio is consistent with the amount of EUR 5.2 billion set out in Chapter 3.3.4.2 of Covivio's Universal Registration Document for the year ending 31 December 2022.

Based on our work, we have nothing to report with regard to the allocation of funds to the selected assets or to the consistency of the amount of funds allocated to these eligible assets with the accounting records and underlying data.

Paris-La Défense, 14 March 2023

French original signed by:

One of the Statutory Auditors

ERNST & YOUNG et Autres

Anne Herbein	Philippe Aubain
Partner	Sustainable Development Partner

Appendices

Covivio expresses its Purpose

For more than 20 years, Covivio has been helping to shape major European cities, designing offices, hotels and housing for its customers. By adopting its new identity in 2018, Covivio stated its ambition to get even closer to its end users and create living spaces for them to work, travel and live. Today, the Board of Directors and the Covivio teams have decided to go further and express how we intend to contribute, by involving all our stakeholders, to the main social, environmental and economic issues. In this way, we have defined our Purpose…

Build sustainable relationships and well-being

By offering a high level of well-being in each of our buildings, Covivio enriches relationships between people and thus contributes to the fulfilment of each individual, the effectiveness of organisations and the sustainability of development methods. Our Purpose places the human being at the heart of the city, makes our activities a long-term commitment and constitutes the backbone of our development. It encourages us to make concrete and ambitious commitments to all our stakeholders:

For our clients, we provide places and services that facilitate and enhance exchanges and ensure well-being and comfort: quality of locations, proximity to public transport, air quality, acoustic and thermal comfort, natural light, green spaces, diversity and flexibility of uses, "just-like-home" hotel concepts, so many assets to support the users of our spaces as they live their lives, to connect them to one another, to increase their opportunities for relationships and exchange, and to allow them to show their full potential.

To our shareholders and financial partners, we ensure the long-term solidity of our business model, which articulates the roles of investor, developer, manager and creator of services, throughout a value-creation chain. They can count on our demanding standards in the areas of transparency and reporting.

With our suppliers and consultants, we build quality, sustainable and balanced relationships, based on trust and respect for commitments. Working with us means sharing our Purpose and contributing to achieving our ambitions.

For our teams, well-being at work and rich professional relationships are the foundation of our employer brand. Concerned about the development of talents, and in addition to our actions in favour of gender equality, the retention of older employees and the quality of life at work, we work together with our employees to build their career paths and the development of their skills.

Working alongside local authorities, we contribute to the attractiveness of the regions. We promote the emergence of eco-responsible practices and innovations in terms of urban quality of life, openness of buildings to the city, development of biodiversity, waste management, etc. We thus contribute to the challenges of the city of tomorrow: less energy-intensive, connected and concerned about social well-being, environmental quality, placing people at the centre of its ecosystem.

For future generations and our planet, because the well-being and quality of relationships are inseparable from the preservation of our environment, we place our real-estate and service footprint in the framework of the United Nations Sustainable Development Goals (SDGs) *via* ambitious, precise and public commitments. Because individual and collective well-being can only develop sustainably in a society where all social bodies harmoniously coexist, we are working to help reduce the inequalities that cause imbalances and fragilities.

To do this, we make the following commitments

To improve our impact on the environment

- From 2020, all our new development projects will have green areas (terraces, patios, roof tops, urban agriculture, etc.).
- In 2025, 100% of our portfolio will be "green" (certification or labelling for buildings or operations).
- By 2030, we aim at reducing our carbon emissions by 34% compared to 2010.

To maximise the well-being of our customers and our teams

- From 2020, all our new projects will target well-being accreditation.
- Any customer request will be dealt with in less than 24 hours; satisfaction will be regularly measured and reflected in our teams' remuneration.
- In 2025, 95% of our portfolio will be located within a ten-minute walk of public transport.
- In the same year, all our Office developments will benefit from a high level of connectivity.
- And all our multi-tenant office buildings will offer a broad range of services accessible by means of a mobile application.
- Every two years, our teams' well-being will be measured. We will inform them of the results and, together with them, we will address the points for improvement put forward.

To reinforce our societal commitments

- In 2020, Covivio will set up a foundation which will group together all our actions in favour of equal opportunity and environmental protection.

In 2020, in order to monitor these commitments associated with our Purpose, to challenge and renew them, Covivio will create a **Stakeholders Committee**, which will bring together clients, suppliers and partners, team representatives, shareholders, local authorities, urban planners, sociologists, etc. Each year, this Committee will publish the conclusions of its work on monitoring our objectives related to the Purpose, and its proposals for new commitments.


Lyon Silex[2]
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4

Financial information

4.1 Consolidated financial statements as at 31 December 2022

4.1.1 Statement of financial position

Assets

(In € thousand)	Note 4.2.5	31/12/2022	31/12/2021
Intangible assets	***1.2***		
Goodwill		120,102	117,205
Other intangible fixed assets		17,194	14,705
Tangible assets	***1.2***		
Operating properties		1,471,533	1,326,616
Other tangible fixed assets		40,332	42,983
Fixed assets in progress		68,470	23,076
Investment properties	*1.3*	22,964,769	23,157,221
Non-current financial Assets	*2.2*	113,872	137,789
Investments in companies accounted for under the equity method	*3.2*	401,058	340,131
Deferred tax assets	*4*	86,378	106,404
Long-term derivative instruments	*11.4*	663,944	46,223
Total non-current assets		**25,947,653**	**25,312,354**
Assets held for sale	*1.3*	259,400	901,736
Loans and receivables	*5*	41,371	34,344
Inventories and work-in-progress	*6.2*	264,032	211,974
Short-term derivative instruments	*11.4*	149,332	18,256
Trade receivables	*7*	344,714	372,474
Tax receivables		28,342	32,328
Other receivables	*8*	160,137	287,346
Prepaid expenses		4,447	3,618
Cash and cash equivalents	*9*	461,541	1,062,993
Total current assets		**1,713,316**	**2,925,070**
TOTAL ASSETS		**27,660,969**	**28,237,423**

Liabilities

(In € thousand)	Note 4.2.5	31/12/2022	31/12/2021
Capital		284,358	283,946
Share premium account		4,053,017	4,119,793
Treasury shares		-42,873	-21,304
Consolidated reserves		4,527,814	3,887,779
Net income		620,694	923,596
Total shareholders' equity, Group share	*10*	**9,443,010**	**9,193,810**
Non-controlling interests		4,648,499	4,428,828
Total shareholders' equity		**14,091,509**	**13,622,638**
Long-term borrowings	*11.2*	9,734,862	10,057,558
Long-term rental liabilities	*11.5*	298,206	295,564
Long-term derivative instruments	*11.4*	221,640	146,247
Deferred tax liabilities	*4*	1,320,034	1,221,636
Staff termination benefits	*12.2*	38,075	53,337
Other long-term liabilities		35,492	30,314
Total non-current liabilities		**11,648,309**	**11,804,656**
Liabilities held for sale		0	274,603
Trade payables		146,847	149,299
Trade payables on fixed assets		67,402	78,302
Short-term borrowings	*11.2*	1,232,805	1,775,597
Short-term rental liabilities	*11.5*	8,882	10,659
Short-term derivative instruments	*11.4*	78,760	54,526
Security deposits		817	3,917
Advanced and pre-payments received		196,641	237,815
Short-term provisions	*12.2*	17,767	15,479
current taxes		33,903	33,416
Other short-term liabilities	*13*	117,464	119,254
Pre-booked income		19,863	57,263
Total current liabilities		**1,921,151**	**2,810,130**
TOTAL LIABILITIES		**27,660,969**	**28,237,423**

4.1.2 Statement of net income

(In € thousand)	Note 4.2	31/12/2022	31/12/2021
Rental income	6.2.1	905,981	866,307
Unrecovered property operating costs	6.2.2	-40,124	-41,059
Expenses on properties	6.2.2	-29,133	-31,943
Net losses on unrecoverable receivables	6.2.2	5,616	-14,020
Net rental income		**842,340**	**779,285**
EBITDA from Hotel Operating activity & Flex Office	**6.2.3**	**74,929**	**30,087**
Income from other activities	**6.2.3**	**20,310**	**28,841**
Management and administration income		16,071	14,072
Business expenses		-7,649	-5,442
Overheads		-129,654	-122,861
Net operating costs	**6.2.4**	**-121,232**	**-114,231**
Depreciation of operating assets	6.2.5	-58,932	-75,171
Net change in provision and other	6.2.5	12,567	16,995
OPERATING INCOME		**769,983**	**665,806**
Net income from inventory properties:		-2,361	-1,985
Income from asset disposals	6.3	-491	4,646
Income from value adjustments	6.4	18,205	835,280
Income from disposal of securities	6.5	24,876	-840
Income from changes in scope & other	6.6	-432	-23,273
OPERATING RESULT		**809,780**	**1,479,634**
Cost of the net financial debt	6.7	-139,702	-166,965
The interest cost for rental liabilities	5.11.5	-15,812	-14,795
Value adjustment on derivatives:	6.8	582,604	142,614
Discounting and foreign exchange gains or losses	6.8	-589	-708
Exceptional amortisation of loan issue costs	6.8	-1,453	-4,105
Share of income from companies accounted for under the equity method	5.3.2	51,001	27,370
NET INCOME BEFORE TAX		**1,285,830**	**1,463,045**
Deferred tax	6.9.2	-113,991	-137,668
Corporate taxes	6.9.2	-23,938	-31,350
NET INCOME FOR THE PERIOD		**1,147,901**	**1,294,027**
Net income from non-controlling interests		-527,207	-370,430
NET INCOME FOR THE PERIOD -GROUP SHARE		**620,694**	**923,596**
Group net earnings per share (in €)	**7.2**	**6.61**	**9.79**
Group diluted net earnings per share (in €)	**7.2**	**6.57**	**9.73**

4.1.3 Statement of comprehensive income

(In € thousand)	31/12/2022	31/12/2021
NET INCOME FOR THE PERIOD	**1,147,901**	**1,294,027**
Currency translation differences	-5,885	549
Of which effective portion of gains or losses on hedging instruments	20,441	6,866
Deferred tax on recyclable items	-1,617	
Other comprehensive income that can be reclassified to profit or loss	**12,939**	**7,415**
Actuarial differences on employee benefits	13,395	1,885
Change in value of operating assets		
Deferred tax on non-recyclable items	-4,215	-578
Other comprehensive income that cannot be reclassified to profit or loss	**9,180**	**1,307**
Other items of comprehensive income	**22,119**	**8,722**
COMPREHENSIVE INCOME FOR THE PERIOD	**1,170,020**	**1,302,749**
of which attributable to owners of the parent company	632,623	927,973
of which attributable to non-controlling interests	537,397	374,776

4.1.4 Statement of changes in equity

(In € thousand)	Capital	Share premium	Treasury shares	Reserves and retained earnings	Gains and losses recognised directly in shareholders' equity	Total shareholders' equity, Group share	Non-controlling interests	Total share-holders' equity
Position at 31 December 2020	**283,633**	**4,140,277**	**-19,651**	**4,189,841**	**-11,898**	**8,582,202**	**3,985,956**	**12,568,157**
Dividends distribution		-20,180		-319,390		-339,570	-112,097	-451,667
Capital increase	313	-313				0		0
Allocation to the legal reserve						0		0
Other borrowings		9	-1,653	-6,301		-7,945	209	-7,736
Total comprehensive income for the period				**923,596**	**4,377**	**927,973**	**374,776**	**1,302,749**
Of which actuarial gains and losses on pension provision net of deferred tax liabilities					*813*	*813*	*494*	*1,307*
Of which currency transaction gains and losses					*62*	*62*	*487*	*549*
Of which effective portion of gains or losses on hedging instruments					*3,502*	*3,502*	*3,364*	*6,866*
Of which net income (loss)				*923,596*		*923,596*	*370,431*	*1,294,027*
Variation in scope and exchange rates				22,990		22,990	179,984	202,974
Shared-based payments				8,160		8,160		8,160
Position at 31 December 2021	**283,946**	**4,119,793**	**-21,304**	**4,818,896**	**-7,521**	**9,193,810**	**4,428,828**	**13,622,638**
Dividends distribution		-66,352		-286,983		-353,335	-183,500	-536,835
Capital increase	412	-431		19		0	8,109	8,109
Allocation to the legal reserve						0		0
Other borrowings		7	-21,569	-16,887		-38,449	-15	-38,464
Total comprehensive income for the period				**620,694**	**11,929**	**632,623**	**537,397**	**1,170,020**
Of which actuarial gains and losses on pension provision net of deferred tax liabilities					*5,704*	*5,704*	*3,476*	*9,180*
Of which currency transaction gains and losses					*-2,583*	*-2,583*	*-3,302*	*-5,885*
Of which effective portion of gains or losses on hedging instruments net of deferred tax liabilities					*8,808*	*8,808*	*10,016*	*18,824*
Of which net income (loss)				*620,694*		*620,694*	*527,207*	*1,147,901*
Variation in scope and exchange rates				1,591		1,591	-142,320	-140,729
Shared-based payments				6,770		6,770		6,770
POSITION AT 31 DECEMBER 2022	**284,358**	**4,053,017**	**-42,873**	**5,144,100**	**4,408**	**9,443,010**	**4,648,499**	**14,091,509**

4.1.5 Statement of cash flows

(In € thousand)	Note	31/12/2022	31/12/2021
Net consolidated result (including minority interests)		**1,147,901**	**1,294,029**
Net depreciation and amortisation charges and provisions (excluding those related to current assets)	*4.2.6.2.5*	62,272	92,217
Unrealised gains and losses relating to changes in fair value	*4.2.5.11.4 & 4.2.6.4*	-600,808	-977,894
Income and expenses calculated on stock options and related share-based payments		5,920	8,327
Other calculated income and expenses		-21,299	-1,402
Gains or losses on disposals		-24,078	-12,132
Share of income from companies accounted for under the equity method		-51,001	-27,370
Cash flow after tax and cost of net financial debt		**518,908**	**375,775**
Cost of net financial debt and interest charges on rental liabilities	*4.2.6.7 & 4.2.6.8*	143,798	168,833
Income tax expense (including deferred taxes)	*4.2.6.9.2*	137,929	169,018
Cash flow before tax and cost of net financial debt		**800,635**	**713,627**
Taxes paid		-19,632	-58,370
Change in working capital requirements on continuing operations (including employee benefits liabilities)	*4.2.5.7.2*	-82,942	33,400
Net cash flow from operating activities		**698,061**	**688,657**
Impact of changes in the scope	*4.2.6.6*	182,541	-73,990
Disbursements related to acquisition of tangible and intangible fixed assets	*4.2.5.1.2*	-567,834	-697,511
Proceeds relating to the disposal of tangible and intangible fixed assets	*4.2.5.1.2*	687,340	762,166
Disbursements relating to acquisition of financial assets (non-consolidated securities)		-300	-3,724
Proceeds relating to the disposal of financial assets (non-consolidated securities)		293	2,650
Dividends received (companies accounted for under the equity method, non-consolidated securities)		7,560	33,316
Change in loans and advances granted		13,651	4,906
Other cash flow from investment activities		-2	-151
Net cash flow from investing activities		**323,250**	**27,662**
Impact of changes in the scope		-132	-4,638
Amounts received from shareholders in connection with capital increases:			
Paid by parent company shareholders		8,109	208,889
Paid by minority shareholders of consolidated companies	*4.1.4*	0	0
Purchases and sales of treasury shares	*4.1.4*	-38,449	-8,523
Dividends paid during the reporting period:			
Dividends paid to parent company shareholders	*4.1.4*	-353,335	-339,570
Dividends paid to non-controlling interests of consolidated companies	*4.1.4*	-183,500	-112,097
Proceeds related to new borrowings	*4.2.5.11.2*	1,442,104	1,259,318
Repayments of borrowings (including finance lease agreements)	*4.2.5.11.2*	-2,356,649	-1,651,274
Net interest paid (including finance lease agreements)		-144,870	-182,324
Other cash flow from financing activities		-29,094	-57,766
Net cash flow from financing activities		**-1,655,817**	**-887,985**
Impact of changes in the exchange rate		-920	-14
CHANGE IN NET CASH		**-635,427**	**-171,681**
Opening cash position		1,060,791	1,232,472
Closing cash position		425,364	1,060,791
NET VARIATION OF CASH-FLOW		**-635,427**	**-171,681**

4.2 Notes to the consolidated financial statements

4.2.1 General principles

4.2.1.1 Accounting standards

The consolidated financial statements of the Covivio group at 31 December 2022 were prepared in accordance with the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union as of the preparation date. These standards include the IFRS (International Financial reporting Standards) and IAS (International Accounting Standards) as well as their interpretations.

The financial statements were approved by the Board of Directors on 21 February 2023.

Accounting principles and methods used

The accounting principles applied for the consolidated financial statements as at 31 December 2022 are identical to those used for the consolidated financial statements as at 31 December 2021, except for new standards and amendments whose application was mandatory on or after 1 January 2022 and which were not applied early by the Group.

The following amendments, which are mandatory as of 1 January 2022, did not have any impact on the Group's consolidated financial statements:

- amendments to IAS 16 "Property, plant and equipment - Proceeds before intended use", adopted by the European Union on 28 June 2021; the amendments clarify that the proceeds from the sale, together with the related costs, before the intended use of the tangible fixed asset, should be recognized in net income rather than as a deduction from the cost of the asset
- amendments to IAS 37 "Costs to be taken into account in determining whether a contract is onerous", adopted by the European Union on 28 June 2021. These amendments standardise practices in terms of identifying and measuring provisions for onerous contracts, in particular with regard to losses on completion recognised on contracts concluded with customers pursuant to IFRS 15
- amendments to IFRS 3 "Update of the reference to the Conceptual Framework", adopted by the European Union on 28 June 2021; they provide details to avoid unintended consequences in the event of a business combination
- annual improvements (2018-2020 cycle) "Annual standards improvement process 2018-2020 cycle", adopted by the European Union on 28 June 2021. They provide clarifications to four standards: IFRS 1, IFRS 9, IAS 41, IFRS 16.

New standards adopted by the European Union whose application is optional from 1 January 2022, but which has not been adopted in advance by the Group:

- IFRS 17 and "Insurance contracts" amendments, adopted on 19 November 2021; the effective date is 1 January 2023 according to the IASB. IFRS 17 lays out the principles as to the recognition, valuation, presentation and disclosures concerning insurance contracts within the scope of application of the standard
- amendments to IAS 8 "Definition of accounting estimates", adopted on 2 March 2022; the effective date is 1 January 2023 according to the IASB. These amendments aim to facilitate the distinction between accounting methods and accounting estimates
- amendments to IAS 1 "Presentation of Financial Statements – Practice Statement 2 – Disclosure of Accounting Policies", adopted on 2 March 2022; the effective date is 1 January 2023 according to the IASB. The purpose of these amendments is to help companies identify useful information on accounting methods for users of financial statements.

New standards awaiting adoption by the European Union, for which application is optional as of 1 January 2022, but which have not been adopted in advance by the Group:

- amendments to IFRS 10 and IAS 28 "Sales or contributions of assets between an investor and an associate or joint venture - postponement of the effective date of these amendments", published on 11 September 2014 and 17 December 2015
- amendments to IFRS 17 "First-time adoption of IFRS 17 and IFRS 9 – Comparative information", published on 9 December 2021; an entity that chooses to apply the amendment applies it when it first applies IFRS 17
- amendments to IAS 12 "Deferred tax related to assets and liabilities arising from the same transaction", published on 7 May 2021; the effective date is 1 January 2023 according to the IASB. This amendment specifies how entities must account for deferred taxes on transactions such as leases and decommissioning obligations.

IFRS standards and amendments published by the IASB not authorised for financial years beginning on or after 1 January 2022, with no impact on the financial statements:

- amendments to IAS 1 "Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current", published on 23 January 2020 and 15 July 2020; the effective date is 1 January 2024 according to the IASB
- amendments to IFRS 16 "Lease liability in a sale and leaseback", published on 22 September 2022 and not adopted by the EU; the effective date is 1 January 2024 according to the IASB.

4.2.1.2 Estimates and judgements

The financial statements have been prepared in accordance with the historic cost convention, with the exception of investment properties and certain financial instruments, which were recognised in accordance with the fair value convention. In accordance with the conceptual framework for IFRS, preparation of the financial statements requires making estimates and using assumptions that affect the amounts shown in these financial statements.

The significant estimates made by the Covivio group in preparing the financial statements mainly relate to:

- the valuations used for testing impairment, in particular assessing the recoverable value of goodwill and intangible fixed assets
- measurement of the fair value of investment properties
- assessment of the fair value of derivative financial instruments
- measurement of provisions.

Due to the uncertainties inherent in any valuation process, the Covivio group reviews its estimates based on regularly updated information. These estimates take into account, where applicable, the financial impacts of commitments made by the Group on the effects of climate change (note 4.2.1.3 to the consolidated financial statements). The future results of the transactions in question may differ from these estimates.

In addition to the use of estimates, Group management makes use of judgements to define the appropriate accounting treatment of certain business activities and transactions when the IFRS standards and interpretations in effect do not precisely address the accounting issues involved.

4.2.1.3 Taking into account the effects of climate change

In 2021, Covivio announced a new carbon trajectory and raised its ambitions to achieve a 40% reduction in greenhouse gas emissions by 2030. This objective, which concerns all scopes 1, 2 and 3, covers all activities in Europe and the entire life cycle of assets: materials, construction, restructuring and operation. In addition, Covivio is aiming for Net Zero Carbon from 2030 on its scopes 1 and 2.

Covivio continued its momentum in terms of environmental certification: the proportion of the portfolio with HQE, BREAM, LEED or equivalent certification, operating and/or under construction, reached 93% at the end of 2022, in line with the objective of 100% at the end of 2025. For more than ten years, Covivio has also set itself ambitious targets for reducing the energy consumption of buildings. This strategy actively contributes to achieving the new carbon trajectory. It is supported by a strengthened commitment to low-carbon construction and renovation at the European level (Chapter 3 – Statement of Extra-Financial Performance of the Universal Registration Document).

In addition, for its financing, Covivio has requalified 100% of its bonds as green bonds following the publication of its new Sustainable Bond Framework in 2022. This document specifies the environmental criteria used to select eligible assets, including the European taxonomy critiria.

Finally, in order to better understand the risks and opportunities related to climate change, Covivio publishes each year a report incorporating the recommendations of the TCFD (Taskforce on Climate Financial related Disclosures) and regularly conducts climate resilience analyses of its portfolio.

The inclusion of the effects of climate change had no material impact on the judgements made and the main estimates required to prepare the financial statements.

4.2.1.4 IFRS 7 – Reference table

Liquidity risk	§ 4.2.2.2
Sensitivity of financial expenses	§ 4.2.2.3
Credit risk	§ 4.2.2.4
Market risk	§ 4.2.2.6
Foreign exchange risk	§ 4.2.2.7
Sensitivity of the fair value of investment properties	§ 4.2.5.1.3
Covenants	§ 4.2.5.11.6

4.2.2 Financial risk

The operating and financial activities of the company are exposed to the following risks:

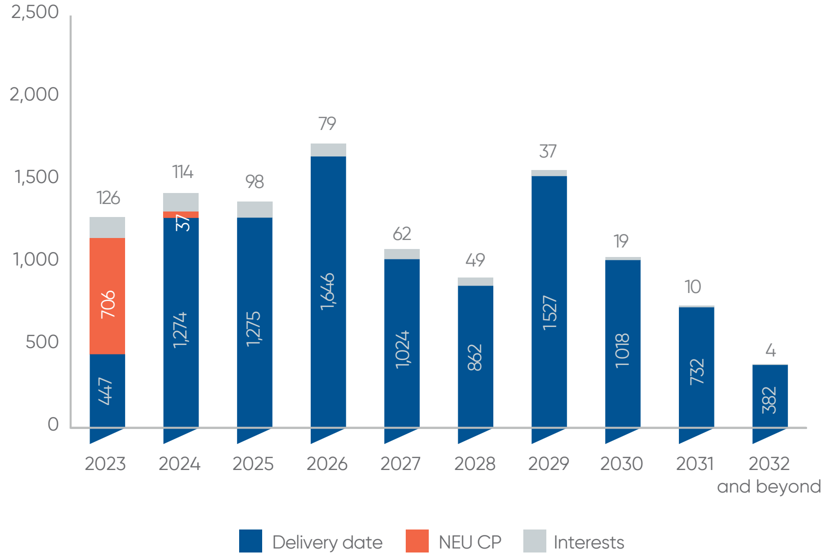
4.2.2.1 Marketing risk for properties under development

The Group is involved in property development. As such, it is exposed to a number of different risks, particularly risks associated with construction costs, completion delays and the marketing of properties. These risks can be assessed in light of the development portfolio (see note 4.2.5.1.4).

4.2.2.2 Liquidity risk

Liquidity risk is managed in the medium and long term with multi-year cash management plans and, in the short term, by using confirmed and undrawn lines of credit. At 31 December 2022, the Covivio group's available cash and cash equivalents amounted to €2,478 million, including €1,859 million in confirmed credit lines, €462 million in cash and cash equivalents and €157 million in unused overdraft facilities.

The graph below summarises the maturities of borrowings (in €M) existing as at 31 December 2022:



The maturities in the graph above for 2023 include €701 million NEU Commercial Paper and €5 million NEU MTN.

The amount of interest payable until the maturity of the debt, estimated on the basis of the outstanding amount at 31 December 2022 and the average interest rate on debt, totalled €597 million.

Details of the debt maturities are provided in note 4.2.5.11.3, and a description of the banking covenants and accelerated payment clauses included in the loan agreements is presented in note 4.2.5.11.6.

In 2022, Covivio secured more than €1.1bn in refinancing or new financing.

€550 million in green corporate loans, undrawn and with a maturity of five years, signed under conditions very similar to the previous ones. Almost all secured in the second half of the year, slightly more than half of them were formalised post-closing.

Mortgage financing and refinancing amounted to €570 million (including less than €80 million for equity-accounted investments) with an average maturity of nine years and an average cost of 2.6%.

In addition, Covivio has significantly increased the share of its green debt, from 14% at the end of 2021 to 38% at the end of 2022. In particular, all Covivio bonds are now green (Green Bonds: €2.8 billion).

4.2.2.3 Interest rate risk

The Group's exposure to the risk of changes in market interest rates is linked to its floating rate and long-term financial debt.

To the extent possible, bank debt is primarily hedged via financial instruments (see note 4.2.4.11.4). As at 31 December 2022, after taking interest rate swaps into account, approximately 86% of the Group's debt was hedged, and the bulk of the remainder was hedged by interest rate caps, which resulted in the following sensitivity to changes in interest rates:

(In € thousand)	Rate +100 bps at 31/12/2022	Rate +50 bps at 31/12/2022	Rate -50 bps at 31/12/2022
Cost of net financial debt, Group share 2022	-8,685	-4,354	4,391

4.2.2.4 Financial counterparty risk

Given the Covivio group's contractual relationships with its financial partners, the company is exposed to counterparty risk. If any of its counterparties is not in a position to honour its commitments, the Group's income could suffer an adverse effect.

This risk primarily involves the hedging instruments subscribed by the Group and which would have to be replaced by a hedging transaction at the current market rate in the event of a default by the counterparty.

The counterparty risk is limited by the fact that Covivio group is a borrower from a structural standpoint. The risk is therefore mainly restricted to the investments made by the Group and to its counterparties in derivative product transactions. The company continually monitors its exposure to financial counterparty risk. The company's policy is to deal only with top-tier counterparties, while diversifying its financial partners and its sources of funding.

The counterparty risk in terms of hedging is included in the valuation of derivatives and amounted to €19.5 million at 31 December 2022.

4.2.2.5 Leasing counterparty risk

Covivio group's rental income is subject to a certain degree of concentration, to the extent that the ten principal tenants (Orange, Telecom Italia, Suez, AccorHotels, IHG, B&B, etc.) generate approximately 30% of annual revenue.

Covivio group is not significantly exposed to the risk of insolvency, since its tenants are selected based on their creditworthiness and the economic prospects of their market segments. The operating and financial performance of the main tenants is regularly reviewed. In addition, tenants grant the Group financial guarantees when leases are signed.

Following the Covid-19 pandemic in 2020 and 2021, hotel closures and the deterioration in the operational performance of hotels that remained in operation may have led to a lack of rents or late payments.

During 2022, the Group benefitted from the recovery of activity following the gradual lifting of various health restrictions. The Group did not recognise any new arrears during the period.

The amount of impairment of trade receivables amounted to €37.3 million, a decrease of €11.6 million compared to 31 December 2021. This decrease follows a reversal of impairment of receivables of €10.5 million following the payment of unpaid rent for 2020/2021 on an asset in Spain.

4.2.2.6 Risk related to changes in the value of the portfolio

Changes in the fair value of investment properties are recognised in the income statement. Changes in property values can thus have a material impact on the operating performance of the Group.

In addition, part of the company's operating income is generated by the sales plan, the income of which is equally dependent on property values and on the volume of possible transactions.

Rentals and property values are cyclical in nature, the duration of the cycles being variable but generally long-term. Different domestic markets have differing cycles that vary from each other in relation to specific economic and market conditions. Within each national market, prices also follow the cycle in different ways and with varying degrees of intensity, depending on the location and category of the assets.

The macroeconomic factors that have the greatest influence on property values and determine the various cyclical trends include the following:

- interest rates
- the market liquidity and the availability of other profitable alternative investments
- economic growth
- the outlook for revenue growth.

Low interest rates, abundant liquidity on the market and a lack of profitable alternative investments generally lead to an increase in property asset values.

Economic growth generally increases demand for leased space and paves the way for rent levels to rise, particularly in offices. These two consequences lead to an increase in the price of real estate assets. Nevertheless, in the medium term, economic growth generally leads to a rise in inflation and then a rise in interest rates.

The investment policy of Covivio group is to minimise the impact of the various stages of the cycle by choosing investments that:

- have long-term leases and high-quality tenants, which soften the impact of a reduction in market rental income and the resulting decline in real-estate prices
- are located in major city centres
- have low vacancy rates, in order to avoid the risk of having to re-let vacant space in an environment where demand may be limited.

The holding of real-estate assets intended for leasing exposes the Covivio group to the risk of fluctuation in the value of real-estate assets and lease payments.

Despite the uncertainty created by the economic downturn, this exposure is limited to the extent that the rentals invoiced are derived from rental agreements, the term and diversification of which mitigate the effects of fluctuations in the rental market.

The sensitivity of the fair value of investment properties to changes in capitalisation rates is analysed in Section 4.2.5.1.5.

4.2.2.7 Exchange rate risk

The Group operates both in and outside the euro zone following acquisition of hotel properties in the United Kingdom, Poland, Hungary and the Czech Republic. The Group wanted to hedge against certain currency fluctuations (GBP) by financing part of the acquisitions through a foreign currency loan and a currency swap.

Impact of a decrease in the GBP/EUR exchange rate on the shareholders' equity

	31/12/2022 (in £M)	Actual 4.5% decrease in GBP/EUR exchange rate (in €M)	5% decrease in GBP/EUR exchange rate (in €M)	10% decrease in GBP/EUR exchange rate (in €M)
Estate	666	-34.7	-38.8	-77.7
Debt	400	20.9	23.4	46.7
Cross-currency swap	250	13.1	14.6	29.2
IMPACT ON SHAREHOLDERS' EQUITY		**-0.8**	**-0.9**	**-1.8**

(-) Corresponds to a loss; (+) corresponds to a gain.

4.2.2.8 Risk related to changes in the value of shares and bonds

The Group is exposed to risks for two categories of shares:

- non-consolidated shares (note 4.2.5.2)
- securities consolidated according to the equity method (note 4.2.5.3).

This risk primarily involves listed securities in companies consolidated according to the equity method, which are valued according to their value in use. Value in use is determined based on independent assessments of the real-estate assets and financial instruments.

4.2.2.9 Tax environment

4.2.2.9.1 Change by country

- The French tax environment has undergone changes in the corporate income tax rate, which has been reduced to 26.5% from 1 January 2021. The rate will be 25% from 1 January 2022.
- The Group has not observed any major changes in the environment in other countries.

4.2.2.9.2 Tax risks

Due to the complexity and bureaucracy characteristic of the environment in which the Covivio group operates, the Group is exposed to tax risks. If our counsel believes that an adjustment presents a risk of reassessment, a provision is made.

As at 31 December 2022, there was no new tax risk recognised whose effects would have a material impact on the Group's net income or financial position.

4.2.2.9.3 Deferred taxation

A significant percentage of the Group's real-estate companies have opted for the SIIC regime in France. The impact of deferred tax liabilities is therefore essentially present in German Residential, Germany Offices and Italy Offices. It is also linked to investments in Hotels in Europe (Germany, Spain, Belgium, Ireland, Netherlands, Portugal, the United Kingdom, Poland, Hungary and Czech Republic). In the case of Spain, all Spanish companies have opted for the SOCIMI regime exemption. However, there are deferred tax liabilities related to assets held by the companies prior to opting for SOCIMI treatment.

Deferred tax is mainly due to the recognition of the fair value of the portfolio. The tax rates are detailed in note 4.2.6.9.2 "Taxes and theoretical tax rate by geographical area".

4.2.3 Scope of consolidation

4.2.3.1 Accounting principles applicable to the scope of consolidation

Consolidated subsidiaries and structured entities – IFRS 10

These financial statements include the financial statements of Covivio and the financial statements of the entities (including structured entities) that it controls and its subsidiaries.

Covivio group has control when it:

- has power over the issuing entity
- is exposed or is entitled to variable returns due to its ties with the issuing entity
- has the ability to exercise its power in such as manner as to affect the amount of returns that it receives
- the potential voting rights held by the Group, other holders of voting rights or other parties
- the rights under other contractual agreements
- the other facts and circumstances, where applicable, which indicate that the Group has or does not have the actual ability to manage relevant business activities at the moment when decisions must be made, including voting patterns during previous shareholders' Meetings.

Subsidiaries and structured entities are fully consolidated.

Equity affiliates – IAS 28

An equity affiliate is an entity in which the Group has significant control. Significant control is the power to participate in decisions relating to the financial and operational policy of an issuing entity without, however, exercising control or joint control on these policies.

The results and the assets and liabilities of equity affiliates are recognised in these consolidated financial statements according to the equity method.

Partnerships (joint control) – IFRS 11

Joint control means the contractual agreement to share the control exercised over a company, which only exists in the event where the decisions concerning relevant business activities require the unanimous consent of the parties sharing the control.

Joint ventures

A joint venture is a partnership in which the parties which exercise joint control over the entity have rights to its net assets.

The results and the assets and liabilities of joint ventures are recognised in these consolidated financial statements according to the equity method.

Joint operations

A joint operation is a partnership in which the parties exercising joint control over the operation have rights to the assets, and obligations for the liabilities relating to it. Those parties are called joint operators.

A joint operator must recognise the following items relating to its interest in the joint operation:

- its assets, including its proportionate share of assets held jointly, where applicable
- its liabilities, including its proportionate share of liabilities undertaken jointly, where applicable
- the income that it derived from the sale of its proportionate share in the yield generated by the joint operation
- its proportionate share of income from the sale of the yield generated by the joint operation
- the expenses that it has committed, including its proportionate share of expenses committed jointly, where applicable.

The joint operator accounts for the assets, liabilities, income and expenses pertaining to its interests in a joint operation in accordance with the IFRS that apply to these assets, liabilities, income and expenses.

No Group company is considered to constitute a joint operation.

4.2.3.2 Change in shareholding rate and/or change in consolidation method

None.

4.2.3.3 List of consolidated companies

Entries and exits from the scope are presented in the table below at the beginning or end of each business segment.

83 companies in the France Offices segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Covivio	**France**	**Parent company**		
SNC Boulogne Jean Bouveri	France	FC	100.00	
SCI Meudon June	France	FC	100.00	
Covivio Ravinelle	France	FC	100.00	100.00
SARL Foncière Margaux	France	FC	100.00	100.00
Covivio 2	France	FC	100.00	100.00
Covivio 4	France	FC	75.00	75.00
Euromarseille 1	France	EM/JV	50.00	50.00
Euromarseille 2	France	EM/JV	50.00	50.00
Euromarseille BI	France	EM/JV	50.00	50.00
Euromarseille PK	France	EM/JV	50.00	50.00
Euromarseille Invest	France	EM/JV	50.00	50.00
Euromarseille H	France	EM/JV	50.00	50.00
Covivio 7	France	FC	100.00	100.00
SCI Bureaux Cœur d'Orly	France	EM/JV	50.00	50.00
SAS Cœur d'Orly Promotion	France	EM/JV	50.00	50.00
Technical	France	FC	100.00	100.00
Le Ponant 1986	France	FC	100.00	100.00
SCI Atlantis	France	FC	100.00	100.00
Iméfa 127	France	FC	100.00	100.00
SNC Latécoère	France	FC	50.10	50.10
SCI du 32 avenue P. Grenier	France	FC	100.00	100.00
SCI du 40 rue JJ. Rousseau	France	FC	100.00	100.00
SCI du 3 place A Chaussy	France	FC	100.00	100.00
SARL BGA Transactions	France	FC	100.00	100.00
SCI du 9 rue des Cuirassiers	France	FC	50.10	50.10
SCI du 15 rue des Cuirassiers	France	FC	50.10	50.10
SCI du 10B et 11 A 13 allée des Tanneurs	France	FC	100.00	100.00
SCI 1 rue de Châteaudun	France	FC	100.00	100.00
SCI du 125 avenue du Brancolar	France	FC	100.00	100.00
SARL du 106-110 rue des Troënes	France	FC	100.00	100.00
SCI du 20 avenue Victor Hugo	France	FC	100.00	100.00
Palmer Plage SNC	France	FC	100.00	100.00
Dual Center	France	FC	100.00	100.00
SNC Télimob Paris	France	FC	100.00	100.00

83 companies in the France Offices segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
SNC Télimob Nord	France	FC	100.00	100.00
SNC Télimob Rhone Alpes	France	FC	100.00	100.00
SNC Télimob Sud Ouest	France	FC	100.00	100.00
SNC Télimob Paca	France	FC	100.00	100.00
SARL Télimob Paris	France	FC	100.00	100.00
Pompidou	France	FC	100.00	100.00
OPCI Office CB 21	France	FC	75.00	75.00
Lenovilla	France	EM/JV	50.10	50.10
SCI Latécoère 2	France	FC	50.10	50.10
Meudon Saulnier	France	FC	100.00	100.00
Charenton	France	FC	100.00	100.00
Latepromo	France	FC	100.00	100.00
FDR Participation	France	FC	100.00	100.00
SCI Avenue de la Marne	France	FC	100.00	100.00
Omega B	France	FC	100.00	100.00
SCI Rueil B2	France	FC	100.00	100.00
SCI Factor E	France	FC	100.00	34.69
Wellio	France	FC	100.00	100.00
Bordeaux Lac	France	FC	100.00	100.00
Sucy Parc	France	FC	100.00	100.00
Gambetta Le Raincy	France	FC	100.00	100.00
Orly Promo	France	FC	100.00	100.00
Silex Promo	France	FC	100.00	100.00
21, Rue Jean-Goujon	France	FC	100.00	100.00
Villouvette Saint-Germain	France	FC	100.00	100.00
La Mérina Fréjus	France	FC	100.00	100.00
Normandie Niemen Bobigny	France	FC	100.00	100.00
Cité Numérique	France	FC	100.00	100.00
Danton Malakoff	France	FC	100.00	100.00
Meudon Bellevue	France	FC	100.00	100.00
N2 Batignolles	France	FC	50.00	50.00
Valence Victor Hugo	France	FC	100.00	100.00
Nantes Talensac	France	FC	100.00	100.00
Marignane Saint-Pierre	France	FC	100.00	100.00
N2 Batignolles Promo	France	FC	50.00	50.00
6 rue Fructidor	France	FC	50.10	50.10
Fructipromo	France	FC	100.00	100.00
Jean Jacques Bosc	France	FC	100.00	100.00
Terres Neuves	France	FC	100.00	100.00
André Lavignolle	France	FC	100.00	100.00
SCCV Chartres avenue de Sully	France	FC	100.00	100.00
SCI de la Louisiane	France	FC	100.00	100.00
SCCV Bobigny Le 9e Art	France	FC	60.00	60.00
SCCV Fontenay-Sous-Bois Rabelais	France	FC	50.00	50.00
Saint-Germain Hennemont	France	FC	100.00	100.00
Antony Avenue de Gaulle	France	FC	100.00	100.00
Aix en Provence Cézanne	France	FC	100.00	100.00
Hotel N2	France	FC	100.00	100.00
SCI Fédérimmo	France	Disposed of		60.00
EURL Fédération	France	Merger		100.00

83 companies in the France Offices segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
SCI du 1630 avenue de la Croix Rouge	France	Merger		100.00
SNC Télimob Ouest	France	Merger		100.00
11 place de l'Europe	France	Disposed of		50.09
Lenopromo	France	Merger		100.00
SNC Promomurs	France	Merger		100.00
SCI Orianz	France	Disposed of		34.69
Le Clos de Chanteloup	France	Merger		100.00
Le Printemps Sartrouville	France	Merger		100.00
Gaugin St-Ouen-L'Aumône	France	Merger		100.00
Tours Coty	France	Merger		100.00

The registered office of the parent company Covivio is located at 18, avenue François Mitterrand – 57000 Metz. The other fully consolidated subsidiaries in the France Offices segment have their registered office located at 8 and 30, avenue Kléber – 75116 Paris.

15 Companies in the Italy Offices segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Covivio Attività Immobiliari 5 Srl	Italy	FC	100.00	
Fondo Porta Di Romana	Italy	EM	40.28	
Covivio 7 SpA	Italy	FC	100.00	100.00
Central Società di Investimento per Azioni a capitalo fisso Central Sicaf SpA	Italy	FC	51.00	51.00
Real Estate Roma Olgiata Srl	Italy	FC	75.00	75.00
Covivio Immobiliare 9 SpA SINQ	Italy	FC	100.00	100.00
Covivio Projects & Innovation	Italy	FC	100.00	100.00
Wellio Italy	Italy	FC	100.00	100.00
Imser Securitisation Srl	Italy	FC	100.00	100.00
Imser Securitisation 2 Srl	Italy	FC	100.00	100.00
RESolution Tech	Italy	EM	30.00	30.00
Covivio Development Trading SrL	Italy	FC	100.00	100.00
Covivio Attività Immobiliari 3 Srl	Italy	FC	100.00	100.00
Covivio Development Italy SpA	Italy	FC	100.00	100.00
Covivio Attività Immobiliari 4 Srl	Italy	FC	100.00	100.00
RGD Gestioni Srl	Italy	Liquidated		100.00

The registered office of the companies in the Italy Offices segment is located at 10, Carlo Ottavio Cornaggia, 20123 Milan.

175 companies Hotels in Europe segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
SCA Covivio Hotels (parent company) 100% controlled	**France**	**FC**	**43.86**	**43.78**
SOHO 2 SAS	France	FC	43.86	
Roco Italy Hodco Srl	Italy	FC	43.86	
OPCO 2 Bruges NV	Belgium	FC	43.86	
Wotton House Properties Opco Limited	UK	FC	43.86	
Lagonda York PropCo	UK	FC	43.86	
Lagonda Leeds PropCo	UK	FC	43.86	
SARL Loire	France	FC	43.86	43.78
Ruhl Côte d'Azur	France	FC	43.86	43.78
Foncière Otello	France	FC	43.86	43.78
Hôtel René Clair	France	FC	43.86	43.78
Ulysse Belgique	Belgium	FC	43.86	43.78
Ulysse Trefonds	Belgium	FC	43.86	43.78
Foncière No Bruxelles Grand Place	Belgium	FC	43.86	43.78
Foncière No Bruxelles Aéroport	Belgium	FC	43.86	43.78

175 companies Hotels in Europe segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Foncière No Bruges Centre	Belgium	FC	43.86	43.78
Foncière Gand Centre	Belgium	FC	43.86	43.78
Foncière Gand Opéra	Belgium	FC	43.86	43.78
Foncière IB Bruxelles Grand-Place	Belgium	FC	43.86	43.78
Foncière IB Bruxelles Aéroport	Belgium	FC	43.86	43.78
Foncière IB Bruges Centre	Belgium	FC	43.86	43.78
Foncière Antwerp Centre	Belgium	FC	43.86	43.78
Foncière Bruxelles Expo Atomium	Belgium	FC	43.86	43.78
Murdelux	Luxembourg	FC	43.86	43.78
Portmurs	Portugal	FC	43.86	43.78
Sunparks Oostduinkerke	Belgium	FC	43.86	43.78
Foncière Vielsam	Belgium	FC	43.86	43.78
Sunparks Trefonds	Belgium	FC	43.86	43.78
Foncière Kempense Meren	Belgium	FC	43.86	43.78
Iris Holding France	France	EM/EA	8.73	8.71
Foncière Iris SAS	France	EM/EA	8.73	8.71
Sables d'Olonne SAS	France	EM/EA	8.73	8.71
OPCI Iris Invest 2010	France	EM/EA	8.73	8.71
Covivio Hotels Gestion Immobilière	France	FC	43.86	43.78
Tulipe Holding Belgique	Belgium	EM/EA	8.73	8.71
Iris Tréfonds	Belgium	EM/EA	8.73	8.71
Foncière Louvain Centre	Belgium	EM/EA	8.73	8.71
Foncière Liège	Belgium	EM/EA	8.73	8.71
Foncière Bruxelles Aéroport	Belgium	EM/EA	8.73	8.71
Foncière Bruxelles Sud	Belgium	EM/EA	8.73	8.71
Foncière Bruge Station	Belgium	EM/EA	8.73	8.71
Narcisse Holding Belgique	Belgium	EM/EA	8.73	8.71
Foncière Bruxelles Tour Noire	Belgium	EM/EA	8.73	8.71
Foncière Louvain	Belgium	EM/EA	8.73	8.71
Foncière Malines	Belgium	EM/EA	8.73	8.71
Foncière Bruxelles Centre Gare	Belgium	EM/EA	8.73	8.71
Foncière Namur	Belgium	EM/EA	8.73	8.71
Iris investor Holding GmbH	Germany	EM/EA	8.73	8.71
Iris General Partner GmbH	Germany	EM/EA	8.73	8.71
Iris Berlin GmbH	Germany	EM/EA	8.73	8.71
Iris Bochum & Essen	Germany	EM/EA	8.73	8.71
Iris Frankfurt GmbH	Germany	EM/EA	8.73	8.71
Iris Verwaltungs GmbH & co KG	Germany	EM/EA	8.73	8.71
Iris Nurnberg GmbH	Germany	EM/EA	8.73	8.71
Iris Stuttgart GmbH	Germany	EM/EA	8.73	8.71
B&B Invest Lux 1	Germany	FC	43.86	43.78
B&B Invest Lux 2	Germany	FC	43.86	43.78
B&B Invest Lux 3	Germany	FC	43.86	43.78
Campeli	France	EM/EA	8.73	8.71
OPCI Camp Invest	France	EM/EA	8.73	8.71
Dahlia	France	EM/EA	8.77	8.76
Foncière B2 Hôtel Invest	France	FC	22.02	21.98
OPCI B2 Hôtel Invest	France	FC	22.02	21.98
Foncière B3 Hôtel Invest	France	FC	22.02	21.98
B&B Invest Lux 4	Germany	FC	43.86	43.78

175 companies Hotels in Europe segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
NH Amsterdam Center Hotel HLD	Netherlands	FC	43.86	43.78
Hotel Amsterdam Centre Propco	Netherlands	FC	43.86	43.78
Mo Lux 1	Luxembourg	FC	43.86	43.78
LHM Holding Lux SARL	Luxembourg	FC	43.86	43.78
LHM ProCo Lux SARL	Germany	FC	45.65	45.58
SCI Rosace	France	FC	43.86	43.78
Mo Drelinden, Niederrad, Düsseldorf	Germany	FC	41.23	41.16
Mo Berlin	Germany	FC	41.23	41.16
Mo First Five	Germany	FC	42.91	42.84
Ringer	Germany	FC	43.86	43.78
B&B Invest Lux 5	Germany	FC	40.79	40.72
SCI Hôtel Porte Dorée	France	FC	43.86	43.78
FDM M Lux	Luxembourg	FC	43.86	43.78
OPCO Rosace	France	FC	43.86	43.78
Exco Hôtel	Belgium	FC	43.86	43.78
Invest Hôtel	Belgium	FC	43.86	43.78
H Invest Lux	Luxembourg	FC	43.86	43.78
Hermitage Holdco	France	FC	43.86	43.78
Foncière B4 Hôtel Invest	France	FC	22.02	21.98
B&B Invest Espagne SLU	Spain	FC	43.86	43.78
Rock-Lux	Luxembourg	FC	43.86	43.78
Société Liloise Investissement Immobilier Hôtelier SA	France	FC	43.86	43.78
Berlin I (Propco Westin Grand Berlin)	Germany	FC	41.63	41.55
Opco Grand Hôtel Berlin Betriebs (Westin Berlin)	Germany	FC	41.63	41.55
Berlin II (Propco Park Inn Alexanderplatz)	Germany	FC	41.63	41.55
Opco Hôtel Stadt Berlin Betriebs (Park-Inn)	Germany	FC	41.63	41.55
Berlin III (Propco Mercure Potsdam)	Germany	FC	41.63	41.55
Opco Hôtel Potsdam Betriebs (Mercure Potsdam)	Germany	FC	41.63	41.55
Dresden II (Propco Ibis Hôtel Dresden)	Germany	FC	41.63	41.55
Dresden III (Propco Ibis Hôtel Dresden)	Germany	FC	41.63	41.55
Dresden IV (Propco Ibis Hôtel Dresden)	Germany	FC	41.63	41.55
Opco BKL Hotelbetriebsgesellschaft (Dresden II to IV)	Germany	FC	41.63	41.55
Dresden V (Propco Pullman Newa Dresden)	Germany	FC	41.63	41.55
Opco Hôtel Newa Dresden Betriebs (Pullman)	Germany	FC	41.63	41.55
Leipzig I (Propco Westin Leipzig)	Germany	FC	41.63	41.55
Opco HotelgesellschaftGeberst, Betriebs (Westin Leipzig)	Germany	FC	41.63	41.55
Leipzig II (Propco Radisson Blu Leipzig)	Germany	FC	41.63	41.55
Opco Hôtel Deutschland Leipzig Betriebs (Radisson Blu)	Germany	FC	41.63	41.55
Erfurt I (Propco Radisson Blu Erfurt)	Germany	FC	41.63	41.55
Opco Hôtel Kosmos Erfurt (Radisson Blu)	Germany	FC	41.63	41.55
Airport Garden Hotel NV	Belgium	FC	43.86	43.78
Investment FDM Rocatiera	Spain	FC	43.86	43.78
Bardiomar	Spain	FC	43.86	43.78
Trade Center Hotel	Spain	FC	43.86	43.78
H Invest Lux 2	Luxembourg	FC	43.86	43.78
Constance	France	FC	43.86	43.78
Hotel Amsterdam Noord FDM	Netherlands	FC	43.86	43.78
Hotel Amersfoort FDM	Netherlands	FC	43.86	43.78
Constance Lux 1	Luxembourg	FC	43.86	43.78
Constance Lux 2	Luxembourg	FC	43.86	43.78

175 companies Hotels in Europe segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
So Hospitality	France	FC	43.86	43.78
Nice-M	France	FC	43.86	43.78
Rock-Lux OPCO	Luxembourg	FC	43.86	43.78
Blythswood Square Hotel Holdco	UK	FC	43.86	43.78
George Hotel Investments Holdco	UK	FC	43.86	43.78
Grand Central Hotel company Holdco	UK	FC	43.86	43.78
Lagonda Leeds Holdco	UK	FC	43.86	43.78
Lagonda Palace Holdco	UK	FC	43.86	43.78
Lagonda Russell Holdco	UK	FC	43.86	43.78
Lagonda York Holdco	UK	FC	43.86	43.78
Oxford Spires Hotel Holdco	UK	FC	43.86	43.78
Oxford Thames Holdco	UK	FC	43.86	43.78
Roxburghe Investments Holdco	UK	FC	43.86	43.78
The St David's Hotel Cardiff Holdco	UK	FC	43.86	43.78
Wotton House Properties Holdco	UK	FC	43.86	43.78
Blythswood Square Hotel Glasgow	UK	FC	43.86	43.78
George Hotel Investments	UK	FC	43.86	43.78
Grand Central Hotel company	UK	FC	43.86	43.78
Lagonda Leeds PropCo	UK	FC	43.86	43.78
Lagonda Palace PropCo	UK	FC	43.86	43.78
Lagonda Russell PropCo	UK	FC	43.86	43.78
Lagonda York PropCo	UK	FC	43.86	43.78
Oxford Spires Ltd (Propco)	UK	FC	43.86	43.78
Oxford Thames Hotel Ltd (Propco)	UK	FC	43.86	43.78
Roxburghe Investments PropCo	UK	FC	43.86	43.78
The St David's Hotel Cardiff	UK	FC	43.86	43.78
Wotton House Properties	UK	FC	43.86	43.78
HEM Diesterlkade Amsterdam BV	Netherlands	FC	43.86	43.78
Dresden Dev	Luxembourg	FC	41.63	41.55
Delta Hotel Amersfoort	Netherlands	FC	43.86	43.78
Opci Oteli	France	EM/EA	13.66	13.64
CBI Orient SAS	France	EM/EA	13.66	13.64
CBI Express SAS	France	EM/EA	13.66	13.64
Kombon	France	EM/EA	14.62	14.59
Jouron	Belgium	EM/EA	14.62	14.59
Foncière Gand Cathédrale	Belgium	EM/EA	14.62	14.59
Foncière Bruxelles Sainte Catherine	Belgium	EM/EA	14.62	14.59
Foncière IGK	Belgium	EM/EA	14.62	14.59
Forsmint Investments	Poland	FC	43.86	43.78
Cerstook Investments	Poland	FC	43.86	43.78
Noxwood Investments	Poland	FC	43.86	43.78
Redwen Investments	Poland	FC	43.86	43.78
Sardobal Investments	Poland	FC	43.86	43.78
Kilmainham Property Holding	Ireland	FC	43.86	43.78
Thormont Ltd	Ireland	FC	43.86	43.78
Honeypool	Ireland	FC	43.86	43.78
Verdun Propco	France	FC	43.86	43.78
SC CZECH AAD	Czech Republic	FC	43.86	43.78
New York Palace Propco	Hungary	FC	43.86	43.78
Hotel Plaza SAS	France	FC	43.86	43.78

175 companies Hotels in Europe segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Palazzo Naiadi Rome Propco	Italy	FC	43.86	43.78
Palazzo Gaddi Florence Propco	Italy	FC	43.86	43.78
Bellini Venice Propco	Italy	FC	43.86	43.78
Dei Dogi Venice Propco	Italy	FC	43.86	43.78
SLIH AD	France	FC	43.86	43.78
SLIH CP	France	FC	43.86	43.78
SLIH GHB	France	FC	43.86	43.78
SLIH HDB	France	FC	43.86	43.78
SLIH HG	France	FC	43.86	43.78
SLIH HIR	France	FC	43.86	43.78
Samoens SAS	France	Merger		21.94
Ingrid Hotels	Italy	Merger		43.78
Ingrid France Holding	France	Merger		43.78

The registered office of the parent company Covivio Hotels and its main fully consolidated French subsidiaries is located at 30, avenue Kléber, 75116 Paris.

143 companies German Residential segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Covivio Immobilien SE (parent company) 100% controlled	**Germany**	**FC**	**61.70**	**61.70**
Covivio Immobilien	Germany	FC	61.70	61.70
Covivio Lux Residential	Germany	FC	65.57	65.57
Covivio Valore 4	Germany	FC	65.57	65.57
Covivio Wohnen Verwaltungs	Germany	FC	61.70	61.70
Covivio Grundstücks	Germany	FC	61.70	61.70
Covivio Grundvermögen	Germany	FC	61.70	61.70
Covivio Wohnen Service	Germany	FC	61.70	61.70
Covivio Wohnen	Germany	FC	61.70	61.70
Covivio Gesellschaft für Wohnen Datteln	Germany	FC	65.57	65.57
Covivio Stadthaus	Germany	FC	65.57	65.57
Covivio Wohnbau	Germany	FC	65.57	65.57
Covivio Wohnungsgesellechaft GmbH Dümpten	Germany	FC	65.57	65.57
Covivio Berolinum 2	Germany	FC	65.57	65.57
Covivio Berolinum 3	Germany	FC	65.57	65.57
Covivio Berolinum 1	Germany	FC	65.57	65.57
Covivio Remscheid	Germany	FC	65.57	65.57
Covivio Valore 6	Germany	FC	65.57	65.57
Covivio Holding	Germany	FC	100.00	100.00
Covivio Berlin 67 GmbH	Germany	FC	65.57	65.57
Covivio Berlin 78 GmbH	Germany	FC	65.57	65.57
Covivio Berlin 79 GmbH	Germany	FC	65.57	65.57
Covivio Dresden GmbH	Germany	FC	65.57	65.57
Covivio Berlin I SARL	Germany	FC	65.57	65.57
Covivio Berlin V SARL	Germany	FC	65.57	65.57
Covivio Berlin C GmbH	Germany	FC	65.57	65.57
Covivio Dansk Holding Aps	Denmark	FC	61.70	61.70
Covivio Dasnk L Aps	Germany	FC	65.57	65.57
Covivio Berlin Prime	Germany	FC	65.57	65.57
Berlin Prime Commercial	Germany	FC	65.57	65.57
Acopio	Germany	FC	100.00	100.00
Covivio Hamburg Holding ApS	Denmark	FC	65.57	65.57
Covivio Hamburg 1 ApS	Germany	FC	65.57	65.57

143 companies German Residential segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Covivio Hamburg 2 ApS	Germany	FC	65.57	65.57
Covivio Hamburg 3 ApS	Germany	FC	65.57	65.57
Covivio Hamburg 4 ApS	Germany	FC	65.57	65.57
Covivio Arian	Germany	FC	65.57	65.57
Covivio Bennet	Germany	FC	65.57	65.57
Covivio Marien-Carré	Germany	FC	65.57	65.57
Covivio Berlin IV ApS	Denmark	FC	61.70	61.70
Covivio Berolina Verwaltungs GmbH	Germany	FC	65.57	65.57
Residenz Berolina GmbH & Co KG	Germany	FC	67.33	67.33
Covivio Quadrigua IV GmbH	Germany	FC	65.57	65.57
Real Property Versicherungsmakler	Germany	FC	61.70	61.70
Covivio Quadrigua 15	Germany	FC	69.05	69.05
Covivio Quadrigua 45	Germany	FC	69.05	69.05
Covivio Quadrigua 36	Germany	FC	69.05	69.05
Covivio Quadrigua 46	Germany	FC	69.05	69.05
Covivio Quadrigua 40	Germany	FC	69.05	69.05
Covivio Quadrigua 47	Germany	FC	69.05	69.05
Covivio Quadrigua 48	Germany	FC	69.05	69.05
Covivio Fischerinsel	Germany	FC	65.57	65.57
Covivio Berolina Fischenrinsel	Germany	FC	65.57	65.57
Covivio Berlin Home	Germany	FC	65.57	65.57
Amber Properties Sarl	Germany	FC	65.57	65.57
Covivio Gettmore	Luxembourg	FC	65.57	65.57
Saturn Properties Sarl	Germany	FC	65.57	65.57
Venus Properties Sarl	Germany	FC	65.57	65.57
Covivio Vinetree	Luxembourg	FC	65.57	65.57
Acopio Facility	Germany	FC	65.53	65.53
Covivio Development	Germany	FC	61.70	61.70
Covivio Rehbergen	Germany	FC	65.57	65.57
Covivio Handlesliegenschaften	Germany	FC	65.57	65.57
Covivio Alexandrinenstrasse	Germany	FC	65.57	65.57
Covivio Spree Wohnen 1	Germany	FC	65.57	65.57
Covivio Spree Wohnen 6	Germany	FC	65.57	65.57
Covivio Spree Wohnen 7	Germany	FC	65.57	65.57
Covivio Spree Wohnen 8	Germany	FC	65.57	65.57
Nordens Immobilien III	Germany	FC	65.57	65.57
Montana-Portfolio	Germany	FC	65.57	65.57
Covivio Cantianstrasse 18 Grundbesitz	Germany	FC	65.57	65.57
Covivio Konstanzer Str.54/Zahringerstr. 28, 28a Grundbesitz.	Germany	FC	65.57	65.57
Covivio Mariend. Damm 28	Germany	FC	65.57	65.57
Covivio Markstrasse 3 Grundbesitz	Germany	FC	65.57	65.57
Covivio Schnellerstrasse 44 Grundbesitz	Germany	FC	65.57	65.57
Covivio Schnönwalder Str.69 Grundbesitz	Germany	FC	65.57	65.57
Covivio Schulstrasse 16/17.Grundbesitz	Germany	FC	65.57	65.57
Covivio Sophie-Charlotten Strasse 31, 32 Grundbesitz	Germany	FC	65.57	65.57
Covivio Zelterstrasse 3 Grundbesitz	Germany	FC	65.57	65.57
Covivio Zinshäuser Alpha	Germany	FC	65.57	65.57
Covivio Zinshäuser Gamma	Germany	FC	65.57	65.57
Second Ragland	Germany	FC	65.57	65.57
Seed Portfolio 2	Germany	FC	65.57	65.57

143 companies German Residential segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Erz 1	Germany	FC	65.57	65.57
Covivio Berlin 9	Germany	FC	65.57	65.57
Erz 2	Germany	FC	65.57	65.57
Best Place Living	Germany	FC	31.47	31.47
Covivio Berlin 8	Germany	FC	65.57	65.57
Covivio Selectimmo.de	Germany	FC	65.57	65.57
Covivio Prenzlauer Promenade 49 Besitzgesellschaft	Germany	FC	65.57	65.57
Meco Bau	Germany	FC	61.70	61.70
Covivio Blankenburger Str.	Germany	FC	65.57	65.57
Covivio Immobilien Financing	Germany	FC	65.57	65.57
Covivio Treskowallee 202 Entwicklungsgesellschaft	Germany	FC	65.57	65.57
Covivio Hathor Berlin	Germany	FC	65.57	65.57
Covivio Hansastraße 253	Germany	FC	65.57	65.57
Covivio Rhenania 1	Germany	FC	65.57	65.57
Covivio Prime Financing	Germany	FC	61.70	61.70
Covivio Grundbesitz NRW	Germany	FC	65.57	65.57
Covivio Eiger II	Germany	FC	65.57	65.57
Covivio Southern Living Grundbesitz	Germany	FC	65.57	65.57
Covivio Grundbesitz NRW 2	Germany	FC	65.57	65.57
Buchstrasse 6 & Fehmarner Strasse 14	Germany	FC	65.57	65.57
Covivio Erkstrasse 20	Germany	FC	65.57	65.57
Martin Opitz Strasse 5	Germany	FC	65.57	65.57
Covivio Kurstrasse 23	Germany	FC	65.57	65.57
Covivio Pankstrasse 55 Verwaltungs	Germany	FC	65.57	65.57
Covivio Grospiusstrasse 4	Germany	FC	65.57	65.57
Covivio Schnellerstrasse 10 Grundbesitz	Germany	FC	65.57	65.57
Covivio Grundbesitz Firstrasse 22	Germany	FC	65.57	65.57
Covivio Lindauer Alee 20 GmbH	Germany	FC	65.57	65.57
TSC 2 Holding Sàrl	Germany	FC	65.57	65.57
TSC Berlin Alpha	Germany	FC	65.57	65.57
TSC Berlin Beta	Germany	FC	65.57	65.57
TSC Berlin Gamma	Germany	FC	65.57	65.57
TSC Berlin Delta	Germany	FC	65.57	65.57
TSC Berlin Epsilon	Germany	FC	65.57	65.57
TSC Berlin Zeta	Germany	FC	65.57	65.57
TSC Berlin Eta	Germany	FC	65.57	65.57
TSC Berlin Theta	Germany	FC	65.57	65.57
TSC Berlin Lota	Germany	FC	65.57	65.57
TSC Berlin Kappa	Germany	FC	65.57	65.57
TSC Berlin Lambda	Germany	FC	65.57	65.57
TSC Berlin My	Germany	FC	65.57	65.57
TSC Berlin XI	Germany	FC	65.57	65.57
TSC Berlin Omicron	Germany	FC	65.57	65.57
TSC Berlin Rho	Germany	FC	65.57	65.57
TSC Berlin Sigma	Germany	FC	65.57	65.57
TSC Berlin Tau	Germany	FC	65.57	65.57
TSC Berlin Ypsilon	Germany	FC	65.57	65.57
Akragas Immobilien	Germany	FC	69.05	65.57
AC Gustav-Müller-Strasse Grundstucks	Germany	FC	61.70	61.70
Areal Consult Grundstucks	Germany	FC	61.70	61.70

143 companies German Residential segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Areal Invest Grafestrasse	Germany	FC	61.70	61.70
Areal Invest XI Grunstucks	Germany	FC	61.70	61.70
Areal Invest XIII Grundstücks	Germany	FC	61.70	61.70
Areal Invest XXIX Grundstücks	Germany	FC	61.70	61.70
Areal Invest XXIII Grundstücks	Germany	FC	61.70	61.70
JFT Grundbesitz Nr. 28	Germany	FC	61.70	61.70
Nox Capital Kulmer11 Grundbesitz	Germany	FC	61.70	61.70
Nox Capital Nr. 15	Germany	FC	61.70	61.70
Nox Capital Leinestraße 21 Grundbesitz	Germany	FC	61.70	61.70
Nox Capital Kiehlufer39 Grundbesitz	Germany	FC	61.70	61.70
Covivio Rhenania 2	Germany	Merged		65.57
Covivio Eiger 1	Germany	Merged		65.57
Covivio Lux	Luxembourg	Merger		100.00

The registered office of the parent company Covivio Immobilien SE is at Essener Strasse 66, 46047 Oberhausen.

22 companies Germany Offices segment	Country	Consolidation method in 2022	% held in 2022	% held in 2021
Covivio Office Holding	Germany	FC	100.00	100.00
Acopio Office Energie GmbH (Office Germany)	Germany	FC	100.00	100.00
Covivio Alexanderplatz	Luxembourg	FC	55.00	55.00
Covivio Alexanderplatz	Germany	FC	100.00	100.00
Covivio Office Berlin	Germany	FC	100.00	100.00
Covivio Tino Schwierzina Strasse 32 Grundbezitz	Germany	FC	94.22	94.22
Covivio Gross-Berliner-Damm	Germany	FC	100.00	100.00
Covivio Office (formerly Godewind Immobilien)	Germany	FC	100.00	100.00
Covivio Office 1	Germany	FC	94.22	94.22
Covivio Beteilingungs	Germany	FC	94.22	94.22
Covivio Office 2	Germany	FC	94.22	94.22
Covivio Office 3	Germany	FC	94.22	94.22
Covivio Office 4	Germany	FC	94.22	94.22
Covivio Office 5	Germany	FC	94.22	94.22
Covivio Office 7	Germany	FC	94.22	94.22
Covivio Office 6	Germany	FC	89.90	89.90
Covivio Technical Services 1	Germany	FC	100.00	100.00
Covivio Technical Services 2	Germany	FC	94.22	94.22
Covivio Technical Services 3	Germany	FC	94.22	94.22
Covivio Technical Services 4	Germany	FC	94.22	94.22
Covivio Verwaltungs 4	Germany	FC	94.22	94.22
Covivio Construction	Germany	FC	100.00	100.00

The registered office of the parent company Covivio Office Holding is at Knesebeckstrasse 3, 10623 Berlin.

7 companies in Other segment (France Residential, Car Parks, Services)	Country	Consolidation method in 2022	% held in 2022	% held in 2021
1 Car Park company:				
Trinité	France	FC	100.00	100.00
République (parent company) 100% controlled	France	Disposed of		100.00
Esplanade Belvédère II	France	Disposed of		100.00
Comédie	France	Disposed of		100.00
Gare	France	Disposed of		50.80
Gespar	France	Disposed of		50.00
6 Services companies:				
Covivio Hotels Management	France	FC	100.00	100.00
Covivio Property SNC	France	FC	100.00	100.00
Covivio Développement	France	FC	100.00	100.00
Covivio SGP	France	FC	100.00	100.00
Covivio Proptech	France	FC	100.00	100.00
Covivio Proptech Germany	Germany	FC	100.00	100.00
No company in France Residential:				
Foncière Développement Logements (parent company) 100% controlled	France	Merger		100.00

FC: Full consolidation.

EM/EA: Equity Method – Affiliates.

EM/JV: Equity Method – Joint Ventures.

NC: Not Consolidated.

PC: Proportionate Consolidation.

There are 445 companies in the Group, including 398 fully consolidated companies and 47 equity affiliates.

4.2.3.4 Evaluation of control

Considering the rules of governance that grant Covivio powers giving it the ability to affect asset yields, the following companies are fully consolidated.

SNC Latécoère and Latécoère 2 (consolidated structured entities)

SCI Latécoère and Latécoère 2 were 50.1% held by Covivio at 31 December 2022 and fully consolidated. The partnership with the Crédit Agricole Assurances Group (49.9%) was established in 2012 and 2015 as part of the Dassault Systèmes Campus and Dassault Extension projects in Vélizy. Covivio signed a draft extension of the Dassault Systèmes campus through the construction of a new 27,600 m^2 building and the signing of new leases. These leases will begin in early 2023 upon delivery of the extension.

SCIs of 9 and 15 rue des Cuirassiers (consolidated structured entities)

As at 31 December 2022, the SCIs of 9 and 15 rue des Cuirassiers were 50.1% held by Covivio and fully consolidated. The partnership with Assurances du Crédit Mutuel (49.9%) was created in early December 2017 as part of the Silex 1 and Silex 2 office projects in Lyon Part-Dieu. Delivery of the Silex 2 project took place in early July 2021.

SAS 6 rue Fructidor (consolidated structured entities)

As at 31 December 2022, the company 6 rue Fructidor was 50.1% held by Covivio and fully consolidated.

The partnership with Crédit Agricole Assurances was set up in October 2019 as part of the Paris Saint Ouen So Pop project, located on the border between Paris and St Ouen.

Construction work was completed on a building as part of a CPI signed on 29 October 2019 by Fructidor and Fructipromo. The project was delivered on 31 August 2022.

SCI N2 Batignolles and SNC Batignolles Promo (consolidated structured entities)

SCI N2 Batignolles and SNC Batignolles Promo was 50% held by Covivio at 31 December 2022 and fully consolidated.

The partnership with Assurances du Crédit Mutuel (50%) was set up in 2018 as part of the Paris N2 StreamBuilding development project located in the Clichy Batignolles ZAC (development zone) in the 17th district of Paris. The delivery took place on 31 August 2022.

SNC Batignolles Promo is 50% owned by Hines.

Covivio Alexanderplatz Sarl (consolidated structured entity)

Covivio Alexanderplatz Sarl was 55% held by Covivio as of 31 December 2022 and fully consolidated. The partnership with Covéa (25%) and Generali Vie (20%) was set up in June 2021 as part of the Alexanderplatz project in Berlin. Delivery of this project is scheduled for 2026. The construction of the building is carried out as part of a CPI between Covivio Alexanderplatz and Covivio Construction GmbH, wholly owned by Covivio.

The following companies are consolidated by the equity method.

SCI Lenovilla (joint venture)

As at 31 December 2022, Lenovilla was 50.09% held by Covivio and consolidated according to the equity method. The partnership with the Crédit Agricole Assurances Group (49.91%) was established in January 2013 as part of the New Vélizy (Thales Campus) project. The shareholder agreement stipulates that decisions be made unanimously.

SCI Cœur d'Orly Bureaux (joint venture)

SCI Cœur d'Orly Bureaux was 50% held by Covivio and 50% by Aéroports de Paris at 31 December 2022 and consolidated by the equity method. On 10 March 2008, the shareholders signed a memorandum of understanding, subsequently amended by a succession of deeds and by partnership agreements which set out the partners' rights and obligations with respect to SCI Cœur d'Orly Bureaux.

Fondo Porta di Romana

Fondo Porta di Romana is 40.28% owned by Covivio, 55.69% by CECIF and 4.03% by Prada as at 31 December 2022 and is consolidated using the equity method. Shareholders are bound by a memorandum of understanding specifying the fund's governance rules: no single shareholder can make a key management decision (implementation of an advisory Committee ruling by a majority of five out of six members) or modify the rules of the fund (implementation of a qualified majority).

4.2.4 Significant events during the fiscal year

Significant events during the fiscal year were as follows:

4.2.4.1 Macroeconomic environment

In 2022, several factors impacted the macroeconomic environment in which Covivio operates.

End of various health restrictions in Europe

The end of the various health restrictions in Europe offered Covivio a positive outlook, particularly for the hotel business (note 4.2.4.4).

Inflation

The effect of the increase in energy costs is limited for Covivio due to rent revision clauses (or indexation) or the re-invoicing of these costs to tenants.

The increase in the cost of construction materials is included in Covivio's investment policy and in the monitoring of the budget for real estate development operations.

Rising interest rates

The interest-rate risk management policy (note 4.2.2.3) enables Covivio to hedge against the risk of an increase in the interest rates of its variable-rate debt.

4.2.4.2 France Offices

Acquisition and disposal of assets held in partnership and assets under preliminary agreement

In May 2022, Covivio sold the Carré Suffren and Campus Eiffage assets, held in partnership at 60% and 50.1% respectively for €325 million.

In accordance with the agreements signed in 2017 as part of the co-development of the Quai 8.2 operation in Bordeaux, Covivio and Icade, on 18 January 2022, unwound the transaction by cross-swapping the shares of the two companies holding the assets. This transaction resulted in the acquisition of 100% of the Factor E asset by Covivio.

As at 31 December 2022, assets under preliminary agreement amounted to €176 million.

Development portfolio

The asset development programme is presented in note 4.2.5.1.4.

2022 was marked by the delivery of four assets located in Paris (Jean Goujon projects, Paris Saint Ouen So Pop, Paris N2 StreamBuilding) and one asset located in Lyon (Lyon Sévigné), as well as the launch of three new projects in Paris.

Mortgage financing

In early July 2022, an eight-year mortgage loan of €115 million was raised, in green format, on an asset held in partnership.

4.2.4.3 Italy Offices

Disposals (€335 million – loss on disposal net of fees: -€3 million) and assets under preliminary sale agreements (€29 million)

During 2022, assets were disposed of totalling €335 million.

As at 31 December 2022, assets under preliminary agreement amounted to €29 million, including in particular the Milan asset, Largo Paolo Grassi.

Development portfolio

The asset development programme is presented in note 4.2.5.1.4.

2022 was marked by the delivery of the Milan asset, *via* Unione, operated directly under the Flex Office activity (Wellio Duomo), as well as the start of the Rozzano project, Milanofiori Strada 8.

Covivio has signed a pre-lease agreement with a leading Italian operator in the field of software, data and analytics, covering all the surface area of the Corté Italia office building located in Milan.

Bond redemption premium

During 2022, Covivio redeemed the bond maturing in March 2022 for €125 million.

4.2.4.4 Hotels in Europe

Recovery following the gradual lifting of various health restrictions

The second half of 2022 saw a strong recovery, with occupancy rates rising and average prices well above 2019 levels. Since May, Revpar has been above 2019. This recovery is reflected in:

- an increase in rental income from variable rents of €25 million on the ACCOR portfolio and €25 million in rents on the portfolio in the United Kingdom
- the €40.4 million increase in the EBITDA of hotels under management.

In France and abroad, Covivio Hotels benefited from government subsidies and partial unemployment measures put in place for the hotel sector, worth €1.3 million.

The fair value of leased hotels was up by €108 million compared to 31 December 2021, in particular for the AorInvest, B&B and Spanish assets.

Continued support for lease operators

Following the purchase of 30 hotel businesses located in France by B&B HOTELS from AccorInvest, Covivio Hotels signed new fixed leases of 12 years under the B&B HOTELS brand for these 30 hotels. These hotels were previously let under variable rent leases under the Accor group brands. Covivio Hotels will participate in a program of works carried out by the operator.

Acquisition of an asset in Poland

In May 2022, Covivio Hotels acquired a 130-room hotel operated by B&B in Poland for €7 million.

Delivery of the Nice Plaza hotel

The Nice Plaza hotel was commissioned on 9 December 2022.

Recovery of operating properties under management

In Belgium, the purchase of two hotel business assets located in Bruges and previously let under variable rent leases to AccorInvest was completed in September.

In the United Kingdom, the business assets of three hotels previously leased and operated by IHG were acquired in October. A management contract was signed with a third-party RHB manager for a period of 10 years.

Disposals of assets (€168 million – profit on disposals net of fees: €3.3 million) and assets under preliminary sale agreement (€43 million)

During 2022, Covivio Hotels disposed of assets for €170 million, including Club Med Samoens.

At 31 December 2022, preliminary sales commitments amounted to €43 million (four AccorInvest hotels, one Jardiland asset and one asset in Spain).

Cross-border merger

On 20 October 2022, Ingrid Hotels, located in Italy, was absorbed by Covivio Hotels with retroactive effect to the 1 January 2022.

Refinancing and redemption

During 2022, Covivio Hotels repaid the financing put in place to acquire assets in Spain for €100 million, as well as the debt associated with Club Med Samoens for €47 million.

4.2.4.5 German Residential

Strong increase in German Residential asset values

The German Residential segment recorded an increase in asset values of €202 million, mainly located in Berlin.

Acquisitions (assets: €47 million)

In May and November 2022, the Group acquired a portfolio of assets located in Berlin and Hamburg.

Refinancing and redemption

Covivio Immobilien SE raised, secured or renegotiated €377.6 million in loans with average terms of approximately 10 years.

4.2.4.6 Other (including French Residential)

Disposal of parking activities

On 25 January 2022, Covivio and Indigo signed three deeds of sale relating to République, EB2 and Gespar.

4.2.5 Notes related to the statement of financial position

4.2.5.1 Portfolio

4.2.5.1.1 Accounting principles applicable to intangible and tangible fixed assets

Intangible assets

Identifiable intangible fixed assets are amortised on a straight-line basis over their expected useful lives. Intangible fixed assets acquired are recorded on the balance sheet at acquisition cost. They primarily include entry fees (and occupancy rights for car parks) and computer software.

Intangible fixed assets are amortised on a straight-line basis, as follows:

- software: over a period of 1 to 10 years
- occupancy rights: 30 years.

Business combinations (IFRS 3) and goodwill from acquisitions

An entity must determine whether a transaction or other event constitutes a business combination within the meaning of the definition of IFRS 3, which states that a company is an integrated set of activities and assets that can be operated and managed for the purpose of providing goods or services to clients, generating investment income (such as dividends or interest) or generating other income from ordinary activities.

In this case, the acquisition cost is set at the fair value on the date of the exchange of the assets and liabilities and equity instruments issued for the purpose of acquiring the entity. Goodwill is recognised as an asset for the surplus of the acquisition cost on the portion of the buyer's interest in the fair value of the assets and liabilities acquired, net of any deferred taxes. Negative goodwill is recorded in the income statement.

To determine whether a transaction is a business combination, the Group considers in particular whether an integrated set of activities and assets is acquired in addition to real estate and whether this set comprises at least one input and a substantial process which, together, contribute significantly to the capacity to generate outputs.

The prospective additional costs are appraised at fair value at the acquisition date. They are definitely appraised in the 12 months following the acquisition. The subsequent change of these additional costs is recorded in the income statement.

After its initial recognition, the goodwill is subject to an impairment test at least once a year. The impairment test consists in comparing the net book value of the intangible and tangible fixed assets and goodwill related to the valuation of the hotels as "Operating Properties" made by the real estate appraisers.

If the Group concludes that the transaction is not a business combination, then it recognises the transaction as an acquisition of assets and applies the standards appropriate to acquired assets.

Costs related to the acquisition categorised under business combinations are recognised as expenses in accordance with IFRS 3 under "Income from changes in consolidation scope" in the income statement. The costs associated with an acquisition that does not qualify as a business combination are an integral part of the acquired assets.

Investment properties (IAS 40)

Investment properties are real-estate properties held for purposes of leasing within the context of operating leases or long-term capital appreciation (or both).

Investment properties represent the majority of the Group's portfolio. The buildings occupied or operated by Covivio group employees – owner-occupied buildings – are recognised under tangible fixed assets (office properties occupied by employees, spaces used for own Flex Office, hotel real estate managed by the Operating Properties business).

Under the option offered by IAS 40, investment properties are assessed at their fair value. Changes in fair value are recorded in the income statement. Investment property is not amortised.

Valuations are carried out in accordance with the Code of Conduct applicable to SIICs, the Charter of Property Valuation Expertise, the recommendations of the COB/CNCC working group chaired by Mr Barthès de Ruyter and the international plan in accordance with the International Valuation Standards Council (IVSC) and those of the 2014 Red Book of the Royal Institution of chartered Surveyors (RICS).

The real-estate portfolio directly held by the Group was appraised in full at 31 December 2022 by independent real-estate experts including BNP Real Estate, JLL, CBRE, Cushman, CFE, MKG, REAG and HVS.

Assets were estimated at values excluding and/or including duties, and rents at market value. Estimates were made using the comparative method, the rent capitalisation method and the discounted future cash flows method.

The assets are recognised at their net market value.

- For France, Italy and Germany Offices, the valuations are primarily performed according to two methods:
  - the yield (or income capitalisation) method:

    this approach consists of capitalising an annual income, which, in general, is rental income from occupied assets, with the possible impact of a reversion potential, and market rent for vacant assets, taking into account the time needed to find new tenants, any renovation work and other costs.
  - the discounted cash flow (DCF) method:

    this method consists of determining the useful value of an asset by discounting the forecast cash flows that it is likely to generate over a given time frame. The discount rate is determined on the basis of the risk-free rate plus a risk premium associated with the asset and defined by comparison with the discount rates applied to cash flows generated by similar assets.
- For Hotels in Europe, the methodology changes according to the type of assets:
  - the rent capitalisation method is used for restaurants and Club Med holiday villages
  - the DCF method is used for hotels (including the revenue forecasts determined by the appraiser) and Sunparks holiday villages.

- For German Residential, the fair value determined corresponds to:
  - a block value for assets for which no sales strategy has been developed or which have not been marketed
  - an occupied retail value for assets on which at least one preliminary sale agreement has been made before the reporting date.

The valuation method used was the discounted cash flow method.

The resulting values are also compared with the initial yield rate, the monetary values per square metre of comparable transactions and transactions carried out by the Group.

IFRS 13 "Fair Value Measurement" establishes a fair value hierarchy that categorises the inputs used in valuation techniques into three levels:

- level 1: the valuation refers to quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- level 2: the valuation refers to valuation methods using inputs that are observable for the asset or liability, either directly or indirectly, in an active market
- level 3: the valuation refers to valuation methods using inputs that are unobservable in an active market.

The fair value measurement of investment properties requires the use of different valuation methods using unobservable or observable inputs to which some adjustments have been applied. Accordingly, the Group's portfolio is mainly categorised as level 3 according to the IFRS 13 fair value hierarchy.

The appraisals of real-estate assets recognized as Investment properties were carried out taking into account the inflationary macroeconomic environment, a source of uncertainty on cost forecasts, and climate risk based on current practices and Covivio's carbon trajectory.

The context of the crisis has created uncertainty about the estimates used for appraisal values. These estimates include assumptions about resumption of activity (reopening of hotels and gradual return of visitors, use of office buildings, etc.) which may not be realised.

Investment properties under development (IAS 40)

Assets under construction are recognised according to the general fair-value principle, except where it is not possible to determine this fair value on a reliable and ongoing basis. In such cases, the asset is carried at cost.

As a result, development programmes and extensions or remodelling of existing assets that are not yet commissioned are recognised at their fair value and are treated as investment properties whenever the administrative and technical fair-value reliability criteria – i.e. administrative, technical and commercial criteria – are met.

In accordance with revised IAS 23, the borrowing cost during a period of construction and renovation is included in the cost of the assets. The capitalised amount is determined on the basis of fees paid for specific borrowings and, where applicable, for financing from general borrowings based on the weighted average rate of the particular debt.

Right-of-use (IFRS 16)

In application of IFRS 16, when a movable or immovable asset is held under a lease, the lessee is required to recognise a right-of-use asset and a rental liability, at amortised cost.

Right-of-use assets are included in the items under which the corresponding underlying assets are presented, if they belonged thereto, namely the items Operating properties, Other tangible fixed assets and Investment properties.

The lessee depreciates the right-of-use on a straight-line basis over the term of the lease, except for rights relating to investment properties, which are measured at fair value.

Tangible fixed assets (IAS 16)

Pursuant to the preferred method proposed by IAS 16, operating buildings (head Offices and Flex Office business) and managed hotels under the Operating Properties business line (owner-occupied buildings – occupied or operated by Group employees) are carried at historical cost less accumulated depreciation and any potential impairment. They are amortised over their expected useful life according to a component-based approach.

Hotel Operating properties are depreciated according to their period of use:

Buildings	50 to 60 years
General installations and layout of the buildings	10 to 30 years
Equipment and furniture	3 to 20 years

If the appraisal values of the Operating Properties are less than the net book value, impairment is recognised, as a priority on the value of the fund, then on the value of the tangible fixed assets.

Non-current assets held for sale (IFRS 5)

In accordance with IFRS 5, when Covivio decides to dispose of an asset or group of assets, it classifies them as assets held for sale if:

- the asset or group of assets is available for immediate sale in its current condition, subject only to normal and customary conditions for the sale of such assets
- its or their sale is likely within one year and marketing for the property has been initiated.

For the Covivio group, only assets corresponding to the above criteria or for which a sale commitment has been signed are classified as assets held for sale.

If a sale commitment exists on the account closing date, the price of the commitment net of expenses constitutes the fair value of the asset held for sale.

4.2.5.1.2 Table of changes in fixed assets

(In € thousand)	31/12/2021	Scope change	Increase/ Charges	Disposal/ Reversals of provisions	Change in fair value	Transfers	Change in exchange rate	31/12/2022
Goodwill	**117,205**	**0**	**2,897**[1]	**0**	**0**	**0**	**0**	**120,102**
Intangible assets	**14,705**	**0**	**2,522**	**0**	**0**	**-33**	**0**	**17,194**
Gross amounts	34,101	0	4,445	-518	0	-96	0	37,932
Depreciation	-19,396	0	-1,923	518	0	63	0	-20,738
Tangible assets	**1,392,676**	**16,133**	**2,440**	**562**	**0**	**172,205**	**-3,681**	**1,580,335**
Operating properties	1,326,616	16,146	-34,260	2,817	0	163,894	-3,680	1,471,533
Gross amounts	1,701,662	-3,874	15,452	6,925	0	183,910	-3,701	1,900,374
Depreciation	-375,046	20,020	-49,713	-4,108	0	-20,015	20	-428,841
Other tangible fixed assets	42,984	-13	-2,364	-2,026	0	1,751	0	40,332
Gross amounts	190,726	13	8,123	-4,730	0	1,687	0	195,819
Depreciation	-147,742	-26	-10,487	2,704	0	64	0	-155,487
Fixed assets in progress	23,076	0	39,064[2]	-229	0	6,560	-1	68,470
Gross amounts	23,076	0	39,064	-229	0	6,560	-1	68,470
Depreciation	0	0	0	0	0	0	0	0
Investment properties	**23,157,221**	**32,724**	**573,865**	**-324,272**	**28,495**	**-455,074**	**-48,189**	**22,964,769**
Operating properties	21,449,845	32,724	296,683	-324,272	2,737	-18,413	-48,189	21,391,114
Investment properties under development	1,707,376	0	277,182	0	25,758	-436,661	0	1,573,655
Assets held for sale	**901,736**	**-614,396**	**2,680**	**-263,360**	**-10,290**	**243,030**	**0**	**259,400**
Assets held for sale	901,736	-614,396	2,680	-263,360	-10,290	243,030	0	259,400
of which other assets held for sale	*35,962*	*-38,108*	*0*	*0*	*0*	*2,146*	*0*	*0*
TOTAL	**25,583,543**	**-565,539**[3]	**584,404**	**-587,070**	**18,205**	**-39,872**	**-51,871**	**24,941,800**

1) Goodwill on hotels operated as Operating Properties increased by €3 million for the acquisition of two business assets in Belgium.

(2) Work carried out on France Offices assets (€20 million) and on Hotels in Europe assets (€5 million). Fixed assets in progress also includes advanced payments paid on asset acquisitions in Italy Offices (€14 million)

(3) The "Change in scope" column includes in particular a France Offices asset for €49 million following the additional acquisition of a company's shares and -€614 million from deconsolidation following the disposal of two companies in France Offices and car park companies.

The portfolio of hotels held as Operating Properties totalled €1,157.7 million at 31 December 2022. In accordance with IAS 16, they are recognised in the "Tangible fixed assets" line.

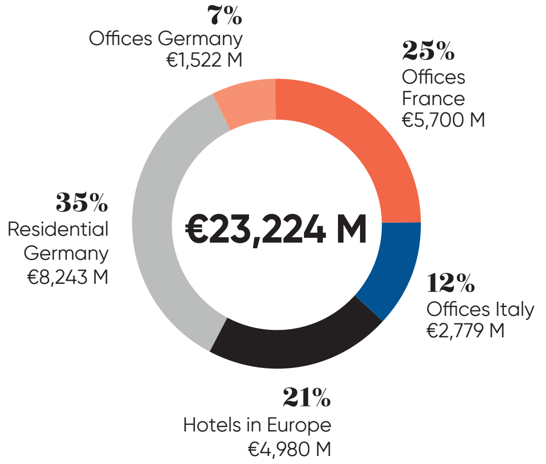
The total of the transfer column (-€39.9 million) mainly corresponds to the reclassification of assets under development from German Residential to real-estate development inventories (-€48 million) and advances on asset acquisitions in Italy Offices (+€11.5 million).

The line "Disbursements related to acquisitions of tangible fixed assets and intangible assets" in the statement of cash flows (-€567.8 million) corresponds mainly to investments excluding the impact of depreciation, amortisation and indexation of leases (-€630.5 million) restated for advances and advanced payments for work on investment properties under development already paid (€30.9 million), corrected for the change in trade payables on fixed assets (-€7.5 million) and the restatement of step rentals and rent-free periods for (+€39.5 million).

The "Proceeds relating to the disposal of tangible fixed assets and intangible assets" line in the Statement of Cash Flows (€687.3 million) primarily corresponds to income from disposals as presented in section 4.2.6.3 Income from asset disposals (+€588.4 million), and to the proceeds from the disposal of assets in inventory (+€2.7 million), restated for the change in receivables on asset disposals (+€83.9 million) and down payments on disposals (+€12.6 million).

4.2.5.1.3 Investment properties and assets held for sale

Consolidated portfolio of assets at 31 December 2022 (in €M)



(In € thousand)	31/12/2021	Scope change	Increase	Disposal	Change in fair value	Transfers	Change in exchange rate	31/12/2022
Investment properties	**23,157,221**	**32,724**	**573,865**	**-324,272**	**28,495**	**-455,074**	**-48,189**	**22,964,769**
Operating properties	21,449,845	32,724	296,683	-324,272	2,737	-18,413	-48,189	21,391,114
France Offices	4,453,204	49,060	25,653	-5,628	-177,162	391,222	0	4,736,349
Italy Offices	2,857,996	0	20,982	-280,484	-14,007	-45,025	0	2,539,462
Hotels in Europe	4,931,491	-16,191	67,446	-38,160	91,108	-50,296	-48,189	4,937,208
German Residential	7,894,014	-145	169,288	0	196,693	-50,656	0	8,209,194
Germany Offices	1,313,140	0	13,314	0	-93,895	-263,658	0	968,901
Investment properties under development[1]	1,707,376	0	277,182	0	25,758	-436,661	0	1,573,655
France Offices	1,169,860	0	178,192	0	-11,222	-549,300	0	787,530
Italy Offices	233,598	0	27,284	0	-21,543	-28,742	0	210,597
Hotels in Europe	53,272	0	23,189	0	-2,453	-74,008	0	0
German Residential	60,778	0	8,437	0	1,612	-48,316	0	22,511
Germany Offices	189,868	0	40,080	0	59,364	263,705	0	553,017
Assets held for sale	**901,736**	**-614,396**	**2,680**	**-263,360**	**-10,290**	**243,030**	**0**	**259,400**
France Offices	625,499	-582,462	954	-18,568	-8,031	158,464	0	175,856
Italy Offices	68,842	0	1,765	-54,014	-9,883	22,032	0	28,742
Hotels in Europe	154,787	0	-39	-126,837	3,505	11,530	0	42,946
German Residential	20,078	0	0	-63,647	4,119	51,004	0	11,554
Germany Offices	0	0	0	0	0	0	0	0
Other borrowings	32,530	-31,934	0	-294	0	0	0	302
TOTAL	**24,058,957**	**-581,672**	**576,545**	**-587,632**	**18,205**	**-212,044**	**-48,189**	**23,224,169**

(1) The €277 million increase in investment properties under development includes acquisitions and works and the capitalisation of personnel expenses and intermediary fees for €248 million and financial interest for €29 million (note 4.2.5.1.4).

The amounts in the "disposals" column correspond to the appraisal values published on 31 December 2021.

4.2.5.1.4 Investment properties under development

Investment properties under development relate to construction or refurbishment programmes that fall within the application of IAS 40 (revised).

(In € thousand)	31/12/2021	Acquisitions and works	Capitalised interest	Change in fair value	Transfers and disposals	Change in scope	31/12/2022
France Offices	1,169,860	160,040	18,152	-11,222	-549,300	0	787,530
Italy Offices	233,598	22,283	5,001	-21,543	-28,742	0	210,597
Germany Offices	189,868	35,101	4,979	59,364	263,705	0	553,017
German Residential	60,778	8,437	0	1,612	-48,316	0	22,511
Hotels in Europe	53,272	21,901	1,288	-2,453	-74,008	0	0
CONSOLIDATED TOTAL	**1,707,376**	**247,762**	**29,420**	**25,758**	**-436,661**	**0**	**1,573,655**

The "transfers and disposals" column includes the delivery of six assets for -€873 million (four assets in France Offices, one asset in Italy Offices and one asset in Hotels in Europe) and the transfer for €485 million of six assets supplying the pipeline with investment properties under development and -€48 million (four assets in property development).

4.2.5.1.5 Appraisal parameter

The Group has not identified the best use of an asset as being different from its current use. Consequently, the application of IFRS 13 did not lead to a modification of the assumptions used for the valuation of assets.

In accordance with IFRS 13, the tables below provide details by operating sector of the ranges of unobservable inputs by business segment (level 3) used by the real-estate appraisers:

France, Italy and Germany offices

Grouping of similar assets	Level	Portfolio (in €M)	Yield rate excluding duties (min.–max.)	Yield rate excluding duties (weighted average)	Discounted cash flow rate	Discounted cash flow rate (weighted average)
Paris Centre West	Level 3	1,032	2.9%–4.4%	3.2%	3.7%–7.0%	4.6%
North Eastern Paris	Level 3	694	3.9%–7.5%	3.8%	4.0%–7.2%	5.2%
Southern Paris	Level 3	304	2.9%–6%	5.0%	3.7%–6.7%	4.8%
Western Crescent	Level 3	1,014	3.7%–6.8%	5.0%	4.0%–8.0%	5.6%
Inner suburbs	Level 3	997	4.2%–6.5%	5.5%	4.0%–7.5%	5.6%
Outer suburbs	Level 3	31	7.0%–10.0%	8.1%	4.2%–12.5%	7.2%
Total Paris Regions		**4,071**	**3.3%–8.0%**		**3.7%–8.0%**	
Major Regional Cities	Level 3	644	4%–8.3%	4.6%	4.2%–9.5%	5.4%
Area	Level 3	21	5.4%–10.0%	8.4%	4.2%–11.2%	6.1%
Total Regions		**665**	**4.0%–10.0%**		**4.2%–11.2%**	
Development portfolio		788				
Other assets held for sale		176				
TOTAL FRANCE OFFICES		**5,700**				
Milan	Level 3	1,789	2.4%–9.0%	5.0%	4.7%–6.6%	5.0%
Rome	Level 3	179	3.0%–9.8%	5.5%	5.6%–7.2%	6.6%
Other borrowings	Level 3	600	4.9%–9.4%	6.4%	5.2%–7.8%	7.0%
Total in operation		**2,568**				
Development portfolio	Level 3	211			6.6%–9.2%	
TOTAL ITALY OFFICES		**2,779**				
Berlin	Level 3	33	4.0%–4.0%	4.0%	7.0%–7.0%	7.0%
Düsseldorf	Level 3	50	4.7%–4.7%	4.7%	5.3%–5.3%	5.3%
Frankfurt	Level 3	483	3.8%–4.8%	4.5%	5.5%–6.9%	6.0%
Hamburg	Level 3	281	3.3%–5.1%	3.7%	5.3%–5.7%	5.3%
Munich	Level 3	107	1.4%–4.4%	3.0%	5.4%–6.8%	5.9%
Total in operation		**954**	**1.4%–5.1%**	**4.1%**	**5.3%–7.0%**	
Development portfolio	Level 3	553				
Use rights	Level 3	15				
TOTAL GERMANY OFFICES		**1,522**				
TOTAL OFFICES		**10,001**				

Hotels in Europe

Grouping of similar assets	Level	Portfolio (in €M)	Yield rate excluding duties (min.–max.)	Yield rate excluding duties (weighted average)	Discounted cash flow rate	Discounted cash flow rate (weighted average)
Germany	Level 3	675	4.3%–5.8%	4.8%	4.5%–7.2%	6.0%
Belgium	Level 3	221	5.5%–6.5%	6.6%	7.5%–9.8%	8.7%
Spain	Level 3	646	3.9%–7.0%	5.3%	5.4%–8.5%	6.9%
France	Level 3	1,738	3.5%–7.5%	4.6%	4.5%–8.2%	6.0%
Netherlands	Level 3	159	4.5%–5.9%	4.8%	5.9%–8.3%	6.2%
UK	Level 3	665	4.3%–6.3%	4.9%	6.3%–8.3%	6.9%
Other borrowings	Level 3	586	4.6%–6.9%	5.4%	7.0%–8.6%	7.6%
Hotel Lease properties	**Level 3**	**4,689**	**3.5%-7.5%**	**5.2%**	**4.5%–9.8%**	**6.6%**
Retail	Level 3	53	6.0%–8.6%	6.5%	7.5%–10.8%	8.4%
TOTAL IN OPERATION		**4,742**				
Use rights	Level 3	238				
TOTAL HOTELS IN EUROPE		**4,980**				

German Residential

Grouping of similar assets	Level	Portfolio (in €M)	Yield rate* Total portfolio	Yield rate* Block valued properties	Discounted cash flow rate	Average value (in €/m²)
Duisburg	Level 3	362	2.9%–5.0%	2.9%–5.0%	4.4%–6.5%	1,828
Essen	Level 3	889	2.7%–5.1%	2.7%–5.1%	4.1%–6.6%	2,259
Mülheim	Level 3	245	3.1%–5.0%	3.1%–5.0%	4.3%–6.3%	1,925
Oberhausen	Level 3	218	3.4%–5.7%	3.4%–5.7%	4.7%–7.0%	1,579
Datteln	Level 3	168	2.1%–4.4%	2.1%–4.4%	3.6%–5.9%	1,475
Berlin	Level 3	4,726	1.8%–5.7%	1.8%–5.7%	3.8%–7.7%	3,489
Düsseldorf	Level 3	232	2.2%–3.6%	2.2%–3.6%	3.9%–5.3%	3,294
Dresden	Level 3	509	2.5%–4.4%	2.5%–4.4%	3.7%–5.9%	2,580
Leipzig	Level 3	154	2.3%–4.3%	2.3%–4.3%	3.8%–5.8%	2,212
Hamburg	Level 3	613	1.9%–4.1%	1.9%–4.1%	3.6%–5.8%	4,115
Other borrowings	Level 3	161	2.6%–4.2%	2.6%–4.2%	4.2%–5.4%	2,282
TOTAL GERMAN RESIDENTIAL		**8,276**	**1.8%–5.7%**	**1.8%–5.7%**	**3.6%–7.7%**	

* Yield rates: potential yield rates assumed excluding taxes (actual rents/appraisal values excluding duties).

4

Impact of changes in the yield rate on changes in the fair value of real estate assets, by operating segment

(In € million)	Yield**	Rate of return -50 bps	Yield rate +50 bps
France Offices*	4.6%	599.0	-481.6
Italy Offices	5.2%	273.2	-225.3
Hotels in Europe*	5.0%	526.9	-431.1
German Residential	3.5%	1,370.1	-1,027.6
Germany Offices	4.1%	132.5	-103.7
TOTAL*	**4.4%**	**2,901.7**	**-2,269.2**

* Including assets held by equity affiliates, excl. operating properties.

** Yield on operating portfolio – excl. duties.

- If the yield rate excluding duties drops 50 bps (-0.5 point), the market value excluding taxes of the real-estate assets will increase by €2,902 million.
- If the yield rate excluding duties increases 50 bps (+0.5 point), the market value excluding taxes of the real-estate assets will decrease by -€2,269 million.

4.2.5.2 Financial assets

4.2.5.2.1 Accounting principles

Other financial assets

Other financial assets consist of investment-fund holdings, which cannot be classified as cash or cash equivalents.

These securities are recognised upon acquisition at cost plus transaction costs. They are then recognised at fair value in the income statement on the reporting date.

The fair value is arrived at on the basis of recognised valuation techniques (reference to recent transactions, Discounted Cash Flows, etc.). Some securities that cannot be reliably measured at fair value are recognised at acquisition cost.

Non-consolidated securities are valued at their fair value, and changes in value are recorded either in equity or in the income statement, depending on the option chosen by the Group for each of these securities in accordance with IFRS 9.

Dividends received are recognised when they have been approved by vote.

Loans

At each reporting date, loans are recorded at their amortised cost. Moreover, impairment is recognised and recorded on the income statement when there is an objective indication of impairment as a result of an event occurring after the initial recognition of the asset.

4.2.5.2.2 Table of Financial assets

(In € thousand)	31/12/2021	Increase	Decrease	Fair value	Scope change	Transfers	31/12/2022
Ordinary loans(1)	116,590	241	-13,877	0	-6,128	0	96,825
Current accounts	0	0	0	0	0	0	0
Total loans	**116,590**	**241**	**-13,877**	**0**	**-6,128**	**0**	**96,825**
Advanced payments and deposits on acquisition of securities(2)	0	957	0	0	0	0	957
Non-consolidated securities(2)	19,997	300	-282	-295	0	-3,922	15,798
Receivables on financial assets(2)	1,202	7	-916	0	0	-1	292
NET TOTAL	**137,789**	**1,505**	**-15,075**	**-295**	**-6 128**	**-3,923**	**113,872**

(1) Ordinary loans include receivables from equity investments in equity affiliates. The change for the period mainly concerns France Offices, including (-€11 million) the decrease following the disposal of the shares of Orianz and (-€6 million) following the transition to full consolidation of Factor E as an asset.

(2) Other financial assets break down as follows:
- advanced payments and deposits on acquisitions of securities: these correspond to a deposit to acquire the shares of a company that will hold a B&B Hotel asset in Portugal
- non-consolidated shares: The change (-€4 million) is explained by the reclassification of shares in Fondo Porta di Romana, consolidated by the equity method (note 4.2.3.4)
- receivables on financial assets: the change mainly corresponds to receivables on disposals in Italy Offices (+€0.9 million).

4.2.5.3 Investments in associates and joint ventures

4.2.5.3.1 Accounting principles

Investments in equity affiliates and joint ventures are recognised by the equity method. According to this method, the Group's investment in the equity affiliate or the joint venture is initially recognised at cost, increased or reduced by the changes, subsequent to the acquisition, in the share of the net assets of the affiliate.

The goodwill related to an equity affiliate or joint venture is included in the book value of the investment, if it is not impaired. The share in the earnings for the period is shown in the line item "share in income of equity affiliates".

The financial statements of associates and joint ventures are prepared for the same accounting period as for the parent company, and adjustments are made, where relevant, to adapt the accounting methods to those of the Covivio group.

4.2.5.3.2 Table of investments in associates and joint ventures

(In € thousand)	% ownership	Operating segment	Country	31/12/2021	31/12/2022	Changes	Of which share of net income	Of which distribution and change in scope
SCI Factor E and SCI Orianz	34.69%	France Offices	France	17,431	0	-17,431	0	-17,431
Lenovilla (New Velizy)	50.10%	France Offices	France	65,000	82,106	17,106	21,114	-4,008
Euromarseille (Euromed)	50.00%	France Offices	France	31,409	33,877	2,469	2,469	0
Cœur d'Orly (Askia and Belaïa)	50,00%	France Offices	France	30,437	38,366	7,928	7,928	0
Fondo Porta di Romana and others	40.28%	Italy Offices	Italy	38	35,018	34,979	62	34,917
Iris Holding France	19.90%	Hotels in Europe	Belgium, Germany	17,997	20,263	2,267	2,267	-0
OPCI IRIS Invest 2010	19,90%	Hotels in Europe	France	29,245	32,844	3,598	3,995	-397
OPCI Camp Invest	19,90%	Hotels in Europe	France	22,877	24,978	2,101	3,816	-1,715
Dahlia	20.00%	Hotels in Europe	France	18,470	21,746	3,276	3,276	0
OPCI Oteli, Jouron, Kombon	31.15% and 33.33%	Hotels in Europe	France, Belgium	107,226	111,860	4,634	6,075	-1,440
TOTAL				**340,131**	**401,058**	**60,927**	**51,001**	**9,926**

The investments in equity affiliates at 31 December 2022 amounted to €401 million, compared with €340 million as at 31 December 2021, i.e. a decrease of €61 million.

The change for the period is mainly due to the net income for the period (+€51 million), the first time consolidation of Fondo Porta di Romana (+€35 million), the disposal of the stake in a company in France Offices (-€10.9 million), the distribution of dividends (-€7.6 million) and the change of consolidation method following the additional acquisition of the shares of a company holding an asset (-€6.5 million).

4.2.5.3.3 Breakdown of shareholdings in the main associates and joint ventures

Ownership	Cœur d'Orly	Group Euromed	SCI Lenovilla (New Velizy)	Fondo Porta di Romana
Covivio	**50.0%**	**50,0%**	**50.09%**	**40,28%**
Non-Group third parties	**50,0%**	**50,0%**	**49.91%**	**59.72%**
Aéroports de Paris	50,0%			
Crédit Agricole Assurances		50,0%	49,91%	
CECIF				55.69%
Prada				4.03%
TOTAL	**100%**	**100%**	**100%**	**100%**

Indirect ownership	Iris Holding France	OPCI Iris Invest 2010	OPCI Campinvest	SCI Dahlia	OPCI Otelli (Phoenix)	Konbon (Phoenix)	Jouron (Phoenix)
Covivio Hotels	**19.9%**	**19,9%**	**19,9%**	**20.0%**	**31.2%**	**33.3%**	**33,3%**
Non-Group third parties	**80.1%**	**80,1%**	**80,1%**	**80.0%**	**68.9%**	**66.7%**	**66,7%**
Sogecap					31,2%	33,3%	33,3%
Caisse de dépôt et consignation					37.7%	33,3%	33,3%
Predica	80,1%	80,1%	68.8%	80,0%			
Pacifica			11.3%				
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

4.2.5.3.4 Key financial information on associates and joint ventures

(In € thousand)	Asset name	Total balance sheet	Total non-current assets	Cash and cash equiv-alents	Total non-current liabilities excluding financial debt	Total current liabilities excluding financial debt	Financial payables	Rental income	Cost of the net financial debt	Net income consoli-dated
Cœur d'Orly (Askia and Belaïa)	Cœur d'Orly	173,746	156,372	9,168	1,744	6,739	88,532	7,465	-825	15,857
Lenovilla (New Velizy)	New Velizy and extension	319,267	297,697	18,088	0	566	154,803	12,702	-1,497	42,147
Euromarseille (Euromed)	Euromed Center	141,490	123,289	16,091	551	3,033	70,151	5,558	-293	4,937
Iris Holding France	Hotels AccorHotels	236,379	207,806	24,613	22,903	1,812	109,685	11,087	-3,154	11,392
OPCI IRIS Invest 2010	Hotels AccorHotels	279,552	248,907	25,301	0	7,849	106,660	15,197	-2,190	20,076
OPCI Camp Invest	Campanile Hotels	198,234	163,056	15,923	0	1,056	71,659	12,649	-1,578	19,174
Dahlia	Hotels AccorHotels	184,285	174,098	7,747	0	462	75,093	7,504	-1,957	16,382
OPCI Oteli, Jouron, Kombon	Hotels AccorHotels	561,375	512,168	45,359	22,392	12,008	176,304	26,676	-4,050	19,555

4.2.5.4 Deferred taxes at closing

(In € thousand)	Balance sheet as at 31/12/2021	Increases: Net income for the period	Increases: Shareholder's equity	Other changes and transfers	Decreases: Net income for the period	Decreases: Difference in rates	Decreases: Shareholder's equity	Decreases: Change in exchange rate	Decreases: Deconsoli-dation	Balance sheet as at 31/12/2022
DTA										
Losses carried forward	94,849	12,029		1,939	-12,167			-178	-1,671	94,801
Fair value of properties	50,814	6,634		1,711	-10,530					48,629
Derivatives	7,799	17		-891	-6,759					166
Temporary differences	19,344	1,032		-1,132	-1,367		-4,215	4		13,666
	172,806									**157,261**
DTA/DTL offset	-66,402									-70,883
TOTAL DTA	**106,404**	**19,712**	**0**	**1,627**	**-30,823**	**0**	**-4,215**	**-174**	**-1,671**	**86,378**

(In € thousand)	Balance sheet as at 31/12/2021	Increases: Net income for the period	Increases: Share-holder's equity	Other changes and transfers	Decreases: Net income for the period	Decreases: Difference in rates	Decreases: Shareholder's equity	Decreases: Change in exchange rate	Decreases: Deconsoli-dation	Balance sheet as at 31/12/2022
DTL										
Fair value of properties	1,261,965	106,182		1,885	-28,441	-156		-1,582	-1,624	1,338,229
Derivatives	1,914	30,215	1,617	-27						33,719
Temporary differences	24,159	2,731		-229	-7,651			7	-47	18,970
	1,288,038									**1,390,919**
DTA/DTL offset	-66,402									-70,883
TOTAL DTL	**1,221,636**	**139,129**	**1,617**	**1,629**	**-36,092**	**-156**		**-1,575**	**-1,671**	**1,320,034**
NET TOTAL	**-1,115,232**	**-119,417**	**-1,617**	**-2**	**5,269**	**156**	**-4,215**	**1,401**	**0**	**-1,233,657**
Impact on the income statement:						**-113,991**		**Negative net balance = liabilities**		

At 31 December 2022, the consolidated deferred tax position showed a deferred tax asset of €86 million (versus €106 million as at 31 December 2021) and a deferred tax liability of €1,320 million (versus €1,222 million as at 31 December 2021).

The primary contributors to the net balance of deferred tax liabilities are:

- German Residential: €953 million
- Hotels in Europe: €231 million
- Germany Offices: €44 million
- Italy Offices: €4 million.

The increase in net deferred tax liabilities (+€118 million) is mainly due to the impact of deferred taxes relating to increases in appraisal values, particularly in Germany (+€71 million), to increases in the value of derivative financial instruments in Germany (+€26 million) and the tax clarifications in Italy on the rules of the 3% exit tax (+€15 million).

The impact on net income is detailed in paragraph 4.2.6.9.2.

In accordance with IAS 12, deferred tax assets and liabilities are offset for each tax entity when they involve taxes paid to the same tax authority.

The non-recognised tax loss carryforwards, calculated at the standard rate, amounted to €1237.2 million as detailed below:

(In € thousand)	Non-recognised DTA	Non-recognised tax loss carryforwards
France Offices	78,590	228,241
Italy Offices	20,306	101,528
Hotels in Europe	157,531	594,103
German Residential	38,570	243,728
Germany Offices	11,012	69,589
Other borrowings	0	0
TOTAL	**306,010**	**1,237,189**

4.2.5.5 Short-term loans and receivables

(In € thousand)	31/12/2021	Change in scope	Increase	Decrease	Transfers	31/12/2022
Short-term loan	34,344	-23	12,773	-5,723	0	41,371
NET TOTAL	**34,344**	**-23**	**12,773**	**-5,723**	**0**	**41,371**

4.2.5.6 Inventories and work-in-progress

4.2.5.6.1 Accounting principles related to inventories

Inventories are composed of two classification types: property trading (mainly in Italy, purchase/sale) and real-estate development (housing units and offices). They are assessed at cost.

Inventories are intended to be sold during the normal course of business. They are recorded at acquisition price and, as applicable, are depreciated in relation to the sale value (independent appraisal value).

4.2.5.6.2 Inventories and work-in-progress

(In € thousand)	31/12/2022 Net	31/12/2021 Net	Change
Real-estate company trading properties	**15,619**	**18,625**	**-3,006**
Miscellaneous inventories (raw materials, goods)	**2,423**	**1,903**	**520**
France Offices	50,991	43,685	7,306
Italy Offices	0	732	-732
German Residential	194,999	145,786	49,213
Germany Offices	0	1,243	-1,243
Real estate trading properties	**245,990**	**191,446**	**54,544**
TOTAL INVENTORIES AND WORK-IN PROGRESS	**264,032**	**211,974**	**52,058**

The balance sheet item "Inventories and work-in-progress" groups together inventories from trading activities in Italy Offices (€16 million), and assets dedicated to the real-estate development business for €246 million.

In France, real-estate development inventories consist exclusively of projects to transform office buildings or land reserves into residential units. When a development margin can be generated (depending on the percentage of completion and marketing) the stock decreases accordingly. The increase (+€7 million) is linked to works (+€33 million) and inventory drawdown during the period (-€26 million).

The increase in inventories in German Residential (+€49 million) is linked to work on development assets (+€63 million), the disposal of development assets (-€44 million) and reclassification of several projects as real-estate trading properties (+€30 million).

4.2.5.7 Trade receivables

4.2.5.7.1 Accounting principles related to trade receivables and receivables from hotels under operation

The trade receivables are mainly comprised of receivables from simple lease transactions and receivables of hotels under operation. These items are measured at amortised cost. In the event that the recoverable value is lower than the net book value, the Group may be required to account for an impairment charge through profit or loss.

The usual impairment rules have been tightened in the context of the Covid-19 crisis. For unpaid bills relating to this crisis, impairments were recorded depending on the size of the tenant, its activity and the lease negotiations in progress.

Receivables from operating lease transactions

For operating-lease receivables, a provision for impairment is made at the first non-payment. The impairment rates applied by Covivio group are as follows:

- no impairment provision is recorded for existing or vacated tenants whose receivables are less than three months overdue
- 50% of the total amount of receivables for existing tenants whose receivables are between three and six months overdue
- 100% of the total amount of receivables for existing tenants whose receivables are more than six months overdue
- 100% of the total amount of receivables for vacated tenants whose receivables are more than three months overdue.

The receivables and theoretical impairments arising from the rules above are reviewed on a case-by-case basis in order to factor in any specific situations.

Receivables of hotels under operation

Receivables of hotels under operation are impaired according to payment deadlines.

The receivables and theoretical impairments arising from the rules above are reviewed on a case-by-case basis in order to factor in any specific situations.

4.2.5.7.2 Table of trade receivables

(In € thousand)	31/12/2022	31/12/2021	Change
Expenses to be reinvoiced to tenants	259,780	216,066	43,714
Rent-free periods	10,207	14,934	-4,727
Trade receivables	111,980	190,282	-78,302
TOTAL TRADE RECEIVABLES	**381,967**	**421,282**	**-39,315**
Impairment of receivables	-37,253	-48,808	11,555
NET TOTAL TRADE RECEIVABLES	**344,714**	**372,474**	**-27,760**

The decrease in gross receivables (-€78 million) is mainly related to the receivables of the development activity in France Offices (-€24 million), the repayment of a receivable in Spain (-€10 million) and the netting of hotel rent receivables in the United Kingdom with the liability under the old lease (-€29 million).

Impairment for trade receivables decreased by €12 million, including +€10.5 million in Hotels in Europe following the payment of all unpaid receivables of a tenant.

The line “Change in working capital requirements on continuing operations” in the Statement of cash flows consists of:

(In € thousand)	31/12/2022	31/12/2021
Impact of changes in inventories and work in progress	-3,346	21,762
Impact of changes in trade & other receivables	49,184	-1,821
Impact of changes in trade & other payables	-128,780	13,459
CHANGE IN WORKING CAPITAL REQUIREMENTS ON CONTINUING OPERATIONS (INCLUDING EMPLOYEE BENEFITS LIABILITIES)	**-82,942**	**33,400**

4.2.5.8 Other receivables

(In € thousand)	31/12/2022	31/12/2021	Change
Receivables from the State	76,052	93,308	-17,256
Other receivables	49,276	73,322	-24,046
Security deposits received (short-term)	29,198	114,926	-85,728
Current accounts	5,611	5,790	-179
TOTAL	**160,137**	**287,346**	**-127,209**

- €76 million in government receivables comprise mainly VAT receivables.

4.2.5.9 Cash and cash equivalents

4.2.5.9.1 Accounting principles applicable to cash and cash equivalents

Cash and cash equivalents include cash, short-term deposits and money-market funds. These are short-term, highly liquid assets that are easily convertible into a known cash amount, and for which the risk of a change in value is negligible.

4.2.5.9.2 Table of cash and cash equivalents

(In € thousand)	31/12/2022	31/12/2021
Cash and cash equivalents	19,430	626,318
Cash at bank	442,111	436,675
TOTAL	**461,541**	**1,062,993**

At 31 December 2022, the cash equivalents consist mainly of Level 1 standard money-market collective investment vehicles (SICAV) and Level 2 term deposits.

- Level 1 of the portfolio corresponds to instruments whose price is listed on an active market for an identical instrument.
- Level 2 corresponds to instruments whose fair value is determined using data other than the prices mentioned for Level 1 and observable directly or indirectly (i.e. price-related data).

4.2.5.10 shareholders' equity

4.2.5.10.1 Accounting principles related to shareholders' equity

If the Group buys back its own equity instruments (treasury shares), these are deducted from shareholders' equity. No profit or loss is recognised in the income statement when Group equity capital instruments are purchased, sold, issued or cancelled.

4.2.5.10.2 Change in shareholders' equity

The statement of changes in shareholders' equity and movements in the share capital are presented in note 4.1.4.

Covivio's share capital was composed of 94,786,096 shares issued and fully paid up with a par value of €3 each, i.e. €284.3 million at 31 December 2022. Covivio holds 961,069 treasury shares.

Changes in the number of shares during the period

Transaction	Shares issued	Treasury shares	Shares outstanding
NUMBER OF SHARES AT 31 DECEMBER 2021	**94,648,691**	**360,298**	**94,288,393**
Capital increase – delivery of free-share plan	137,005		
Capital increase – dividend in shares			
Treasury shares – liquidity agreement		17,145	
Treasury shares – employee award	400	618,267	
Treasury shares – pending allocation		-34,641	
NUMBER OF SHARES AT 31 DECEMBER 2022	**94,786,096**	**961,069**	**93,825,027**

The dividend of €353 million was paid in cash and was taken from the 2021 net income, premiums and retained earnings.

Reserves correspond to parent company retained earnings and reserves, together with reserves from consolidation.

The line Other mainly includes movements in treasury shares for the period (-€38 million).

The change in non-controlling interests (+€220 million) is mainly related to the total comprehensive income for the period (+€537 million) and the capital increase of Covivio Alexanderplatz (+€15 million), movements partially offset through distributions during the period (-€184 million), the disposal of two companies in France Offices (-€138 million) and the buyback of shares from non-controlling interests of a company in Hotels in Europe before the completion of an internal restructuring transaction (-€7 million).

The line "Amounts received from shareholders during capital increases paid by non-controlling interests" of the statement of cash flows (€8.1 million) corresponds mainly to the amounts received during the capital increase of Covivio Alexanderplatz (+€15 million) and the repayment of the capital of a company in Hotels in Europe to non-controlling interests (-€7 million).

4.2.5.11 Statement of debt

4.2.5.11.1 Accounting principles applicable to debt

Financial liabilities include borrowings and other interest-bearing debt.

At initial recognition, financial liabilities are measured at fair value, minus the transaction costs directly attributable to the issue of the liability. They are then recognised at amortised cost based on the effective interest rate. The effective rate includes the nominal rate and actuarial amortisation of issue expenses and issue and redemption premiums.

Financial liabilities of less than one year are posted under "Current financial liabilities".

The Group companies hold real-estate and equipment assets through leases (construction leases and long-term leases, premises, company vehicles, car parks). At the lease commencement date, the tenant measures the rental liability as the present value of rents owing not yet paid, using the implied interest rate for the lease, if this rate can be easily determined, or otherwise using the incremental borrowing rate. This debt is amortised as the contracts expire and give rise to the recognition of a financial expense.

Rental liabilities are shown on the long-term or short-term rental liabilities line in the balance sheet and financial expenses in the Interest costs for rental liabilities line item.

Derivatives and hedging instruments

The Covivio group uses derivatives to hedge its floating-rate debt against interest-rate risk (hedging of future cash flows).

Derivative financial instruments are recorded on the balance sheet at fair value. The fair value is calculated using valuation techniques that use mathematical calculations based on recognised financial theories and parameters that incorporate the prices of market-traded instruments. This valuation is carried out by an external service provider.

Certain financial instruments in Italy Offices are eligible for hedge accounting within the meaning of IFRS 9.

In this case, changes in the fair value of the effective portion of the hedge are recognised net of tax in shareholders' equity until the hedged transaction occurs. The ineffective portion is recorded in the income statement.

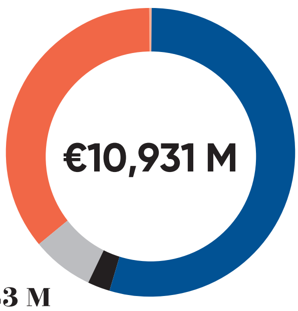
All derivative instruments in the other segments are therefore recognised at their fair value, and changes are reflected in the income statement.

4.2.5.11.2 Table of debts and net financial debt

(In € thousand)	31/12/2021	Increase	Decrease	Change in scope	Change in exchange rate	Other changes	31/12/2022
Bank borrowing	6,023,521	663,078	-721,306	16,593	-20,577	-1	5,961,309
Finance lease borrowing	8,231	0	-8,002	0	0	-1	228
Other borrowings	280,099	31,930	-25,084	-6,508	0	220	280,657
Treasury bills	1,458,400	743,000	-1,458,400	0	0	0	743,000
Securitised loans	3,977	0	-1,873	0	0	0	2,104
Non-convertible bonds	4,069,001	0	-125,000	0	0	0	3,944,001
Subtotal Interest-bearing loans	**11,843,229**	**1,438,008**	**-2,339,665**	**10,085**	**-20,577**	**218**	**10,931,299**
Accrued interest	49,781	66,449	-60,649	334	0	-236	55,679
Deferral of loan expenses	-60,798	13,464	-6,679	-98	-115	0	-54,226
Creditor banks	943	0	0	0	0	33,973	34,916
Total LT and ST loans	**11,833,155**	**1,517,921**	**-2,406,993**	**10,321**	**-20,692**	**33,955**	**10,967,667**
of which Long-term	**10,057,558**						**9,734,862**
of which Short-term	**1,775,597**						**1,232,805**
Valuation of financial instruments	136,294	0	0	2,022	0	-651,192	-512,876
Total derivatives	**136,294**	**0**	**0**	**2,022**	**0**	**-651,192**	**-512,876**
of which Assets	**-64,479**						**-813,276**
of which Liabilities	**200,773**						**300,400**
TOTAL BORROWINGS AND DERIVATIVES	**11,969,449**	**1,517,921**	**-2,406,993**	**12,343**	**-20,692**	**-617,237**	**10,454,792**

New financing taken out during the fiscal year is presented in 4.2.2.2 – Liquidity risk and in 4.2.5.11.3 – Bank borrowings.

Debt by type as at 31 December 2022 (in €M):



Net financial debt at 31 December 2022 (in €M):

		31/12/2022	31/12/2021
Gross cash (a)		461,541	1,062,993
Bank overdrafts and current bank borrowings (b)		-34,916	-943
Net cash and cash equivalents (c) = (a)-(b)		**426,625**	**1,062,050**
Of which available net cash and cash equivalents		***425,364***	***1,060,791***
Of which unavailable net cash and cash equivalents		***1,261***	***1,259***
Total short-term interest-bearing loans	4.2.5.11.2	10,931,299	11,843,229
Accrued interest	4.2.5.11.2	55,679	49,781
Gross debt (d)		**10,986,978**	**11,893,010**
Amortisation of financing costs (e)		-54,226	-60,798
Net debt (d)-(c)+(e)		**10,506,126**	**10,770,162**

The line "Proceeds related to new borrowings" of the statement of cash flows (+€1,442 million) mainly corresponds to:

- increases in interest-bearing loans (+€1,438 million) restated for the impact of net investments abroad
- less amortisation of new loan issue costs (-€7 million).

The "Loan repayments" line of the statement of cash flows (-€2,357 million) mainly corresponds to the decrease in interest-bearing loans (-€2,340 million) restated for the impact of net investments abroad.

4.2.5.11.3 Bank borrowings

The table below outlines the characteristics of the borrowings taken out by Covivio group and the amount of the associated guarantees (principal amount over €100 million):

(In € thousand)	Outstanding debt (> or < €100M)	Debt	Appraisal values at 31/12/2022[1]	Outstanding debt at 31/12/2022	Date of signature	Initial nominal amount	Maturity
France Offices		€280 M – CB 21 Tower		250,700	29/07/15	280,000	29/07/2025
		€300 M – Orange		300,000	18/02/16	300,000	30/06/2028
		€165 M – DS Campus		162,113	25/02/21	165,000	23/02/2029
		€130 M – DS Extension		109,764	08/07/21	130,000	08/07/2029
		€115 M – Silex [2]		115,000	**12/07/22**	**115,000**	**12/07/2030**
	> €100 M		**2,315,960**	**937,577**			
	< €100 M		**78,510**	**33,000**			
		Total France Offices	**2,394,470**	**970,577**			
Italy Offices		€804 M – Central		302,926	15/09/16	754,000	14/09/2024
	> €100 M	**Total Italy Offices**	**1,006,674**	**302,926**			
Hotels in Europe		€290 M – OPCI B2 HI (B&B)		122,707	10/05/17	290,000	10/05/2024
		£400 M – Rocky		452,846	24/07/18	475,145	24/07/2026
		€178 M – ParkInn Alexanderplatz Berlin		175,063	30/12/19	178,000	30/12/2029
	> €100 M		**1,500,251**	**750,616**			
	< €100 M		**2,013,072**	**544,258**			
		Total Hotels Europe	**3,513,324**	**1,294,874**			
German Residential		Cornerstone		144,544	01/10/14	136,737	30/06/2025
		Refinancing Wohnbau/Dümpten/Aurélia/Duomo		165,932	20/01//2015	220,000	30/01/2025
		Quadriga		141,245	16/06/15	197,983	31/03/2026
		Lego		141,774	24/06/16	195,003	30/09/2024
		Refinancing KG2		101,892	26/01/17	140,000	29/01/2027
		Refinancing Indigo, Prime		249,437	09/07/19	260,000	30/09/2029
		Refinancing KG1		120,037	20/09/19	125,000	30/09/2029
		Refinancing KG4		237,240	30/03/20	248,130	29/03/2030
		Refinancing KG Residential		124,800	20/11/20	130,000	15/10/2030
		Refinancing Arielle/Dresden/Maria		146,212	21/05/21	149,004	15/05/2031
		Amadeus refinancing		145,500	27/07/22	145,500	15/07/2032
	> €100 M		**4,887,450**	**1,718,613**			
	< €100 M		**2,891,852**	**1,130,142**			
		Total German Residential	**7,779,302**	**2,848,755**			
Germany Offices	**> €100 M**	Godewind-Frankfurt Airport Center	241,300	130,000	17/12/19	130,000	30/12/2025
	< €100 M		**931,980**	**373,750**			
		Total Germany Offices	**1,173,280**	**503,750**			
Total collateral			**15,867,049**	**5,920,882**			

(In € thousand)	Outstanding debt (> or < €100M)	Debt	Appraisal values at 31/12/2022[1]	Outstanding debt at 31/12/2022	Date of signature	Initial nominal amount	Maturity
France Offices		Treasury bills		743,000			
		€500 M – Green Bond		500,000	20/05/2016	500,000	20/05/2026
		€500 M – Green Bond		595,000	21/06/2017	500,000	21/06/2027
		€500 M – Green Bond		500,000	17/09/2019	500,000	17/09/2031
		€500 M – Green Bond		500,000	23/06/2020	500,000	23/06/2030
		€100 M – Green PP		100,000	20/01/2021	100,000	20/01/2033
		Italy Offices reallocation		-381,361			
	> €100 M			**2,556,639**			
		Total France Offices	**3,666,925**	**2,556,639**			
Italy Offices		€300 M – Green Bond		300,000	17/10/2017	300,000	17/10/2024
		€300 M – Green Bond		300,000	20/02/2018	300,000	20/02/2028
		Italy Offices reallocation		-381,361			
	> €100 M		**1,906,658**	**981,361**			
	< €100 M			**2,104**			
		Total Italy Offices	**1,906,658**	**983,465**			
Hotels in Europe		€200 M – Private placement		200,000	29/05/15	200,000	29/05/2023
		€350 M – Edinburgh		350,000	24/09/18	350,000	24/09/2025
		€599 M – Bond		599,000	27/07/21	599,000	27/07/2029
	> €100 M			**1,149,000**			
	< €100 M			**40,714**			
		Total Hotels Europe	**2,639,852**	**1,189,714**			
German Residential	**< €100 M**	**Total German Residential**	497,164				
Germany Offices	**< €100 M**	**Total Germany Offices**	334,090				
Other borrowings	**< €100 M**	**France Residential**	302	0			
		Car parks	**0**	**0**			
		Total Other	**302**	**0**			
			9,044,990	**4,729,818**			
		Other liabilities		280,599			
TOTAL			**24,912,039**	**10,931,299**			

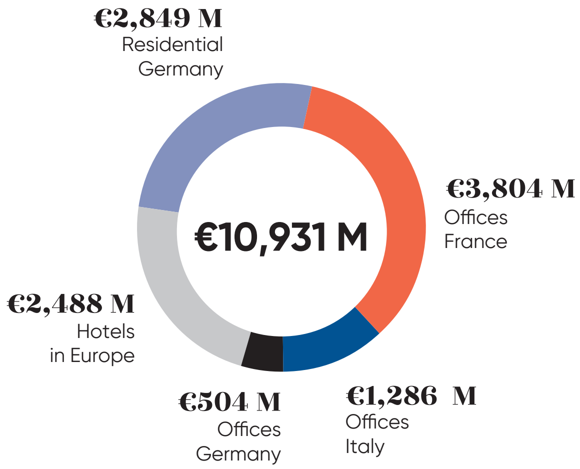
(1) The portfolio includes the fair value of assets operated directly by the company (head office, Flex Office) but does not include real-estate inventories (trading, development) and the share of fair value of assets consolidated under the equity method.

The borrowings are valued after their initial recognition at cost, amortised based on the effective interest rate.

Breakdown of borrowings at their nominal value according to the time left to maturity and by interest-rate type:

(In € thousand)	Balance at 31/12/2022	Delivery date to 1 year	Balance at 31/12/2023	Maturity from 2 to 5 years	Balance at 31/12/2027 (to 5 years)
Fixed-rate financial liabilities	6,134,529	276,582	5,857,947	3,166,521	2,691,426
France Offices – Bank borrowings	148,643	1,004	147,639	4,016	143,623
France Offices – Other	276,926	0	276,926	267,601	9,325
Germany Offices – Bank borrowings	503,750	33,750	470,000	470,000	0
Hotels in Europe – Bank borrowings	138,111	21,812	116,299	116,299	0
Hotels in Europe – Other	3,687	0	3,687	3,687	0
German Residential – Bank borrowings	1,117,263	17,910	1,099,353	559,908	539,445
German Residential – Other	44	2	42	9	33
Total borrowings and convertible bonds	**2,188,424**	**74,478**	**2,113,946**	**1,421,520**	**692,426**
France Offices – Bonds	1,813,640	0	1,813,640	1,095,001	718,639
Italy Offices – Bonds	981,361	0	981,361	300,000	681,361
Italy Offices – Securitisation	2,104	2,104	0	0	0
Hotels in Europe – Bonds	1,149,000	200,000	949,000	350,000	599,000
Total debts represented by securities	**3,946,105**	**202,104**	**3,744,001**	**1,745,001**	**1,999,000**
Floating-rate financial liabilities	4,796,770	876,811	3,919,959	2,089,613	1,830,346
France Offices – Bank borrowings	821,933	3,446	818,487	250,483	568,004
Italy Offices – Bank borrowings	302,926	7,435	295,491	295,491	0
Hotels in Europe – Bank borrowings	1,197,460	48,533	1,148,927	841,365	307,562
German Residential – Bank borrowings	1,731,451	111,397	1,620,054	665,274	954,780
Total borrowings and convertible bonds	**4,053,770**	**170,811**	**3,882,959**	**2,052,613**	**1,830,346**
France Offices – Commercial papers	743,000	706,000	37,000	37,000	0
Total debts represented by securities	**743,000**	**706,000**	**37,000**	**37,000**	**0**
TOTAL	10,931,299	1,153,393	9,777,906	5,256,134	4,521,772

Debt by operating segment as at 31 December 2022 (in €M)



4.2.5.11.4 Derivative instruments

Derivative instruments consist mainly of rate hedging instruments put in place as part of the Group's interest rate hedging policy.

Fair value of net derivative instruments

(In € thousand)	31/12/2021 Net	Change in scope and reclassification of liabilities held for sale	Premiums – Restructuring balances	Impact on P&L	Impact on shareholders' equity	31/12/2022 Net
France Offices	-58,045	-2,023	22,058	185,424		147,413
Italy Offices	-8,834		-2,505	8,365	18,824	15,850
Germany Offices	621			11,263		11,885
Hotels in Europe	-50,317		11,798	200,545	15,341	177,368
German Residential	-19,719		1,455	178,624		160,360
TOTAL	**-136,294**	**-2,023**	**32,806**	**584,221**	**34,165**	**512,876**
				Of which	**Cash instruments – Liabilities**	**-300,400**
					Cash instruments – Assets	**813,276**

The total impact of the value adjustments of derivatives on the income statement was +€583 million. In accordance with IFRS 13, the fair values include the counterparty default risk (-€19.5 million).

The impact on equity of +€19 million on Italy Offices includes a deferred tax liability of -€2 million.

The impact on equity of +€15 million on the Hotels in Europe line corresponds to the change during the period in the exchange rate of Cross Currency Swaps used to hedge the net investments in the United Kingdom (Net Investment Hedge).

The "Unrealised gains and losses relating to changes in fair value" line item in the Statement of Cash Flows (-€601 million), which makes it possible to calculate cash flows from operating activities, mainly incorporates the impact on net income of changes in the value of cash instruments (-€583 million), and changes in the value of the portfolio (-€18 million).

Breakdown of hedging instruments by maturity of notional values

(In € thousand)	At 31/12/2022	At less than one year	From 1 to 5 years	At more than 5 years
Fixed hedge				
Fixed rate payer swap	5,185,152	-239,410	1,389,151	4,035,411
Fixed rate receiver swap	2,668,344	100,000	1,508,344	1,060,000
Total swap	**2,516,808**	**-339,410**	**-119,193**	**2,975,411**
Optional hedge				
Fixed borrower swaption sale	200,000	0	0	200,000
Cap purchase	383,998	55,144	328,854	0
Floor purchase	128,000	0	128,000	0
Floor sale	33,000	0	33,000	0

Hedge balance as at 31 December 2022

(In € thousand)	Fixed rate	Floating rate
Borrowings and financial debt (including creditor banks)	6,134,529	4,831,686
NET FINANCIAL LIABILITIES BEFORE HEDGING	**6,134,529**	**4,831,686**
Fixed hedge – *Swaps*		-2,516,808
Optional hedge – *Caps*		-383,998
Total hedges		**-2,900,806**
NET FINANCIAL LIABILITIES AFTER HEDGING	**6,134,529**	**1,930,880**

4.2.5.11.5 Rental liabilities

The balance of rental liabilities as at 31 December 2022 stood at €307 million, compared to €306 million at 31 December 2021, an increase of €1 million. This change is mainly due to the indexation of long-term leases in the United Kingdom (+€13 million) offset by the foreign exchange impact (-€8 million) and the net changes in other leases (-€4 million).

At 31 December 2022, the interest expense relating to these rental liabilities was €16 million.

Breakdown of rental liabilities by maturity

(In € thousand)	At 31/12/2022	At less than one year	From 1 to 5 years	From 5 to 25 years	At more than 25 years
Long-term rental liabilities	298,206		22,204	57,808	218,194
Short-term rental liabilities	8,882	8,882			
RENTAL LIABILITIES	**307,088**	**8,882**	**22,204**	**57,808**	**218,194**

4.2.5.11.6 Bank covenants

Excluding debts raised without recourse to the Group's real estate companies, the debts of Covivio and its subsidiaries generally include bank covenants (ICR and LTV) applying to the borrower's consolidated financial statements. If these covenants are breached, early debt repayment may be triggered. These covenants are established in Group share for Covivio and for Covivio Hotels.

With respect to Covivio Immobilien (German Residential), for which almost all of the debt raised is "non-recourse" debt; portfolio financings do not contain any consolidated covenants.

The most restrictive consolidated LTV covenants amounted to 60% for Covivio and Covivio Hotels at 31 December 2022.

The most restrictive consolidated ICR covenants amounted to 200% for Covivio and Covivio Hotels at 31 December 2022.

Concerning Covivio, corporate credit facilities usually include an asset-secured debt covenant (100% scope), the cap on which is set at 25% and which measures the ratio of secured debt (or debt with guarantees of any kind) to asset value.

Covivio group's banking covenants were fully complied with at 31 December 2022, as they stood at 42.3% for Group share LTV, 686% for Group share ICR, and 4.9% for the asset-secured debt ratio.

No financing has an accelerated payment clause contingent on Covivio or Covivio Hotels' rating, which is currently BBB+, stable outlook (Standard & Poor's rating).

Consolidated LTV	Company	Scope	Covenant	Ratio
€300 M (2016) – Orange	Covivio	France Offices	≤ 60%	in compliance
€279 M (2017) – Roca	Covivio Hotels	Hotels in Europe	< 60%	in compliance
£400 M (2018) – Rocky	Covivio Hotels	Hotels in Europe	≤ 60%	in compliance
€130 M (2019) – REF I	Covivio Hotels	Hotels in Europe	≤ 60%	in compliance

Consolidated ICR	Company	Scope	Covenant	Ratio
€300 M (2016) – Orange	Covivio	France Offices	≥ 200%	in compliance
€279 M (2017) – Roca	Covivio Hotels	Hotels in Europe	> 200%	in compliance
£400 M (2018) – Rocky	Covivio Hotels	Hotels in Europe	≥ 200%	in compliance
€130 M (2019) – REF I	Covivio Hotels	Hotels in Europe	> 200%	in compliance

As part of the mortgage financing, these covenants, moreover, most often include specific covenants for the scopes financed. The purpose of these covenants, generally scope LTV, is mainly to limit the use of financing lines by correlating it with the value of the underlying assets provided as collateral.

4.2.5.12 Provisions for risks and charges

4.2.5.12.1 Accounting principles related to provisions for risks and charges

Retirement commitments

The retirement commitments are recognised in accordance with revised IAS 19. Provisions are recorded on the balance sheet for the liabilities arising from defined benefits pension schemes for existing staff at the reporting date. They are calculated according to the projected credit units method based on valuations made at each reporting date. The past service cost corresponds to the benefits granted, either when the company adopts a new defined-benefits scheme, or when it changes the level of benefits of an existing scheme. When new benefits are granted upon adoption of a new scheme or change in an existing scheme, the past service cost is immediately recognised in the income statement.

Conversely, when the adoption of a new scheme or change in an existing scheme gives rise to the vesting of benefits after its implementation date, the past service costs are recognised as an expense on a straight-line basis over the average remaining period until the benefits become fully vested. Actuarial gains and losses result from the effects of changes in actuarial assumptions and experience adjustments (differences between actuarial assumptions and what has actually occurred). The change in these actuarial gains and losses is recognised in "Other items" of comprehensive income.

The expense recognised in operating income includes the cost of the services rendered during the year, amortisation of past service costs and the effects of any reduction or liquidation of the scheme; the cost of discounting is recognised in net financial income. The valuations are made taking into account the Collective Agreements applicable in each country and in keeping with the various local regulations. For each employee, the retirement age is the social security eligibility age.

4.2.5.12.2 Table of provisions

(In € thousand)	31/12/2021	Scope change	Charges	Reclustering	Change in actuarial gains and losses	Reversal of provision: Used	Reversal of provision: Unused	31/12/2022
Other provisions for litigation	3,158		1,266	561		-144	-269	4,572
Provisions for taxes	9,797	-1,154	80			-93	-346	8,284
Provisions for renovating sites	1,377	-500					-877	
Other provisions	1,147		4,042	-60		-60	-158	4,911
Provisions sub-total – current liabilities	**15,479**	**-1,654**	**5,388**	**501**	**0**	**-297**	**-1,650**	**17,767**
Provisions for retirement benefit	51,754		1,122	42	-13,395	-1,817	-852	36,854
Provisions for long-service awards	1,583					-56	-306	1,221
Sub-total Provisions – non-current liabilities	**53,337**	**0**	**1,122**	**42**	**-13,395**	**-1,873**	**-1,158**	**38,075**
TOTAL PROVISIONS	**68,816**	**-1,654**	**6,510**	**543**	**-13,395**	**-2,170**	**-2,808**	**55,842**

The provisions for litigation are broken down into €3.6 million for France Offices, €0.3 million for Italy Offices and €0.7 million for Hotels in Europe.

Provisions for taxes concern the Hotels in Europe for €7.7 million (of which €7.7 million relating to the tax risks to Operating Properties), the Italy Offices for €0.4 million and the Germany Offices for €0.2 million.

The provision for retirement indemnities totalled €37 million as at 31 December 2022 (of which €34 million for German Residential).

The main actuarial assumptions used to estimate the commitments in France were as follows:

- rate of pay increase: managers 4%, non-managers 3%
- discount rate: 3.13% (TEC 10 n +50 bps).

The main actuarial assumptions used to estimate the commitments in Germany were as follows:

	German Residential		Germany Offices	
Assumptions used in calculating provisions for retirement benefit obligations in Germany	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Discount rate	3.90%	1.10%	3.35%	0.85%
Annual wage growth	2.50%	2.50%	2.00%	1.50%
Rate of social security charges	1%/2%	1%/2%		
Impact of provisions for retirement benefits on the income statement (in €M)				
Cost of services rendered during the year	-576	-628	0	0
Financial cost	-529	-433	-5	-2
Effects of plan reductions/settlements		0	0	0
TOTAL IMPACT ON THE INCOME STATEMENT	**-1,105**	**-1,061**	**-5**	**-2**

4.2.5.13 Other short-term liabilities

(In € thousand)	31/12/2022	31/12/2021	Change
Social debt	37,555	35,232	2,323
Tax payables	41,239	45,487	-4,248
Exit tax < 1 year	0	2,217	-2,217
Current accounts – liabilities	1,137	5,430	-4,293
Dividends to be paid	26	27	-1
Other liabilities	37,507	30,861	6,646
TOTAL	**117,464**	**119,254**	**-1,790**

4.2.5.14 Recognition of financial assets and liabilities

			Amount in the statement of financial position measured:			
Categories according to IFRS 9	Item concerned in the statement of financial position (in € K)	31/12/2022 net	At amortised cost	At fair value through equity	At fair value through the income statement	Fair value
Financial assets	Non-current financial Assets	16,755	957	8,771	7,027	16,755
Loans and receivables	Non-current financial Assets	97,117	97,117			97,117
	Total non-current financial Assets	**113,872**	**98,074**			**113,872**
Loans and receivables	Trade receivables[1]	334,507	334,507			334,507
Assets at fair value	Derivatives at fair value[2]	813,276		20,441	792,835	813,276
Assets at fair value through profit or loss	Cash and cash equivalents	19,430			19,430	19,430
TOTAL FINANCIAL ASSETS		**1,281,084**	**432,581**	**29,212**	**819,292**	**1,281,084**
Liabilities at amortised cost	Financial payables	10,931,299	10,931,299			10,214,471[3]
Liabilities at fair value through profit or loss	Financial instruments	300,400			300,400	300,400
Liabilities at amortised cost	Guarantee Deposits (Long-term and Short-term)	34,952	34,952			34,952
Liabilities at amortised cost	Trade payables[4]	214,249	214,249			214,249
TOTAL FINANCIAL LIABILITIES		**11,480,900**	**11,180,500**	**0**	**300,400**	**10,764,072**

(1) Excluding deductible for €10,207 thousand.
(2) In note 4.2.5.11.4 "Derivative instruments", the impact on equity of hedging instruments for the Italy Offices includes -€1,617 thousand in deferred taxes.
(3) The difference between the net book value and fair value of fixed-rate debt (valued at the risk-free rate, excluding credit spreads) is €716,828 thousand. The impact of the credit spread would be -€52,338 thousand.
(4) €147 million in trade payables and €67 million in fixed asset trade payables.

Breakdown of financial assets and liabilities at fair value

The table below presents the financial instruments at fair value broken down by level:

- level 1: financial instruments listed in an active market
- level 2: financial instruments whose fair value is evaluated through comparisons with observable market transactions on similar instruments or based on an evaluation method whose variables include only observable market data
- level 3: financial instruments whose fair value is determined entirely or partly by using an evaluation method using an estimate that is not based on market transaction prices on similar instruments.

(In € thousand)	Level 1	Level 2	Level 3	Total
Non-current financial assets at fair value through shareholders' equity			8,771	8,771
Derivatives at fair value through shareholders' equity		20,441		20,441
Non-current financial assets at fair value through the income statement			7,027	7,027
Derivatives at fair value through the income statement		792,835		792,835
Cash equivalents at fair value through the income statement		19,430		19,430
Total financial Assets	**0**	**832,706**	**15,798**	**848,504**
Derivatives at fair value through the income statement		300,400		300,400
Total financial Liabilities	**0**	**300,400**	**0**	**300,400**

4.2.6 Notes to the income statement

4.2.6.1 Accounting principles

Rental income

According to the presentation of the income statement, rental income is treated as revenues. Revenues from hotels under management and Flex Office, car park receipts, property development and services are now shown in specific lines of the statement of net income, after net rental income.

As a general rule, the invoicing is quarterly except for the German Residential activity where the invoicing is monthly. The rental income of investment properties is recognised on a straight-line basis over the term of the ongoing leases. Any benefits granted to tenants (rent-free periods, step rental leases) are amortised on a straight-line basis over the duration of the lease agreement, in compliance with IFRS 16, and offset against investment properties.

Share-based payments (IFRS 2)

The application of IFRS 2 has resulted in the recognition of an expense for benefits granted to employees as share-based payments. This expense is recorded in income for the year under overheads.

Free shares are valued by Covivio at the date of their award according to a binomial valuation model. This model takes into account the features of the plan (price and exercise period), market data upon award (risk-free rate, share price, volatility and expected dividends) and assumptions of beneficiary behaviour. The benefits thus granted are recognised as expenses over the vesting period, and offset by an increase in the consolidated reserves.

4.2.6.2 Operating income

4.2.6.2.1 Rental income

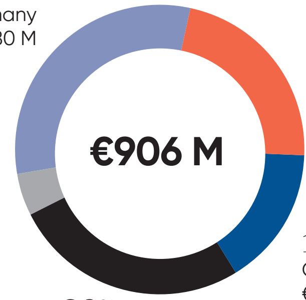
(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
France Offices	202,100	218,699	-16,599	-7.6%
Italy Offices	140,810	155,180	-14,370	-9.3%
Germany Offices	43,829	40,582	3,247	8.0%
Total Offices rental income	**386,739**	**414,461**	**-27,722**	**-6.7%**
Hotels in Europe	238,845	180,871	57,974	32.1%
German Residential	280,382	270,943	9,439	3.5%
Other (including French Residential)	15	32	-17	-53.1%
Total rental income	**905,981**	**866,307**	**39,674**	**4.6%**

The rental income consists of rental and similar income (e.g. occupancy fees and entry rights) invoiced for investment properties during the period. Rent exemptions, step rental schemes and entry rights are spread out over the fixed term of the lease.

The changes in rents by asset-type break down as follows:

- a decrease in rental income from France Offices (-€16.6 million, -7.6%), mainly due to the impact of vacancies (-€19.4 million) and asset disposals (-€16 million) fuelling the development pipeline, partially offset by the delivery of assets under development in 2021 and 2022 (+€11.7 million) The other effects for +€7.1 million mainly correspond to the indexation of rents (+€4.1 million)
- a decrease in rents for Italy Offices (-14.4 million, -9.3%), mainly due to disposals (-€21.2 million) partially offset by indexation of rents (+€4.2 million)
- an increase in rents for Germany Offices (+€3.2 million, i.e. +8%), mainly due to the decrease in vacancies
- an increase in rents from Hotels in Europe (+€58 million, i.e. +32.1%), mainly due to the impact of the recovery in activity on AccorInvest variable rents (+€25 million) and assets in the United Kingdom (+€25 million). As a reminder, as of 31 December 2021, no rental income has been recognised on assets in the United Kingdom due to the activation of the major under-performance clause
- an increase in rents in German Residential (+€9.4 million, or +3.5%) mainly related to acquisitions (+€ 6.2 million).

Rental income in 2022 by operating segment (in € M):



4.2.6.2.2 Real estate expenses

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
Rental income	905,981	866,307	39,674	4.6%
Rebillable expenses	-154,812	-143,818	-10,995	7.6%
Income from rebilling of expenses	154,812	143,818	10,995	7.6%
Unrecovered property operating costs	-40,124	-41,059	935	-2.3%
Expenses on properties	-29,133	-31,943	2,810	-8.8%
Net losses on unrecoverable receivables	5,616	-14,020	19,636	n.a.
NET RENTAL INCOME	**842,340**	**779,285**	**63,055**	**8.1%**
Rate for property expenses	**-7.0%**	**-10.0%**		

- Unrecovered rental costs: These expenses correspond to charges on vacant premises. Unrecovered rental expenses are presented net of re-invoicing to the income statement.

  In accordance with IFRS 15, income from re-invoicing of rental expenses is presented separately above when the company acts as principal.
- Expenses on properties: these consist of rental expenses that are borne by the owner, expenses related to works and expenses related to property management.
- Net losses on unrecoverable receivables: These consist of losses on unrecoverable receivables and net provisions on doubtful receivables. 2022 was impacted by a reversal of impairments on doubtful receivables of +€10.5 million in Hotels in Europe, following the payment of unpaid rents in 2020 and 2021 by the tenant.

4.2.6.2.3 EBITDA from Hotel Operating and Flex Office and Net Income from other activities

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
Revenues from Hotel Operating activity and Flex Office	252,548	124,083	128,465	103.5%
Operating expenses of Hotel Operating activity and Flex Office	-177,619	-93,996	-83,623	89.0%
EBITDA FROM HOTEL OPERATING ACTIVITY AND FLEX OFFICE	**74,929**	**30,087**	**44,842**	**149.0%**
Income from other activities	30,060	56,011	-25,951	-46.3%
Expenses of other activities	-9,750	-27,170	17,420	-64.1%
INCOME FROM OTHER ACTIVITIES	**20,310**	**28,841**	**-8,531**	**-29.6%**
TOTAL INCOME FROM OTHER ACTIVITIES	**95,239**	**58,928**	**36,311**	**61.6%**

- EBITDA from Hotel Operating and Flex Office consists of the EBITDA of the hotels under operation (€62.3 million *versus* +€21.9 million as at 31 December 2021) and the net income from Flex Office (+€12.6 million versus +€8.2 million as at 31 December 2021).
- The increase in EBITDA of hotels under management of +€40.4 million is linked to the recovery in activity. As a reminder, the first half of 2021 was severely impacted by the lockdown measures in Europe and the closure of certain hotels. A recovery of activity was noted in the second half of 2021, particularly during the summer period.

Flex Office's net income increased by +€4.4 million, due to opening new sites in France and Italy in 2022.

- Net income from other activities includes income from property development in Germany (€15 million), Italy (€0.4 million) and France (€4.5 million).

4.2.6.2.4 Net operating costs

These consist of head office expenses and operating costs net of revenues from management and administration activities.

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
Management and administration income	16,071	14,072	1,999	14.2%
Business expenses	-7,649	-5,442	-2,206	40.5%
Overheads	-129,654	-122,861	-6,793	5.5%
TOTAL NET OPERATING COSTS	**-121,232**	**-114,231**	**-7,000**	**6.1%**

Overheads include personnel expenses, which are specifically analysed in note 4.2.7.1.1.

4.2.6.2.5 Depreciation of operating assets and net change in provisions and other

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)
Depreciation of operating assets	-58,932	-75,171	16,239
Net change in provision and other	12,567	16,995	-4,428

Depreciation of operating assets amounted to -€58.9 million at 31 December 2022, compared with -€75.2 million at 31 December 2021. This decrease of €16.2 million is mainly due to the impact of the scrapping of fixed assets following the restructuring of a Flex Office building delivered in 2021 for +€7.1 million and by the disposal of the Car parks business for +€5.8 million.

The Net change in provisions and other item includes the rebilling of long-term leases conferring *ad rem* rights to tenants (€13.4 million as at 31 December 2022 *versus* €12.4 million as at 31 December 2021) when the rental expense is restated. Indeed, in order not to distort the real-estate expense ratio and following the cancellation of the rental expense in accordance with IFRS 16, the income from rebilling tenants is presented as a net change in provisions and others.

The line "Net depreciation, amortisation and provisions" of the statement of cash flow of €62.3 million mainly includes €58.9 million in depreciation and amortisation of operating assets.

4.2.6.3 Income from asset disposals

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
Proceeds from asset disposals[1]	588,382	752,421	-164,039	-21.8%
Disposal values of assets sold[2]	-588,873	-747,775	158,902	-21.2%
INCOME FROM ASSET DISPOSALS	**-491**	**4,646**	**-5,137**	

(1) Sale price net of disposal costs.
(2) Corresponds to the appraisal values published at 31 December 2021.

Income from asset disposals by business segment is shown in note 4.2.8.9.

4.2.6.4 Change in the fair value of buildings

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)
France Offices	-196,415	60,374	-256,789
Italy Offices	-45,433	2,961	-48,394
Hotels in Europe	92,160	-16,294	108,453
German Residential	202,424	818,768	-616,344
Germany Offices	-34,531	-30,529	-4,002
TOTAL CHANGE IN FAIR VALUE OF PROPERTIES	**18,205**	**835,280**	**-817,076**

The positive change in the fair value of buidlings of +€18 million is related to:

- increases in the valuation of the German Residential portfolio for +€202 million (mainly on assets located in Berlin) and Hotels in Europe for +€92 million (mainly driven by the AccorInvest, B&B and Spanish assets)
- offset by the -€276 million decrease in the value of offices in Europe, of which -€196 million in France Offices (linked to the increase in capitalisation and discount rates due to the increase in interest rates, which is only partially offset by the increase in prime rents and indexation).

4.2.6.5 Net income from disposals of securities

The net income from the disposal of securities mainly consists of the result of the disposal of car parks for +€24.6 million.

4.2.6.6 Net income from changes in scope

This records the acquisition costs of consolidated equity investments, which, in accordance with IFRS 3 "Business combinations", must be recognised as expenses for the financial year for -€5.4 million.

The line "Impact of changes in the scope of consolidation related to investing activities" (§ 39 of IAS 7) of +€182.5 million mainly corresponds to the disposal of the car park companies and three companies in France Offices mitigated by the additional acquisition of shares in a company in France Offices.

4.2.6.7 Cost of net financial debt

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change
Interest income on cash transactions	16,719	11,080	5,640	50.9%
Interest expense on financing operations	-129,908	-131,306	1,398	-1.1%
Regular amortisations of loan issue costs	-12,305	-13,634	1,329	-9.7%
Net expenses on hedges	-14,208	-33,105	18,897	-57.1%
COST OF NET DEBT	**-139,702**	**-166,965**	**27,263**	**-16.3%**
Average annual rate of debt	**1.24%**	**1.20%**		

The improvement in the cost of net financial debt of €27 million is mainly due to reductions in:

- net expenses on hedges of €19 million related to the increase in interest rates (Eurozone interest rates at 10 years, increased by 287 basis points, from 0.27% at the end of December 2021 to 3.14% at the end of December 2022)
- penalties and fixed-rate debt repurchase costs of €5.4 million (€1.5 million at 31 December 2022 *versus* €6.9 million at 31 December 2021).

4.2.6.8 Net financial income

(In € thousand)	31/12/2022	31/12/2021	Change (in € K)	Change (in %)
Cost of the net financial debt	**-139,702**	**-166,965**	**27,263**	**-16,3%**
Interest cost for rental liabilities	**-15,812**	**-14,795**	**-1,017**	**6.9%**
Valuation of financial instruments	582,604	142,525	440,080	
Changes in the fair value of ORNANES	0	89	-89	
Changes in the fair value of financial instruments	**582,604**	**142,614**	**439,991**	
Foreign exchange gains and losses	-589	-708	119	
Discounting and foreign exchange gains or losses	**-589**	**-708**	**119**	
Exceptional amortisation of loan issue costs	-1,158	-4,052	2,894	
Other borrowings	-295	-53	-242	
Exceptional amortisation of loan issue costs	**-1,453**	**-4,105**	**2,652**	
TOTAL FINANCIAL INCOME	**425,049**	**-43,959**	**469,008**	**N/A**

The rise in interest rates impacted the fair value of financial instruments by +€440 million. As a result, the net financial income was income of +€425 million at 31 December 2022, compared with an expense of -€44 million at 31 December 2021.

The line "Cost of net financial debt and interest expenses on rental liabilities" of the TFT of €143.8 million corresponds to the cost of net financial debt for -€139.7 million restated for the amortisation of loan issue expenses for +€12.3 million, interest expense on rental liabilities for -€15.8 million and foreign exchange gains and losses for -€0.6 million.

4.2.6.9 Current and deferred tax liabilities

4.2.6.9.1 Accounting principles related to current and deferred tax liabilities

SIIC tax regime (French companies)

Opting for the SIIC tax regime involves the immediate liability for an exit tax at the reduced rate of 19% on unrealised capital gains relating to assets and securities of entities not subject to corporation tax. The exit tax is payable over four years, in four instalments, starting with the year the option is taken up. In return, the company is exempted from income tax on the SIIC business and is subject to distribution obligations.

(1) Exemption of SIIC revenues

The revenues of the SIIC are exempt from taxes concerning:

- income from the leasing of buildings
- capital gains realised on asset disposals, investments in companies having opted for the tax treatment or companies not subject to corporation tax in the same business, as well as the rights under a lease contract and real-estate rights under certain conditions
- dividends of SIIC subsidiaries.

(2) Distribution obligations

The distribution obligations associated with exemption profits are the following:

- 95% of the earnings derived from buidling leasing
- 70% of the capital gains from disposals of assets and shares in subsidiaries having opted for the tax treatment or subsidiaries not subject to corporation tax with a SIIC corporate purpose for two years
- 100% of dividends from subsidiaries that have opted for the tax treatment.

The Exit Tax liability is discounted on the basis of the initial payment schedule determined from the first day the relevant entities adopted SIIC status.

The liability initially recognised is discounted and an interest charge is applied at each closing, allowing the liability to reflect the net discounted value as at the closing date. The discount rate used is based on the yield curve, given the deferred payment.

At 31 December 2022, there are no exit tax liabilities on the balance sheet.

Ordinary law regime and deferred taxes

Deferred taxes result from temporary differences in taxation or deduction and are calculated using the liability method, and on all temporary differences in the company financial statements, or resulting from consolidation adjustments. The valuation of the deferred tax assets and liabilities must reflect the tax consequences that would result from the method by which the company seeks to recover or settle the book value of its assets and liabilities at the end of the financial year. Deferred taxes are applicable to Covivio group entities that are not eligible for the SIIC tax regime.

A deferred tax asset is recognised in the case of deferrable tax losses in the likely event that the entity in question, not eligible for the SIIC regime, will have taxable future profits against which the tax losses may be offset.

In the case where a French company intends to opt directly or indirectly for SIIC tax treatment in the near future, an exception under the ordinary law regime is applied by anticipating the application of the reduced rate (exit tax) in the valuation of deferred taxes.

SIIQ tax regime (Italian companies)

Following Beni Stabili's merger with Covivio, the tax arrangements for Covivio's permanent establishment in Italy changed after it left the SIIQ tax regime. It is now subject to the 20% tax on real-estate companies.

In Italy, following the adoption of the law on the revaluation of properties, the Group opted in 2021 for the tax revaluation of certain Italian assets.

During the first half of 2022, the tax authorities clarified the calculation rules by limiting the amount of the tax revaluation to the market value when this is lower than the tax value. In this context, the Group had to recalculate the amount of the tax revaluation and the substitutive tax by 3%, which was reduced by €2.2 million in the financial statements at 31 December 2022.

SOCIMI tax regime (Spanish companies)

The Spanish companies held by Covivio Hotels opted for the SOCIMI tax regime, effective on 1 January 2017. Opting for SOCIMI does not trigger an exit tax upon making the option. However, the capital gains on the period outside of the SOCIMI regime during which assets were held are taxable when disposing of said assets.

The rental income from the leasing of assets and proceeds from disposals of assets held under the SOCIMI regime are tax exempt, provided 80% of rental profits and 50% of asset disposal profits are distributed. These capital gains are determined by allocating the taxable gains to the period outside the SOCIMI regime in a linear basis, over the total holding period.

4.2.6.9.2 Taxes and theoretical tax rate by geographical area

(In € thousand)	Taxes payable	Deferred tax	Total	Deferred tax rate
France	-244	-690	-934	25.83%(1)
Italy	1,247	-21,167	-19,920	20.00%(2)
Germany	-19,388	-90,334	-109,722	15.83%(3)
Belgium	-1,355	-6,224	-7,579	25.00%(4)
Luxembourg	-681	-14,787	-15,468	24.94%
UK	-1,298	7,800	6,502	25.00%(5)
Netherlands	-1,197	5,891	4,694	25.00%(6)
Portugal	-288	-906	-1,194	22.50%
Spain	0	6,682	6,682	25.00%
Ireland	-306	177	-129	33.00%(7)
Poland	-43	-185	-227	9.00%
Hungary	18	-221	-203	9.00%
Czech Republic	-404	-27	-431	19.00%
TOTAL	**-23,938**	**-113,991**	**-137,929**	

(-) Corresponds to a tax expense; (+) corresponds to tax income.

(1) In France, the tax rate for the 2022 financial year is 25.83% *versus* 27.4% in 2021.

(2) Since the merger with Covivio and its exit from the SIIQ regime, Covivio in Italy has been subject to a 20% tax rate.

(3) In Germany, the tax rate on property goodwill is 15.83%; however, for companies in the hotel operations activity, tax rates vary between 30.18% and 32.28%.

(4) In Belgium, the tax rate for the 2022 financial year is 25%.

(5) In the United Kingdom, the tax rate used for the 2022 financial year is 19%.

(6) In the Netherlands, the rate for the 2022 financial year is 25.8%.

(7) In Ireland, the tax rate for the 2022 financial year is 12.5% for operating activities, 25% for holding companies and 33% for gains on disposals.

Taxes payable on disposals amounted to -€6.8 million, mainly in German Residential. Taxes payable in Italy Offices relate to the reduction of a “substitutive tax” of 3% for the tax revaluation of certain real-estate assets (+€2.2 million).

Impact of deferred taxes on income

(In € thousand)	31/12/2022	31/12/2021	Change
France Offices	-408	0	-408
Italy Offices	-20,753	37,059	-57,812
Germany Offices	1,037	7,623	-6,586
Hotels in Europe	3,974	-26,452	30,426
German Residential	-97,804	-155,918	58,114
Other borrowings	-37	20	-57
TOTAL	**-113,991**	**-137,668**	**23,677**

In Italy Offices, the deferred tax expense is related to the -€14.8 million clarification of the rules for calculating the substitutive tax 3% for tax revaluation of certain real-estate assets (note 4.2.6.9.1).

The deferred tax expense of Hotels in Europe is mainly related to the increase in asset values in Germany and the United Kingdom.

The deferred tax expense of German Residential mainly relates to an increase in the value of assets.

4.2.6.9.3 Tax proof

The management companies that opted for the SIIC/SOCIMI tax regime in previous years do not pay corporate income tax, except for those that also have a taxable business activity.

Net income before taxes and before income of equity affiliates is neutralised, including for their taxable activities and their transparent taxable subsidiaries.

Accordingly, the tax proof is required solely for taxable French and international companies.

Breakdown of tax by tax sector (in € K)	France (SIIC) Spain (SOCIMI)	France Common law	Abroad Common law	31/12/2022
Net income before tax, before income of equity affiliates	553,079	-11,864	693,614	1,234,829
Income tax expense recorded	-12,900	-614	-124,415	-137,929

Proof of tax under common law is broken down into:

(In € thousand)		31/12/2022
Net Income before tax		**1,285,830**
Share of income from equity affiliates		-51,001
Net income before tax, before income of equity affiliates		**1,234,829**
of which SIIC/SOCIMI companies		553,079
of which companies subject to tax		681,750
Theoretical tax rate of 25.83%	**(a)**	**-176,062**
Impact of rate differentials		16,656
Impact of tax credits and fixed tax rates		-391
Impact of permanent differences		25,425
Changed to prior year losses without DTA		323
Tax deficits without DTA		-868
Total tax impacts for the period	**(b)**	**41,145**
Impact of tax audits and taxes on prior years	(c)	9,888
Income tax expense recorded	**(a)+(b)+(c)**	**-125,029**
OVERALL EFFECTIVE TAX RATE		**18.34%**

4.2.7 Other information

4.2.7.1 Personnel remuneration and benefits

4.2.7.1.1 Personnel expenses

At 31 December 2022, personnel expenses amounted to €164.3 million (compared with €140.6 million at 31 December 2021), breaking down as follows:

(In € thousand)	31/12/2022	31/12/2021
EBITDA from Hotel Operating activity and Flex Office	-54,965	-34,551
Overheads[1]	-81,193	-79,014
Income from asset disposals	-2,981	-3,011
TOTAL PERSONNEL EXPENSES IN THE STATEMENT OF NET INCOME	**-139,139**	**-116,576**
Development and promotion projects	-25,208	-24,027
TOTAL CAPITALISED PERSONNEL EXPENSES	**-25,208**	**-24,027**
TOTAL PERSONNEL EXPENSES	**-164,347**	**-140,603**

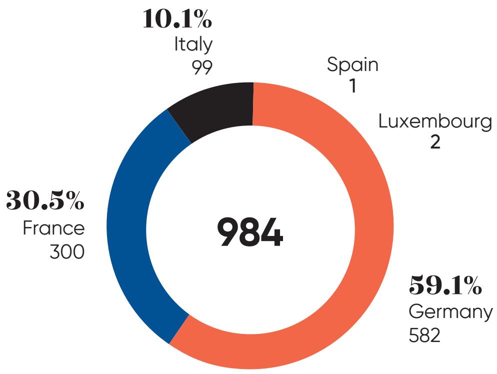
The EBITDA item for hotels under management and Flex Office includes personnel expenses, which increased by €20.4 million following the recovery of activity. In the first half of 2022, the Group benefited from subsidies amounting to approximately €1.3 million (partial unemployment).

The Overheads item includes personnel expenses of €81.2 million, an increase of €2.2 million compared to 31 December 2021.

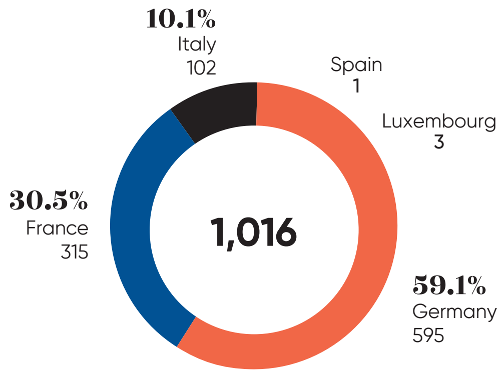
Headcount

At 31 December 2022, the headcount of fully consolidated companies, excluding companies in the Operating Properties business line, was 1,016 compared with 984 at 31 December 2021.

Headcount by country in number of employees



Headcount in 2021



Headcount in 2022

The average headcount during 2022 was 998 employees.

For the period, the companies in the Operating Properties business line had an average headcount of 1,321 people versus 1,186 as at 31 December 2021.

4.2.7.1.2 Description of share-based payments

Covivio awarded free shares in 2022. The following assumptions were made for the free shares:

Plan of 22/02/2022	Corporate officers – with performance condition plan 1	Corporate officers – with performance condition plan 2	Corporate officers and/or employees – no plan 3 performance condition
Date awarded	22/02/2022	22/02/2022	22/02/2022
Number of shares awarded	18,209	18,209	14,335
Share price on the date awarded	€73.24	€73.24	€73.24
Exercise period for rights	3 years	3 years	3 years
Cost of forfeiture of dividends	-€11.95	-€11.95	-€11.95
Actuarial value of the share net of dividends not collected during the vesting period	€61.29	€61.29	€61.29
Revenue-related discount:			
In number of shares	2,981	2,981	2,347
As percentage of share price on the date awarded	16%	16%	16%
Value of the benefit per share	€36.06	€36.97	€49.30

Plan of 24 November 2022	Corporate officers and/or employees – without performance condition plan
Date awarded	24/11/2022
Number of shares awarded	92,095
Share price on the date awarded	€57.15
Exercise period for rights	3 years
Cost of forfeiture of dividends	-€11.33
Actuarial value of the share net of dividends not collected during the vesting period	€45.82
Revenue-related discount	
In number of shares	17,273
As percentage of share price on the date awarded	19%
Value of the benefit per share	€35.10

During the 2022 financial year, the total number of free shares allocated was 142,848 (the balance of 142,548 shares at 31 December 2022 following the departure of employees). As stated elsewhere, the corresponding expense is recognised in income over the entire vesting period.

Following the vesting of the February 2018, February 2019 and November 2019 plans, the expense calculated for previous years was revised downwards following the departure of employees for -€1.7 million (income).

The expense on free shares recognised at 31 December 2022 was €6.8 million (compared to €8.2 million at 31 December 2021). The associated URSSAF contribution was estimated at -€0.8 million (income). In addition, the URSSAF expenses paid in 2022 for the shares vested from the 2018 and 2019 plans were reclassified as free share expenses in the amount of €1.2 million. These expenses are presented in the income statement on the "Overheads" line.

The cost of the free shares includes the impact of the 2018 plan for €1.4 million, the 2019 plan for €1.4 million, the 2020 plan for €3 million, and the 2022 plan for €0.7 million.

4.2.7.2 Earnings per share and diluted earnings per share

Earnings per share (IAS 33)

Basic earnings per share are calculated by dividing the income attributable to holders of ordinary Covivio shares (the numerator) by the average weighted number of ordinary shares outstanding (the denominator) over the period.

To calculate the diluted earnings per share, the average number of shares outstanding is adjusted to take into account the conversion of all potentially dilutive ordinary shares, in particular free shares being vested.

The impact of the dilution is only taken into account if it is dilutive.

The dilutive effect is calculated using the treasury stock method. The number calculated using this method is added to the average number of shares outstanding and becomes the denominator. To calculate the diluted earnings, the income attributable to the holders of ordinary Covivio shares is adjusted by:

- all dividends or other items under potentially dilutive ordinary shares that were deducted to arrive at the income attributable to the holders of ordinary shares
- interest recognised during the financial year to the potentially dilutive ordinary shares
- any change in the income and expenses resulting from the conversion of the dilutive potential ordinary shares.

	Net income
GROUP SHARE (IN € K)	**620,694**
Average number of undiluted shares	**93,955,927**
Total dilution impact	**560,932**
Stock options	0
Number of free shares[1]	560,932
Share subscription warrants	0
Average number of diluted shares	**94,516,859**
NON-DILUTED EARNINGS PER SHARE (IN €)	**6.61**
Impact of dilution – free shares (in €)	**-0.04**
DILUTED EARNINGS PER SHARE (IN €)	**6.57**

(1) The number of shares being vested is broken down according to the following plans:

2020 plan	155,165
2021 plan	263,219
2022 plan	142,548
Total	560,932

4.2.7.3 Off-balance sheet commitments

4.2.7.3.1 Commitments given

Fully consolidated companies

Off-balance sheet commitments given (in € million)	Delivery date	31/12/2022	31/12/2021
Commitments related to consolidated companies		**135.8**	**95.9**
Commitments related to investments		39.9	
Commitments given for specific transactions		90.6	90.6
Commitments given for disposal of equity interests – Liability guarantees		5.3	5.3
Commitments related to financing		**5,920.9**	**6,212.4**
Financial guarantees given (outstanding pledged debt)		5,920,9	6,212,4
Commitments related to operating activities		**1,932.7**	**2,098.2**
Commitments related to business development		**1, 232.5**	**832.6**
Work commitments outstanding on assets under development		1,018.6	787.4
Purchase commitments		5.0	27.1
Bank guaranties and other guaranties given		208.9	18.1
Commitments given related to the implementation of operating contracts		**435.7**	**399.8**
Work commitments outstanding on investment and operating properties and inventory		408.8	375.4
Other contractual commitments given in “rental income owed”	2037-2051	24.2	24.4
Works at tenants		2.7	
Commitments related to asset disposals		**264.5**	**865.8**
Other commitments on disposals		5.1	
Preliminary sale agreements given		259.4	865.8

Other commitments given related to consolidated companies

Other commitments:

- under its SIIC status, the Group has specific obligations, as set out in Section 4.2.6.9.1
- under the free share plans awarded (see Section 4.2.7.2), Covivio has undertaken to deliver (through acquisition or creation) 560,932 shares to the beneficiaries present at the end of the vesting period
- the Central Facilities of the Sunparks asset were contributed to Foncière Vielsalm Loisirs, of which Covivio Hotels holds 35.7% of the share capital but only 2.7% of the voting rights with the option for Covivio Hotels to exercise a put at the end of the 10th year

4.2.7.3.2 Commitments received

Fully consolidated companies

Off-balance sheet commitments received (in € M)	Delivery date	31/12/2022	31/12/2021
Commitments related to consolidated companies		**0.0**	**0.0**
Other borrowings		0.0	0.0
Commitments related to financing		**1,892.9**	**1,792.1**
Financial guarantees received (authorised lines of credit not used)		1,892.9	1,792.1
Commitments related to operating activities		**7,254.6**	**8,056.6**
Other contractual commitments received related to the “Rent to be collected” activity(1)		5,289.1	5,600.6
Assets received in pledge, mortgage or collateral, as well as guarantees received		298.8	396.4
Preliminary sale agreements received		259.4	865.8
Works commitment outstanding (fixed assets) = (1)+(1) commitments given		1,427.4	1,162.8
Purchase commitment (fixed assets)			27.1

(1) Other contractual commitments received related to the “Rent to be collected” activity:

(In € million)	Total
Under 1 year	442,4
1 to 5 years	1,577.9
Over 5 years	3,248.7
Total	5,269.1

These are minimum payments to be received for non-cancellable operating leases.

4.2.7.4 Related-party transactions

The information mentioned below concerns the main related parties, namely equity affiliates.

Details of related-party transactions (€ K)

Partner	Type of partner	Operating income	Net financial income	Balance sheet	Comments
Cœur d'Orly	Equity affiliates	425	0	9,438	Monitoring of projects and investments, Loans, Asset and property fees
Euromed	Equity affiliates	259	0	28,596	Loans, Asset and Property fees
Lenovilla	Equity affiliates	370	0	19,938	Loans, Asset and Property fees

4.2.7.5 Remuneration of Covivio executives

(In € thousand)	31/12/2022	31/12/2021
Management		
Short-term benefits (fixed/variable)	2,683	2,637
Post-retirement benefits		
Long-term benefits		
Benefits in kind	89	119
Compensation for termination of contract		
TOTAL	**2,772**	**2,756**
Directors		
REMUNERATION OF BOARD MEMBERS	**707**	**631**

The variable portion does not include the free shares awarded. Moreover, 50,753 free shares were awarded to the executives of all Group subsidiaries in 2022 (including 43,253 shares awarded subject to performance conditions) which will vest in 2024. The balance of these shares amounted to 50,753 shares at 31 December 2022 following the departure of executives.

In case of involuntary departure, an indemnity will be awarded to the following executives:

- Christophe Kullmann (Chief Executive Officer)
- Olivier Estève (Deputy CEO).

This amount will be equal to 12 months of total remuneration (fixed salary and the annual variable portion), plus one month of additional remuneration per year of employment (capped at 24 months of remuneration). This indemnity will be subject to two performance conditions (the change in NAV and the achievement of the performance targets for the annual bonus).

4.2.7.6 Statutory Auditors' fees

(In € thousand)	Mazars				Ernst & Young et Autres				Other borrowings			
	Amount		%		Amount		%		Amount		%	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Statutory audit, certification, review of the individual and consolidated financial statements	**1,645**	**1,631**	**48%**	**49%**	**1,648**	**1,563**	**48%**	**47%**	**112**	**112**	**3%**	**3%**
Issuer	403	410	36%	41%	704	595	64%	59%				
Fully consolidated affiliates	1,083	1,062	53%	52%	865	884	43%	44%	78	78	4%	4%
Equity affiliates	159	159	58%	57%	79	84	29%	30%	34	34	13%	12%
Services other than auditing[1]	**219**	**121**	**25%**	**31%**	**650**	**269**	**75%**	**69%**	**0**	**0**	**0%**	**0%**
Issuer	211	55	47%	32%	238	119	53%	68%				
Fully consolidated affiliates	8	66	2%	31%	404	150	98%	69%				
Equity affiliates			n.a.	n.a.	8		n.a.	n.a.				
TOTAL	**1,864**	**1,752**	**44%**	**47%**	**2,298**	**1,832**	**54%**	**-50%**	**112**	**112**	**3%**	**3%**

(1) Services other than auditing performed in 2022 relate to the CSR (€547 thousand), and other operations (€322 thousand).

4.2.7.7 Audit exemptions for Germany Offices subsidiaries

In accordance with section 31 par. 3, 264b HGB, Covivio granted its guarantee to certain subsidiaries of Covivio Office Holding GmbH, registered in Germany, so that they may benefit from an audit exemption for the financial year ended on 31 December 2022.

Company name	Registration Code	Company name	Registration Code
Covivio Holding GmbH	n.a.	Covivio Office Berlin GmbH	DE327072645
Covivio Office Holding GmbH	DE330759796	Covivio Groß-Berliner-Damm GmbH	DE327818834
Covivio Office Gmbh	DE315913571	Covivio Tino-Schwierzina 32 Grundbesitz GmbH	DE322098720
Covivio Beteiligungsgesellschaft mbH	DE319740870	Covivio Technical Services I GmbH	n.a.
Covivio Office I GmbH	DE320537742	Covivio Technical Services II GmbH	DE325641950
Covivio Office II GmbH	DE323303935	Covivio Technical Services III GmbH	DE325641976
Covivio Office III GmbH	DE323303919	Covivio Technical Services IV GmbH	DE325641984
Covivio Office IV GmbH	DE323303927	Covivio Verwaltungs IV GmbH	DE325641941
Covivio Office V GmbH	DE323303902	Covivio Alexanderplatz GmbH	DE322706978
Covivio Office VI GmbH & Co. KG	DE332138839	Covivio Construction GmbH	DE343586953
Covivio Office VII GmbH	DE323303935	Acopio Office Energy GmbH	n.a.

4.2.8 Segment reporting

4.2.8.1 Accounting principles relating to operating segments – IFRS 8

The Covivio group holds a wide range of real-estate assets to collect rental income and benefit from appreciation in the assets held. Segment reporting is organised by asset type.

The operating segments are as follows:

- France Offices: office real-estate assets located in France
- Italy Offices: office real-estate and retail assets located in Italy
- Germany Offices: office real-estate assets located in Germany held by the Covivio group *via* its subsidiary Covivio Office Holding
- Hotels in Europe: commercial buildings largely in the hotel segment and Hotel Operating properties held by Covivio Hotels
- German Residential: real-estate housing assets in Germany held by the Covivio group through its subsidiary Covivio Immobilien SE.
- These segments are reported on and analysed regularly by Group management in order to make decisions on what resources to allocate to the segment and to evaluate their performance.
- Following the sale of three car park management companies (see note 4.2.4.6) and the transfer of all assets of FDL (France Residential), the Other segment includes non-material activities.

4.2.8.2 Intangible assets

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Intangible assets and goodwill	12,905	482	117,422	630	76	395	131,911
NET	**12,905**	**482**	**117,422**	**630**	**76**	**395**	**131,911**

2022 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Intangible assets and goodwill	13,814	2,308	120,404	427	40	303	137,296
NET	**13,814**	**2,308**	**120,404**	**427**	**40**	**303**	**137,296**

4.2.8.3 Tangible fixed assets

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Operating properties	209,562	75,830	991,158	40,706	5,133	4,227	1,326,616
Other fixed assets	9,394	2,180	18,306	12,089	820	194	42,983
Fixed assets in progress	12,996	4,897	4,867	316	0	0	23,076
NET	**231,952**	**82,907**	**1,014,331**	**53,111**	**5,953**	**4,421**	**1,392,675**

2022 (in € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Operating properties	202,770	123,266	1,096,619	41,091	4,395	3,392	1,471,533
Other fixed assets	8,078	3,023	17,530	11,413	224	64	40,332
Fixed assets in progress	31,077	30,522	6,871	0	0	0	68,470
NET	**241,925**	**156,811**	**1,121,020**	**52,504**	**4,619**	**3,456**	**1,580,335**

In Hotels in Europe, the change of +€107 million is mainly due to the transfer of five investment assets (two in Belgium and three in the United Kingdom) to operating property following the acquisition of business goodwill.

In Italy Offices, the change in tangible fixed assets (+€74 million) mainly corresponds to the transfer of the Milan asset, via Unione (operated directly as part of the Flex Office activity) from operating properties following its commissioning for €52 million and advanced payments and deposits paid on acquisitions and projects for €25 million.

In France Offices, the change in tangible fixed assets (+€10 million) mainly corresponds to the work carried out on the future Paris Madrid Saint Lazare head office.

4.2.8.4 Investment properties/Assets held for sale

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Investment properties	4,453,204	2,857,996	4,931,491	7,894,014	1,313,140	0	21,449,845
Assets held for sale	625,499	68,842	154,787	20,078	0	32,530	901,736
Investment properties under development	1,169,860	233,598	53,272	60,778	189,868	0	1,707,376
TOTAL	**6,248,563**	**3,160,436**	**5,139,550**	**7,974,870**	**1,503,008**	**32,530**	**24,058,957**

2022 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Investment properties	4,736,349	2,539,462	4,937,208	8,209,194	968,901	0	21,391,114
Assets held for sale	175,856	28,742	42,946	11,554	0	302	259,400
Investment properties under development	787,530	210,597	0	22,511	553,017	0	1,573,655
TOTAL	**5,699,735**	**2,778,801**	**4,980,154**	**8,243,259**	**1,521,918**	**302**	**23,224,169**

In France Offices, the -€548 million change in the portfolio (€5,700 million at 31 December 2022 compared to €6,248 million at 31 December 2021) is mainly due to changes in the scope of consolidation (-€582 million) following the sale of two companies holding the Carré Suffren and Campus Eiffage assets, the change in fair value (-€196 million), the disposal of assets (-€24 million) offset works (+€205 million). And the acquisition of the company holding the Factor E asset (+€49 million).

In Italy Offices, the change (-€382 million) is related to asset disposals (-€335 million), the transfer of an asset under development to an operating property following its delivery (-€52 million) and the change in fair value (-€45 million) mitigated by the work of the period (+€50 million).

The change in Hotels in Europe (-€159 million) is mainly due to disposals (-€165 million), the transfer of five assets to operating property following their acquisition (-€113 million) and exchange rate fluctuations (-€48 million, mainly due to the decline in the pound sterling) offset by the change in fair value of assets (+€92 million) and work carried out during the year (+€91 million).

The increase in German Residential (+€268 million) is mainly due to changes in asset values (+€202 million). It is also due to acquisitions and works (+€178 million), disposals during the period (-€64 million) and transfers of projects to real estate trading properties (-€48 million).

In Germany Offices, the change in the portfolio (+€18 million) is related to the change in the fair value of assets (-€35 million) and to works (+€53 million).

The -€32 million change in the Other segment is explained by the disposal of the Car Park assets.

4.2.8.5 Financial assets

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Loans	49,941	0	66,633	8	0	8	116,590
Other financial assets	652	9,061	200	8,132	0	1,952	19,997
Receivables on financial assets	0	906	-0	236	60	0	1,202
Sub-total non-current financial assets	**50,593**	**9,967**	**66,833**	**8,376**	**60**	**1,960**	**137,789**
Investments in equity affiliates	144,277	38	195,815	0	0	0	340,131
TOTAL FINANCIAL ASSETS	**194,870**	**10,005**	**262,648**	**8,376**	**60**	**1,960**	**477,920**

2022 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Loans	30,281	0	66,531	8	0	5	96,825
Other financial assets	652	4,564	1,157	8,132	0	2,250	16,755
Receivables on financial assets	0	9	-0	243	40	0	292
Sub-total non-current financial assets	**30,933**	**4,573**	**67,688**	**8,383**	**40**	**2,255**	**113,872**
Investments in equity affiliates	154,349	35,018	211,691	0	0	0	401,058
TOTAL FINANCIAL ASSETS	**185,282**	**39,591**	**279,379**	**8,383**	**40**	**2,255**	**514,930**

The decrease in financial assets in France Offices (-€10 million) is mainly due to the exchange of shares of Factor E and Orianz.

The increase in financial assets in Italy Offices (+€30 million) is linked to the consolidation of Fondo Porta di Romana.

The increase in financial assets of Hotels in Europe is mainly due to the allocation of the 2021 net income of equity affiliates companies (-€3.5 million) and the net income of equity-accounted companies (+€19.5 million).

4.2.8.6 Contribution to shareholders' equity

2021 – (In € thousand)	Offices France and Italy	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Shareholders' equity Group share before elimination of securities	*7,433,607*	*1,399,354*	*3,885,524*	*675,930*	*-74,337*	*13,320,078*
Elimination of securities	*0*	*-1,313,246*	*-2,046,831*	*-678,759*	*-87,432*	*-4,126,268*
Shareholders' equity Group share	**7,433,607**	**86,108**	**1,838,693**	**-2,829**	**-161,769**	**9,193,810**
Minority interests	794,261	1,991,059	1,557,446	83,941	2,121	4,428,828
SHAREHOLDERS' EQUITY	**8,227,868**	**2,077,167**	**3,396,139**	**81,112**	**-159,648**	**13,622,638**

2022 – (In € thousand)	Offices France and Italy	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Shareholders' equity Group share before elimination of securities	*7,187,560*	*1,566,797*	*4,103,391*	*656,788*	*9,001*	*13,523,538*
Elimination of securities	*0*	*-1,314,157*	*-2,046,831*	*-678,759*	*-40,781*	*-4,080,528*
Shareholders' equity Group share	**7,187,560**	**252,640**	**2,056,560**	**-21,971**	**-31,780**	**9,443,010**
Minority interests	662,858	2,187,332	1,681,545	116,763	0	4,648,499
SHAREHOLDERS' EQUITY	**7,850,418**	**2,439,972**	**3,738,105**	**94,793**	**-31,780**	**14,091,509**

4.2.8.7 Financial liabilities

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Total long-term interest-bearing loans	2,941,381	1,329,572	2,641,712	2,641,383	503,510	0	10,057,558
Total short-term interest-bearing loans	1,480,596	148,883	36,728	108,777	615	-2	1,775,597
TOTAL LT AND ST LOANS	**4,421,977**	**1,478,455**	**2,678,440**	**2,750,160**	**504,125**	**-2**	**11,833,155**

2022 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Total long-term interest-bearing loans	3,074,583	1,273,138	2,208,194	2,709,189	469,758	0	9,734,862
Total short-term interest-bearing loans	755,675	17,422	294,515	131,437	33,756	0	1,232,805
TOTAL LT AND ST LOANS	**3,830,258**	**1,290,560**	**2,502,709**	**2,840,626**	**503,514**	**0**	**10,967,667**

At 31 December 2022, part of the uncollateralised bank debt for France Offices was reallocated to Italy Offices (+€381 million).

4.2.8.8 Derivative instruments

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Financial instruments – Assets	28,284	0	24,537	9,385	2,273	-0	64,479
Financial instruments – Liabilities	86,329	8,834	74,854	29,104	1,652	0	200,773
NET FINANCIAL INSTRUMENTS	**58,045**	**8,834**	**50,317**	**19,719**	**-621**	**0**	**136,294**

2022 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Financial instruments – Assets	346,785	15,850	277,455	160,360	12,826	0	813,276
Financial instruments – Liabilities	199,372	0	100,087	0	941	0	300,400
NET FINANCIAL INSTRUMENTS	**-147,413**	**-15,850**	**-177,367**	**-160,360**	**-11,885**	**0**	**-512,876**

4.2.8.9 Income statement by operating segment

In accordance with IFRS 12, § B11, inter-segment transactions, in particular management fees, are indicated separately in this presentation.

(In € thousand) – 2021	France Offices	Italy Offices	Germany Offices	Hotels in Europe	German Residential	Other (France Residential)	Intercos Inter-sector	31/12/2021
Rental income	218,796	155,180	40,719	180,871	270,995	32	-286	866,307
Unrecovered property operating costs	-13,353	-16,293	-7,067	-2,290	-2,094	-290	328	-41,059
Expenses on properties	-9,006	-6,276	-1,508	-2,849	-20,098	11	7,783	-31,943
Net losses on unrecoverable receivables	249	1,934	-460	-12,724	-3,110	91	0	-14,020
Net rental income	**196,686**	**134,545**	**31,684**	**163,008**	**245,693**	**-156**	**7,825**	**779,285**
EBITDA from Hotel Operating activity & Flex Office	**6,182**	**2,031**	**0**	**21,897**	**0**	**0**	**-23**	**30,087**
Income from other activities	**2,501**	**3,334**	**523**	**-28**	**17,371**	**5,164**	**-24**	**28,841**
Management and administration income	15,856	200	1,520	15,275	7,301	8,679	-34,759	14,072
Business expenses	-1,380	-554	-505	-13,582	-1,586	-95	12,260	-5,442
Overheads	-34,092	-15,238	-6,449	-19,660	-49,726	-12,193	14,497	-122,861
Net operating costs	**-19,616**	**-15,592**	**-5,434**	**-17,967**	**-44,011**	**-3,609**	**-8,002**	**-114,231**
Depreciation of operating assets	-18,077	-3,338	921	-42,193	-3,758	-6,884	0	-75,171
Net change in provision and other	786	19	78	14,818	37	1,033	224	16,995
OPERATING INCOME	**168,462**	**120,999**	**25,930**	**139,535**	**215,332**	**-4,452**	**0**	**665,806**
Net income from inventory properties	**0**	**-2,662**	**0**	**0**	**677**	**0**	**0**	**-1,985**
Income from asset disposals	**3,455**	**-7,144**	**-37**	**-455**	**8,777**	**50**	**0**	**4,646**
Income from value adjustments	**60,374**	**2,961**	**-30,529**	**-16,294**	**818,768**	**0**	**0**	**835,280**
Income from disposal of securities	**-1,215**	**460**	**0**	**-1,151**	**1,066**	**0**	**0**	**-840**
Income from changes in scope & other	**-344**	**-29**	**-403**	**-22,497**	**0**	**0**	**0**	**-23,273**
OPERATING RESULT	**230,732**	**114,585**	**-5,039**	**99,138**	**1,044,620**	**-4,402**	**0**	**1,479,634**
Cost of the net financial debt	-39,710	-20,382	-7,913	-57,591	-41,696	327	0	-166,965
The interest cost for rental liabilities	-83	-20	-491	-13,910	-6	-285	0	-14,795
Value adjustment on derivatives:	38,889	-515	2,054	69,642	32,543	0	0	142,614
Discounting and foreign exchange gains or losses	0	0	0	-708	0	0	0	-708
Exceptional amortisation of loan issue costs	-984	-883	0	-1,565	-673	0	0	-4,105
Share of income from companies accounted for under the equity method	16,674	5	0	10,691	0	0	0	27,370
NET INCOME BEFORE TAX	**245,518**	**92,790**	**-11,389**	**105,698**	**1,034,788**	**-4,360**	**0**	**1,463,045**
Deferred tax	0	37,059	7,623	-26,452	-155,918	20	0	-137,668
Corporate taxes	-3,893	-7,826	-308	-4,656	-14,531	-136	0	-31,350
NET INCOME FOR THE PERIOD	**241,625**	**122,023**	**-4,074**	**74,589**	**864,339**	**-4,476**	**0**	**1,294,027**
Net income from non-controlling interests	17,999	-28,383	-132	-52,425	-307,522	33	0	-370,430
NET INCOME FOR THE PERIOD -GROUP SHARE	**259,624**	**93,639**	**-4,206**	**22,164**	**556,817**	**-4,443**	**0**	**923,596**

(In € thousand) – 2022	France Offices	Italy Offices	Germany Offices	Hotels in Europe	German Residential	Other (France Residential)	Intercos Inter-sector	31/12/2022
Rental income	202,154	140,810	43,965	240,956	280,437	15	-2,356	905,981
Unrecovered property operating costs	-15,028	-15,265	-7,243	-4,995	366	-543	2,584	-40,124
Expenses on properties	-9,015	-5,000	-1,639	-3,432	-19,325	611	8,667	-29,133
Net losses on unrecoverable receivables	-1,486	-621	-756	10,743	-2,282	18	0	5,616
Net rental income	**176,625**	**119,924**	**34,327**	**243,272**	**259,196**	**101**	**8,895**	**842,340**
EBITDA from Hotel Operating activity & Flex Office	**8,699**	**3,987**	**0**	**62,332**	**0**	**0**	**-89**	**74,929**
Income from other activities	**15,401**	**-11,165**	**-36**	**38**	**15,243**	**988**	**-159**	**20,310**
Management and administration income	14,432	679	2,012	16,160	6,889	9,591	-33,692	16,071
Business expenses	-2,902	-566	-1,116	-11,932	-1,835	-14	10,716	-7,649
Overheads	-35,097	-18,069	-5,962	-19,907	-51,761	-12,359	13,501	-129,654
Net operating costs	**-23,567**	**-17,956**	**-5,066**	**-15,679**	**-46,707**	**-2,782**	**-9,475**	**-121,232**
Depreciation of operating assets	-10,844	-4,639	-882	-37,829	-3,721	-1,017	0	-58,932
Net change in provision and other	753	74	372	9,005	56	2,104	203	12,567
OPERATING INCOME	**167,067**	**90,225**	**28,715**	**261,140**	**224,067**	**-606**	**-625**	**769,983**
Net income from inventory properties:	**-128**	**-2,396**	**0**	**0**	**163**	**0**	**0**	**-2,361**
Income from asset disposals	**-1,637**	**-2,785**	**-236**	**2,417**	**935**	**190**	**625**	**-491**
Income from value adjustments	**-196,415**	**-45,433**	**-34,531**	**92,160**	**202,424**	**0**	**0**	**18,205**
Income from disposal of securities	**24,868**	**11**	**0**	**-2**	**-1**	**0**	**0**	**24,876**
Income from changes in scope & other	**-306**	**-120**	**6**	**-14**	**2**	**0**	**0**	**-432**
OPERATING RESULT	**-6,551**	**39,502**	**-6,046**	**355,701**	**427,590**	**-416**	**0**	**809,780**
Cost of the net financial debt	-30,628	-14,994	-6,938	-52,146	-35,475	479	0	-139,702
The interest cost for rental liabilities	-39	-19	-478	-15,217	0	-59	0	-15,812
Value adjustment on derivatives:	185,424	6,748	11,263	200,545	178,624	0	0	582,604
Discounting and foreign exchange gains or losses	0	0	0	-589	0	0	0	-589
Exceptional amortisation of loan issue costs	0	-902	0	-225	-326	0	0	-1,453
Share of income from companies accounted for under the equity method	31,511	62	0	19,428	0	0	0	51,001
NET INCOME BEFORE TAX	**179,716**	**30,397**	**-2,199**	**507,498**	**570,413**	**4**	**0**	**1,285,830**
Deferred tax	-408	-20,753	1,037	3,974	-97,804	-37	0	-113,991
Corporate taxes	71	1,491	-549	-9,551	-15,083	-317	0	-23,938
NET INCOME FOR THE PERIOD	**179,379**	**11,135**	**-1,711**	**501,920**	**457,526**	**-350**	**0**	**1,147,901**
Net income from non-controlling interests	-19,247	-36,146	-17,466	-291,983	-162,365	0	0	-527,207
NET INCOME FOR THE PERIOD -GROUP SHARE	**160,133**	**-25,010**	**-19,176**	**209,937**	**295,161**	**-350**	**0**	**620,694**

4.2.9 Post-closing events

None.

4.3 Statutory Auditors' report on the consolidated financial statements

Fiscal year ending 31 December 2022

To the annual General Meeting of Covivio,

Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying consolidated financial statements of Covivio for the year ended 31 December 2022.

In our opinion, the consolidated financial statements give a true and fair view, in accordance with International Financial reporting Standards as adopted by the European Union, of the assets and liabilities and of the financial position of the Group at 31 December 2021, and of the results of its operations for the year then ended.

The audit opinion thus formulated is consistent with the content of our report to the company's Audit Committee.

Basis for the audit opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2022 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph 1 of regulation (EU) 537/2014.

Justification of our assessments – Key audit matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period, as well as how we addressed those risks.

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these consolidated financial statements taken in isolation.

Valuation of investment property

Risk identified	Our response
Given the activity engaged in by Covivio, the fair value of the Group's investment properties at 31 December 2022 amounted to 83% of consolidated assets or €23 billion. Under the option offered by IAS 40, investment properties are assessed at their fair value. Changes in fair value are recorded in the income statement. Investment property is not amortised. Note 4.2.5.1.1 to the consolidated financial statements states that the Group's investment property is subject to valuation by independent property valuers. Property valuation is a complex matter requiring the exercise of significant judgement by the Group's independent property valuers based on the data communicated by the Group's management. In addition, the war in Ukraine and the inflationary context have generated uncertainty about the estimates used for appraisal values. These estimates are based on assumptions about discount rates, yield rates and rental data that depend on market trends and which could be different in the future. We deemed the valuation of investment properties to be a key point in the audit due to the amounts involved and the significant degree of judgement in determining the main assumptions used to appraise the value of investment properties.	We obtained an understanding of your Group's process of valuation of its investment property. Our procedures also involved: • assessing the competence and independence of the Group's property valuers on the basis of the requirements for rotation and bases of remuneration defined by the Group • obtaining an understanding of the Group's written instructions to its property valuers describing the nature of the services required and the scope and limitations of their work with particular regard to the verification of the information provided by the Group • assessing, on a test basis, the relevance of the information provided by the entities' Finance Departments to the property valuers for the purpose of determining the fair value of their investment property, including rent schedules, other accounting data and capital expenditure budgets • analysing the valuation assumptions applied by the property valuers, such as applicable discount rates, yield rates, rental data and rental values, by comparing them in the context of the Ukraine war and inflation with available market data • interviewing certain professional property valuers in the presence of the Group's Finance Departments and assessing, by the inclusion of valuation specialists, the consistency and relevance of the valuation approach applied and of the main associated instances of the exercise of professional judgement • reconciling the resulting property valuations with the amounts included in the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code is included in the Group's management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Report on other legal and regulatory requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with professional standards applicable to Statutory Auditors' work relating to the annual and consolidated financial statements presented in the European single electronic format, we have also verified compliance with this format, as defined in European delegated Regulation no. 2019/815 of 17 December 2018, in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer. With regard to consolidated financial statements, our procedures include verifying that the mark-up of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent in the macro-tagging of consolidated financial statements using the European single electronic format for annual reports, the content of certain tags in the notes to the financial statements may not be identical to those used in the consolidated financial statements attached to this report.

It is not our responsibility to verify that the consolidated financial statements that will be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointments of the Statutory Auditors

We were appointed as Statutory Auditors of Covivio by the General Meeting held on 22 May 2000 in the case of MAZARS, and 24 April 2013 in the case of ERNST & YOUNG et Autres.

As at 31 December 2022, MAZARS and ERNST & YOUNG et Autres were in the twenty-third year and tenth year, respectively, of total uninterrupted engagement.

Previously, Groupe PIA, that became Conseil Audit & Synthèse (acquired by ERNST & YOUNG Audit in 2010), was the Statutory Auditor from 2007 to 2012.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial reporting Standards as adopted by the European Union and for such internal control as management 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, management is responsible for assessing the company'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 it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Audit purpose and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 users made on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards in France, the Statutory Auditor exercises professional judgement throughout the audit. Further, the Statutory Auditor:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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
- obtains an understanding of internal control 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 internal control
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements
- assesses the appropriateness of management's 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 company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtains 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. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in the present report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, 14 March 2023

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

4.4 Individual financial statements at 31 December 2022

4.4.1 Balance sheet

Assets

(In € thousand)	Note 4.5.3	31/12/2022 Gross	Amortisation, depreciation and provisions	Net	Of which net Italian Establishment 31/12/2022	31/12/2021 Net	Of which net Italian Establishment 31/12/2021
Intangible fixed assets:	**1.1**	**28,706**	**13,057**	**15,649**	**1,835**	**12,704**	**3**
Start-up costs							
Software and similar rights		16,801	13,057	3,744	1,835	1,094	3
Goodwill[1]							0
Intangible assets in progress		11,905	0	11,905		11,610	0
Tangible fixed assets:	**1.1**	**1,887,658**	**343,364**	**1,544,294**	**1,224,958**	**1,683,841**	**1,354,259**
Land		690,615	7,063	683,553	580,312	706,041	601,882
Buildings		1,131,771	319,068	812,703	638,747	935,207	751,565
Other borrowings		38,907	10,431	28,476	800	29,699	812
Tangible fixed assets in progress		26,365	6,803	19,561	5,099	12,894	0
Advanced payments and deposits							0
Financial assets:		**6,715,719**	**110,974**	**6,604,746**	**942,245**	**6,782,908**	**934,700**
Investments	1.2	5,133,959	99,966	5,033,993	894,289	5,145,081	882,246
Investment-related receivables		1,900		1,900		0	
Equity securities held for investment							
Other securities	1.4	70,363	1,737	68,626	47,956	73,084	52,454
Loans	1.3	1,508,709	9,270	1,499,439	0	1,563,990	
Other borrowings		788	0	788		753	
Total I – Fixed assets	**1**	**8,632,083**	**467,395**	**8,164,689**	**2,169,037**	**8,479,453**	**2,288,962**
Inventories and work-in-progress		40,635	26,835	13,800	13,800	15,504	15,504
Advances and advanced payments		0		0			
Operating receivables:	**2.1**	**140,903**	**30,374**	**110,529**	**31,317**	**249,136**	**112,842**
Trade receivables and related accounts		32,040	19,714	12,326	4,173	19,435	6,975
Current accounts and other receivables		108,863	10,660	98,203	27,144	229,701	105,867
Marketable securities:	**2.2**	**62,915**	**3,532**	**59,384**	**0**	**643,169**	**0**
Treasury shares		57,652	3,532	54,121		21,133	0
Term accounts and other securities		5,263	0	5,263		622,037	0
Cash and near cash		**146,458**		**146,458**	**983**	**106,744**	**17,047**
Prepaid expenses and accruals	**2.3**	**95,256**		**95,256**	**1,174**	**110,121**	**539**
Cash instruments	**2.3**	**3,696**		**3,696**		**1,611**	**0**
Total II – Current assets	**2**	**489,864**	**60,741**	**429,123**	**47,275**	**1,126,285**	**145,932**
Deferred expenses (III)	2.3	9,813		9,813	3,107	11,540	4,082
Bond redemption premiums (IV)		8,799		8,799		10,294	**0**
Currency translation gains (V)							
TOTAL (I + II + III + IV + V)		**9,140,560**	**528,136**	**8,612,424**	**2,219,419**	**9,627,572**	**2,438,976**

(1) In accordance with ANC regulation 2015-06, since the 2016 financial year, the technical merger losses have been allocated to the fixed asset items of the underlying assets.

Liabilities

(In € thousand)	Note 4.5.3	31/12/2022	Of which Italian Establishment 31/12/2022	31/12/2021	Of which Italian Establishment 31/12/2021
Shareholders' equity:		**4,337,375**		**4,487,192**	
Capital [of which €284,358 thousand paid]		284,358		283,946	
Issue premium, merger premium and additional paid-in capital		4,053,017		4,119,793	
Revaluation reserves		0		83,453	
Reserves and retained earnings:		**113,749**		**29,665**	
Legal reserve		28,413		28,363	
Statutory or contractual reserves					
Revaluation reserves available for distribution		83,453		0	
Other borrowings					
Retained earnings		1,883		1,302	
Profit (loss) for the year		**282,954**	**453**	**287,595**	**-24,510**
Investment subsidies					
Regulated provisions		34,125		34,024	
Total I – shareholders' equity	**3**	**4,768,203**	**453**	**4,838,477**	**-24,510**
Other shareholders' equity					
Proceeds from issue of participating shares					
Conditional advances					
Total I *bis* – shareholders' equity		**0**		**0**	**0**
Provisions for risks		26,668	2,473	13,682	3,427
Provisions for losses		2,406	3	3,204	306
Total II – Provisions for contingencies and losses	**4**	**29,075**	**2,476**	**16,886**	**3,733**
Payables					
Financial liabilities:	**5**	**3,729,010**	**623,726**	**4,660,754**	**749,257**
Convertible bonds	*5.1*	0	0	0	0
Other bonds		2,819,446	607,160	2,946,454	734,169
Loans and debts with credit institutions[1]		746,417	0	1,460,609	0
Current accounts and various financial debts		163,147	16,565	253,690	15,088
Advanced and pre-payments received		**6,445**	**351**	**4,088**	**365**
Operating payables:		**28,232**	**11,567**	**43,288**	**20,203**
Trade payables and related accounts		12,870	5,931	18,910	9,078
Tax and social security liabilities		15,362	5,636	24,378	11,125
Sundry liabilities:		**15,987**	**9,363**	**15,926**	**11,508**
Debt on fixed assets and related accounts		9,791	7,786	9,199	8,281
Other borrowings		6,196	1,576	6,727	3,227
Cash instruments	**5.2**	**15,773**		**23,027**	**0**
Pre-booked income		**19,698**	**1,200**	**25,125**	**2,873**
Total III – Current liabilities		**3,815,146**	**646,206**	**4,772,209**	**784,205**
Currency translation losses (IV)					
Liaison account with branches			**1,570,284**		**1,675,548**
TOTAL (I + I BIS+ II + III + IV)		**8,612,424**	**2,219,419**	**9,627,572**	**2,438,976**
(1) Of which current bank borrowings and bank overdraft		28		0	

4

4.4.2 Income statement

(In € thousand)	Note 4.5.4	31/12/2022	Of which Italian Establishment 31/12/2022	31/12/2021	Of which Italian Establishment 31/12/2021
Operating income					
Sales of goods		1	1	1,500	1,500
Sales (goods and services)		138,140	69,062	146,556	73,234
Net revenues	***1.1***	**138,141**	**69,063**	**148,056**	**74,734**
Production in stock		169	169	1,451	1,451
Reversals of provisions (and depreciation) and transferred charges	*1.2*	13,183	8,611	13,678	8,879
Other income		164	30	359	30
Total I – Operating income	***1***	**151,657**	**77,873**	**163,544**	**85,093**
Operating expenses					
Purchases – Real estate traders		170	170	1,451	1,451
Change in inventories – Real estate companies		2,863	2,863	3,798	3,798
Other purchases and external expenses		42,057	18,972	39,283	19,063
Duties, taxes and related payments		12,391	8,443	15,341	9,155
Salaries and wages		32,456	7,800	26,387	5,773
Social security charges		10,574	1,785	9,670	1,716
Allowance for depreciation and provisions:					
On fixed assets: amortisation and depreciation charges		48,191	34,372	52,879	38,023
On fixed assets: impairments		23,311	17,897	29,598	26,725
On current assets: impairments		4,926	3,453	8,322	8,171
For contingencies and expenses: provisions		2,553	729	2,108	1,337
Other expenses		3,086	2,431	5,348	3,481
Total II – Operating expenses	***1.3***	**182,578**	**98,915**	**194,184**	**118,692**
I. Operating income (I-II)	***1***	**-30,921**	**-21,043**	**-30,640**	**-33,598**
Financial income					
Share of income from joint operations					
Profit or loss transferred III		**1,030**			
Losses or profit transferred IV		**0**		**16**	
Investment	*2.1*	286,826	41,293	284,622	48,893
From other marketable securities and fixed asset receivables		9,015	0	10,885	-2
Other interest and similar income		38,554	679	58,292	-2,263
Merger premiums		113,430	117	39,546	3,100
Reversals of provisions and transferred expenses	*2.3*	60,877	19,996	12,481	1,160
Net income from disposal of marketable securities		3			
Total V – Financial income	***2***	**508,706**	**62,086**	**405,826**	**50,888**
Financial expenses					
Allowance for depreciation and provisions		96,204	6,577	57,828	6,507
Interest and similar expenses		106,820	28,469	114,359	28,140
Merger deficits		625	0	642	0
Net expenses from disposal of marketable securities		2,921		2,606	0
Total VI – Financial expenses	***2***	**206,570**	**35,047**	**175,435**	**34,647**
2. Net financial income (V - VI)	***2***	**302,135**	**27,039**	**230,391**	**16,241**
3. Current net income before tax (I-II+III-IV+V-VI)		**271,214**	**5,996**	**199,735**	**-17,357**

(In € thousand)	Note 4.5.4	31/12/2022	Of which Italian Establishment 31/12/2022	31/12/2021	Of which Italian Establishment 31/12/2021
Non-recurring income					
On management transactions		2,257	2,252	192	0
On capital transactions		221,461	91,383	284,593	69,432
Reversals of provisions and transferred expenses		0	0	0	0
Total VII – Non-recurring income	**3**	**223,717**	**93,635**	**284,785**	**69,432**
Non-recurring expenses					
On management transactions		83	1	145	23
On capital transactions		212,580	98,818	185,949	68,794
Allowance for depreciation and provisions		101		61	0
Total VIII – Non-recurring expenses	**3**	**212,763**	**98,819**	**186,155**	**68,817**
4. Non-recurring income (VII-VIII)	**3**	**10,954**	**-5,184**	**98,630**	**615**
Employee profit-sharing (IX)		0	0	0	0
Corporate income tax (X)	4	245	359	10,770	7,769
Total revenue (I+III+V+VII)		**885,110**	**233,593**	**854,155**	**205,414**
Total expenses (II+IV+VI+VIII+IX+X)		**602,156**	**233,140**	**566,560**	**229,924**
NET INCOME OR LOSS		**282,954**	**453**	**287,595**	**-24,510**

4.5 Notes to the individual financial statements

4.5.1 Significant events during the financial year

4.5.1.1 Acquisitions and construction work on properties under development

Commissioning of the building in Milan Via Unione/Via Torino for €51,735 thousand.

€16,972 thousand in work carried out on the three projects under development in Italy (Corso Italia €6,701 thousand and Via Unione/Via Torino €2,757 thousand and Rozzano €565 thousand) and two projects under development in France (€4,648 thousand) Meudon Campus/€2,301 thousand (Fontenay-sous-Bois – Le Floria).

4.5.1.2 Disposals of real-estate assets

Disposals concern the following assets:

(In € thousand)	Net book value	Disposal price	Capital gains or losses	Market value at 31/12/2021
Sales:				
COVIVO FRANCE	**0**	**0**	**0**	**0**
Terni - via Bramante	2,650	2,650	0	2,650
Udine - via Gorghi	18,657	11,500	-7,157	19,000
Milano - via dell'Innovazione	71,308	75,979	4,671	78,800
Vercelli - Tangenziale Ovest	727	800	73	800
COVIVIO ITALY	**93,342**	**90,929**	**-2,413**	**101,250**
COVIVIO	**93,342**	**90,929**	**-2,413**	**101,250**

4.5.1.3 Changes in equity investments

Change in the ownership interest in subsidiaries

Covivio acquired 54,206 Covivio Hotels shares for €910 thousand.

The stake in Covivio Hotels increased from 43.84% to 43.86%.

Other changes in equity interests

On 18 January 2022, Covivio and ICADE signed an agreement to exchange shares; ICADE transferred to Covivio 6,531 shares in FACTOR E; in return, Covivio transferred all of the shares in ORIANZ to ICADE. Covivio now holds 100% of Factor E.

On 25 January 2022, Covivio and Indigo signed three deeds of sale for the companies in the Car Park business, namely République, EB2 and Gespar.

On 17 May 2022, Covivio sold 100% of the shares in 11 Place de l'Europe to Predica.

4.5.1.4 Simplification of structures

Mergers with the full transfer of assets and liabilities (in French, Transmission Universelle du Patrimoine – TUP) were carried out in 2022 to simplify the Group's corporate structure.

Subsidiary involved	Nature and date of the transaction	Corporate purpose
EURL Fédération	FTA on 30.06.2022 with retroactive tax effect	Acquisition of control of all companies holding buildings with a view to leasing them or having leased such buildings in any form whatsoever.
SCI du 1630 avenue de la Croix Rouge	FTA on 30.06.2022 without retroactive tax effect	Acquisition and management of real-estate assets and rights located at 1630 avenue de la Croix Rouge -84000 AVIGNON.
SNC le Printemps Sartrouville	FTA on 30.09.2022 without retroactive tax effect	The purpose of the company is to negotiate and enter into all contracts necessary for the transformation/development/change of use of old buildings and/or the construction of new buildings.
SNC Gauguin Saint Ouen L'Aumône	FTA on 30.09.2022 without retroactive tax effect	Negotiation and finalising all contracts necessary for the transformation/development/change of use of old buildings and/or the construction of new buildings.
FDL	FTA on 30.09.2022 without retroactive tax effect	Acquisition, ownership of buildings or real-estate rights allocated to the housing sector, construction, operation, management and asset disposals
SNC Le Clos de Chanteloup	FTA on 30.11.2022 without retroactive tax effect	Negotiation and finalising all contracts necessary for the transformation/development/change of use of old buildings and/or the construction of new buildings.
SNC Lenopromo	FTA on 30.11.2022 without retroactive tax effect	Negotiation and conclusion of all contracts necessary for the construction of buildings and more particularly of a real-estate complex for office use to be built in Vélizy Villacoublay and all operations related to the construction of buildings
SNC Promomurs	FTA on 30.11.2022 without retroactive tax effect	Negotiation and conclusion of all contracts necessary for the construction of buildings and more specifically the construction of a real-estate complex for hotel use on land located at 31 to 43 Boulevard Carnot and 16 Avenue Courteline in Paris (12th)
SNC Tours Coty	FTA on 24.12.2022 without retroactive tax effect	The purpose of the company is to negotiate and enter into all contracts necessary for the transformation/development/change of use of old buildings and/or the construction of new buildings.
SARL Covivio Lux	Liquidation 27.12.2022	The purpose of the company is the acquisition, holding, development, leasing, management and disposal of all properties on its own behalf, both in the Grand Duchy of Luxembourg and abroad.

4.5.1.5 Tax audit

Covivio – France Offices

Covivio SA underwent an accounting audit for the 2017/2018/2019 financial years which resulted in a proposed adjustment relating to payroll tax for €40 thousand, which was accepted, and relating to corporate income tax, after disputing it, was abandoned by the tax administration. The tax audit closed on 31 December 2022.

Covivio Italian Branch

On 17 April 2012, following a court decision, the Italian tax administration refunded the debt borne by Beni Stabili for the Comit Fund dispute (principal: €58.2 million and interest: €2.3 million). In April 2012, the Tax Administration appealed this decision. The Court of Appeal ruled in favour of the tax administration on 18 December 2015.

The dispute with the tax administration was settled with the payment of €55 million. The €56.2 million provision recorded in 2015 was reversed as at 31 December 2016.

However, Comit Fund and Beni Stabili had not entered into a joint agreement to definitively agree that they each will pay an equal share of this adjustment. Civil arbitration proceedings taken by Comit Fund confirmed that each party accepts to pay 50% of the cost of the dispute, in accordance with the payments made. In January 2019, Comit Fund appealed against the arbitration decision bringing the dispute to an end. In March 2020, the Court of Appeal confirmed the decision, Comit Fund is contesting this verdict and has filed an appeal with the Supreme Court.

In 2022, the Supreme Court dismissed the appeal of Comit Fund, which definitively closed this dispute.

4.5.1.6 share capital increase

During the year, the share capital changed as follows:

- Creation of 137,405 shares with a par value of €412,215 in the context of free-share plans.

The total capital as at 31 December 2022 stood at €284,358,288, up from €283,946,073 at 31 December 2021, an increase of €412,215. It is made up of 94,786,096 shares, all of the same class, with a par value of €3 each, amounting to €284,358,288.

At 31 December 2022, the company held 961,069 treasury shares.

4.5.1.7 Diversification of financing and repayment of bank debt

In 2022, Covivio repaid credit lines and commercial paper for a total amount of €135 million.

The Italian branch's borrowings amount to €607.1 million.

4.5.1.8 Main indicators

The main financial aggregates are as follows:

(In € thousand)	2022	2021
Balance sheet total	8,612,424	9,627,572
Revenues	138,141	148,056
Dividends received from subsidiaries	286,826	284,622
Financial expenses	206,570	175,435
Earnings for the year	282,954	287,595

4.5.2 Accounting policies and methods

Covivio is the parent company of the Covivio group, and prepares its consolidated financial statements according to IFRS.

Covivio is consolidated via the equity method by Delfin.

The balance sheet and income statement are drawn up in accordance with French legislation and generally accepted accounting principles in France.

The notes are prepared in accordance with ANC Regulation no. 2014-03 published by the Decree of 8 September 2014 *et seq.* currently in force.

General accounting conventions were applied, respecting the prudence principle, in accordance with the following basic assumptions:

- going concern
- consistency of accounting policies from one financial year to the next
- independent financial years,

and in accordance with the rules for preparing and presenting annual financial statements pursuant to the French law of 30 April 1983 and the Implementation Decree of 29 November 1983.

The historical cost method was adopted as the basic method of accounting.

Fixed assets have been recorded under the component method since 1 January 2005.

The annual financial statements are presented in thousands of euros, rounded to the nearest thousand euros. Rounding differences may generate minor differences between statements.

4.5.2.1 Intangible assets

Intangible fixed assets are valued at cost.

Software is amortised on a straight-line basis over three years. Software acquired after moving the company headquarters to Divo is amortised over ten years.

4.5.2.2 Tangible fixed assets

Tangible fixed assets are valued at cost, which corresponds to the purchase price and related costs, or their contribution value.

The company has not opted for borrowing costs to be capitalised in the acquisition cost of assets.

Tangible fixed assets are depreciated on a straight-line basis according to the expected useful life of the various components of the portfolio.

The breakdown by components is based on the professional grid recommended by the French Real estate and real-estate management federation (FSIF), according to the type of asset in question.

Depreciation schedules for the various types of fixed assets (residential or office):

Breakdown of the buildings	Method	Term
Building structures	L	60 and 80 years
Facades and external joinery	L	30 and 40 years
General and technical facilities	L	20 and 25 years
Fittings	L	10 years

These periods are adjusted with obsolescence factors applied to each asset.

Breakdown of other tangible fixed assets	Method	Term
Miscellaneous fixtures and fittings	L	10 years
IT equipment	L	5 years
Office equipment	L	10 years

At each balance sheet date, the company assesses if there are any indications that an asset has been materially impaired. In such cases, an impairment charge may be recorded in income or reversed, as appropriate.

The amount of any significant impairment is determined on an asset-by-asset basis in line with a comparison between the market value (excluding duties), calculated on the basis of independent appraisals, and the net book value.

An objective indication of the loss of value can be seen when the appraisal value is at least €150 thousand lower than the net book value. However, even if the difference is less than €150 thousand, an impairment charge will be recognised where the appraised value was less than the net book value for two years running.

Where an impairment arises, it will be monitored and recognised with no threshold conditions.

Such impairments, which recognise the non-definitive and non-irreversible reduction in the value of certain portfolio assets in relation to their book value, are recognised in assets under "Amortisation, depreciation and impairment".

The impairment is charged to each component on a *pro rata* basis.

The recording of an impairment results in a revision of the depreciable base and, if applicable, the depreciation schedule for the assets concerned.

Building works, major renovation works and significant upgrading works, together with the restoration of apartments or premises upon re-letting, are capitalised.

Conversely, maintenance work which ensures the optimum preservation of the real-estate portfolio (renovation) and regular maintenance are recognised as expenses during the period in which they are carried out.

4.5.2.3 Financial assets

Financial assets are valued at cost or at their contribution value after deducting any provisions required to restore them to their value in use (if necessary). At the end of the financial year, the acquisition value of investments is compared to their inventory value. The lower of these values is recorded in the balance sheet. The net asset value of the securities corresponds to their value in use for the company.

In the case of investments held for the long term, value in use is assessed on the basis of the investee's net assets plus any unrecognised capital gains associated with the investee's non-current assets. For the listed subsidiary, their EPRA NDV NAV are used.

The acquisition costs are incorporated in the cost price of financial assets and amortised over five years in the form of additional amortisation.

Merger losses were recognised following the mergers of Covivio with Bail Investissement in 2006, with AKAMA in 2011, and with FR IMMO in 2013, based on the value of the assets contributed. At each sale of assets, a reversal of these deficits is made. Similarly, a provision is recorded on the merger deficit when an unrealised capital loss emerges between the appraised value and the net book value at each year-end.

The change in accounting treatment of merger losses further to ANC Regulation no. 2015-06 modified the accounting rules applicable to merger losses for financial years starting from 1 January 2016.

Since 2016, merger deficits are allocated to the assets contributed (underlying assets) in specific accounts for asset categories, and they are amortised, depreciated and removed from the assets in accordance with the same methods as for the underlying assets:

- merger loss on intangible fixed assets
- merger loss on tangible fixed assets
- breakdown of merger deficit on financial assets
- merger loss on current assets.

4.5.2.4 Trade receivables and related accounts

Receivables are stated at their par value. A provision for impairment is recorded when the recoverable value is lower than the book value.

A provision for impairment is recorded for each tenant with unpaid receivables, based on the risk incurred. The general criteria for establishing impairments, except in particular cases, are as follows:

- for current tenants:
  - no provision for tenants whose payables are less than three months overdue
  - 50% of the amount of receivables for tenants whose receivables are between three and six months overdue
  - 100% of the total amount of receivables for tenants whose receivables are more than three months overdue.
- For departed tenants:
  - no provision for tenants whose payables are less than three months overdue
  - 100% of the total amount of receivables for tenants whose receivables are more than three months overdue.

For commercial customers, receivables and theoretical provisions deriving from the above rules are examined case-by-case to take specific situations into consideration.

4.5.2.5 Derivative instruments

Application of regulation no. 2015-05 of 2 July 2015 of the French accounting standards authority (*Autorité des Normes Comptables* – ANC) concerning financial instruments and hedging has been mandatory since 1 January 2017.

To this end, Covivio uses only simple, standard and liquid derivatives, available on markets, namely swaps, caps, tunnel options (purchase of a cap and sale of a floor), particularly for the purposes of dynamic hedging of the total interest-rate risk existing on its fixed-rate debt.

Accordingly, in Covivio's separate financial statements the instruments hedging Covivio debt qualify as hedges and those hedging the debt of subsidiaries are to be regarded as derivatives in standalone open position. Over-hedging can also occur temporarily in dynamic hedging.

With regard to instruments qualifying as hedges:

- these are not recorded in the financial statements but shown in the off-balance sheet commitments
- the difference between the rate paid or received under these agreements is recognised as a financial income or expense for the year
- the premiums paid or received when hedges are placed are amortised as profit and loss over the hedge period
- in the event of an early unwinding of a hedge, the balance paid or received is amortised:
  - over the remaining life of the hedged debt if it is identifiable or
  - over the remaining life of the unwound instrument.

With regard to derivatives qualifying as Standalone Open Positions (SOP):

- their change in fair value must be recognised on the balance sheet, offsetting a provisional account
- whenever this change in fair value is negative, a provision is recognised for an unrealised capital loss.

4.5.2.6 Provisions for contingencies and expenses

Provisions are defined as liabilities of uncertain duration or amount. A liability is a bond issued to a third party, which is likely or certain to cause an outflow of resources to that third party, without at least an equivalent amount expected from that party.

A contingency provision related to investments is established to cover the negative net equity of subsidiaries and when all of the subsidiary's shares and loans have been impaired.

4.5.2.7 Retirement benefits

Covivio applies the recommendation of the French Accounting Standards Authority No. 2013-02 of November 2013 on the valuation and recognition of retirement commitments and similar benefits, updated in November 2021 following the decision of IFRIC IC 21, relating to the allocation of post-employment benefits over periods of service.

4.5.2.8 Provisions for financial contingencies and expenses:

The provisions for contingencies and expenses on financial instruments are explained in Section 3.5.2.5

An Isolated Open Position (IOP) must be recognised where the company is in a position of over-hedging (whether the over-hedging is a risk or an unrealised gain). The IOP is recognised in the financial statements as a derivative account and a cash instruments valuation difference account. Where the derivative value is a debt, the company must record a provision for over-hedging. Where the IOP representing a derivative liability is no longer recognised, the provision is reversed and the market value of the derivative on the date on which the hedging relationship is set up is amortised over its residual term.

4.5.2.9 Borrowings, financial debt and bonds

Bank financing usually consists of six bond issues and medium- and long-term credit agreements with varying drawdown periods. Successive drawdowns are recognised in the financial statements at their par value. These agreements include covenant clauses, which are reported under off-balance-sheet commitments.

4.5.2.10 Deferred expenses

Deferred expenses correspond to the issue cost of borrowings and are amortised over the loan period. An exceptional amortisation is recognised if the borrowing is redeemed early.

4.5.2.11 Bond redemption premium

These are amortised over the life of the bond.

4.5.2.12 Revenues

Revenues mainly include income related to the following activities:

- rental income
- services income.

Rental income corresponds to rent and expenses charged to building tenants, which are recorded as the service advances.

As a general rule, invoicing is quarterly for tertiary sector assets (offices, etc.) and monthly for residential assets.

For services, revenues are recognised as the service progresses.

4.5.3 Explanation of balance sheet items

Beni Stabili merged with Covivio on 31 December 2018.

From 1 January 2019, the Italian Establishment has been included in Covivio's income statement.

4.5.3.1 Fixed assets

4.5.3.1.1 Change in gross values

(In € thousand)	*Note 4.5.3*	Gross values at 31/12/2021	Increases: Acquisitions and works	Increases: FTA and Merger	Increases: Transfers	Decreases: Sales and other disposals	Decreases: FTA and Merger	Gross values at 31/12/2022
Intangible assets		**25,406**	**3,862**		**-25**	**537**	**0**	**28,706**
Concessions, software		13,796	1,833		1,708(1)	537(1)	0	16,801
Fixed assets in progress		11,610	2,029		-1,733(1)			11,905
Tangible assets		**1,988,064**	**26,526**		**-7,364**	**120,326**	**0**	**1,887,658**
Land		711,722	0	463	-761	20,809		690,615
• Buildings		1,221,083	8,875	295	956	99,438		1,131,771
• Other tangible fixed assets		38,636	75		275	79		38,907
Deficit on real estate assets		33,471						33,471
Fixtures and fittings		566	3					569
Office and IT equipment		2,937	72		275	79		3,205
Furniture		1,662						1,662
• Fixed assets in progress		16,623	17,576		-7,834			26,365
Financial fixed assets		**6,999,321**	**406,170**		**20,000**	**493,170**	**216,601**	**6,715,719**
Equity investments	*1.2*	5,354,642	118,283		23,921	146,286	216,601	5,133,959
Investment-related receivables		0	1,900					1,900
Loans	*1.3*	1,569,378	243,554			304,223		1,508,709
Securities	*1.4*	70,200	0		-3,921	282		65,998
• Treasury shares	*1.4*	4,347	42,397			42,379		4,366
Other non-current financial assets		753	35					788
TOTAL FIXED ASSETS		**9,012,790**	**436,557**		**12,611**	**614,033**	**216,601**	**8,632,083**

(1) The increase in the intangible assets in progress item is related to the development of new existing software modules, namely SAP, the outflows mainly correspond to the deployment of the Move to Cloud software. At 31 December 2021, the IEC item mainly includes the SAP ERP for €11,657 thousand.

4.5.3.1.2 Change in equity investments

At 31 December 2022, Covivio held an interest in 99 companies.

In addition to equity investments detailed under significant events, the following equity investments were made in 2022:

- Covivio acquired SCI Meudon Juin, its shareholding rate is 99.90%
- Covivio acquired SNC Boulogne Jean Bouveri, a real-estate development company, with a 99.90% stake.

The two largest investments are:

- Covivio Hotels: €1,325 million
- Covivio holding GmbH: €1,021 million.

Amount at 31/12/2021 (in € K)		5,354,642
Acquisition of securities and similar		
	SCI Factor E	12,595
	Covivio Hotels	911
Capital increase		
	Covivio Dévelopment SpA SIINQ	44,500
	Porta Romana	30,996
	SAS Covivio Alexanderplatz	18,769
	Covivio Property	10,500
	Sarl Covivio Attivita Immobiliari 5	10
	SNC Meudon Juin	1
	SNC Boulogne Jean Bouveri	1
Total increase related to acquisitions and capital increases		**118,282**
Increase in securities by incorporation of a loan or current account		
	SNC Wellio	20,000
Reclustering		
	Porta Romana	3,921
Total increase in securities by incorporation of a loan or current account		**23,921**
Decrease (disposal)		
	République	50,145
	SCI 11 Place de l'Europe	15,031
	EM/EA	885
	SCI Esplanade Belvédère II	451
	Gespar	56
Capital reduction		
	Central Sicaf SPA	39,719
	Covivio Immobiliare 9 SpA	25,000
	Covivio 7 SpA	15,000
Total decrease related to capital reductions and disposals		**146,286**
Securities released from the company following FTA or merger		
	Foncière Développement Logement	186,335
	Fédération	27,411
	SCI 1630 avenue Croix Rouge	83
	Covivio Lux	62
	SNC Promomurs	1
	SNC le printemps Sartrouville	1
	SNC Gauguin St-Ouen-l'Aumône	1
	SNC Lenopromo	1
	SNC Le Clos de Chanteloup	1
	SNC Tours Coty	1
	Requalificazione Grande Distribuzionz Gestione SRL	2,704
Total decrease due to FTAs or mergers		**216,601**
AMOUNT AT 31/12/2022 (IN € K)		**5,133,959**

4.5.3.1.3 Detail on loans

The loans consist of:

Type of loan	(in € K)
Loans to subsidiaries	1,499,651
Accrued interest on subordinated loans	3,419
Accrued interest on SWAP	5,515
Loans to personnel	59
Other loans	64
TOTAL AT 31/12/2022	**1,508,709**

Loans to subsidiaries relate to financing for development operations, which primarily comprise the following loans as at 31 December:

(In € thousand)	Outstanding principal due	Accrued interest
SCI du 21 rue Jean Goujon	173,420	0
Covivio Holding GmbH	135,000	0
SCI Danton Malakoff	129,858	0
Palmer Plage	107,763	0
SAS 6 rue Fructidor	99,591	0
SCI Avenue de la Marne	97,962	0
Omega B	95,696	1,287
SCI Rueil B2	76,678	0
SCI N2 Batignolles	69,881	0
SCI Latécoère 2	58,196	0
SCI Charenton	53,147	0
9 rue Cuirassiers	40,726	0
SCI Cité Numérique	33,302	0
Covivio 2	29,869	695
Bga Transactions	28,400	789
SCI Factor E	28,243	0
SNC André Lavignolle	27,415	0
SCI Meudon Saulnier	26,200	0
Acopio GmbH	25,000	0
SCI Atlantis	23,600	0
SCI Euromarseille 2	22,143	0
SCI Lenovilla	19,938	0
Covivio Office Holding GmbH	18,200	364
32 av P. Grenier	12,100	0
Other	67,323	284
TOTAL	**1,499,651**	**3,419**

Loans to subsidiaries are not covered by a repayment schedule. They are repaid based on each borrower's free cash flow. Nevertheless, a final repayment date, ranging from January 2023 at the earliest to October 2049 at the latest is stipulated in the deed.

4.5.3.1.4 Other long-term investments

This item amounting to €70,363 thousand essentially includes:

Breakdown of merger deficit on financial assets

Breakdown of merger deficit on financial assets	Amount (In € thousand)
Latécoère	13,914
Palmer Plage	2,175
Dual Center	136
Palmer Montpellier	95
Central Sicaf	32,517
BS Immobiliare 9	10,875
	59,713

Treasury shares

Breakdown of treasury shares	Number of shares	(in € K)
Shares held by the company – liquidity agreement	78,442	4,366

A provision was set up for the treasury shares under the liquidity agreement of €18 thousand on the basis of the average share price in December 2022.

4.5.3.1.5 Change in depreciation, amortisation and impairment

(In € thousand)	*Note 4.5.3*	Amortization. 31/12/2021	Charges	FTA and Merger	Reversal and disposal	FTA and Merger	Reclu-stering	Amort. 31/12/2022
Intangible assets		**12,702**	**890**	**0**	**535**		**0**	**13,057**
Concessions, software		12,702	890		535	0	0	13,057
Merger deficits								0
Tangible assets		**304,223**	**68,139**	**478**	**22,087**	**0**	**7,389**	**343,364**
Buildings		213,460	43,260	99	13,702		3,544	239,573
Other tangible fixed assets		8,937	1,568		75			10,431
Provisions on land and buildings		81,826	23,311	379	8,310		3,845	93,360
Financial fixed assets		**216,413**	**78,118**	**0**	**32,301**	**151,257**	**0**	**110,974**
Investments	*1.2*	209,561	72,139		30,478	151,257		99,966
Loans	*1.3*	5,388	5,641		1,758			9,270
Securities		1,424	320		25			1,720
Treasury shares		40	18		40			18
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT		**533,337**	**147,148**	**478**	**54,922**	**151,257**	**7,389**	**467,395**

(1) Each year, the book value of the assets is compared against their estimated market value. An independent appraisal, carried out every six months, serves as a reference for all real estate assets: at 31 December 2021, €93,360 thousand of impairment was recognised on the buildings, i.e. €15,203 thousand and €78,157 thousand on the properties in Italy.

4.5.3.1.6 Breakdown of impairment of equity investments

In the case of investments held for the long term, value in use is assessed on the basis of the investee's net assets plus any unrecognised capital gains associated with the investee's non-current assets. For listed subsidiaries, the company uses the EPRA NDV.

(In € thousand)	31/12/2021	Charges	FTA and Merger	Reversals of provisions	31/12/2022
Covivio Office Holding GmbH	2,294	40,257			42,551
SNC Wellio*	1	19,432			19,433
Covivio Property	12,759	6,165			18,924
Covivio 7 Spa	9,287	1,440			10,728
SARL Covivio Immobiliare 9	1,569	4,809			6,378
Covivio Développement*	1,852				1,852
Foncière Margaux	30	4			34
Covivio Attività Immobiliari 3	16	6		1	21
SNC N2 Promotion	0	19			19
EURL Proptech*	3				3

(In € thousand)	31/12/2021	Charges	FTA and Merger	Reversals of provisions	31/12/2022
SCI du 20 avenue Victor Hugo		3			3
Covivio Attività Immobiliari 4		2		(1)	3
Hotel N2	1				1
SCI Meudon Saulnier*	1				1
SNC Bordeaux Lac*	1				1
SNC Sucy Parc*	1				1
SNC Gambetta le Raincy		1			1
SNC La Marina Fréjus*	1				1
SNC Normandie Niemen Bobigny*	1				1
SNC Valence Victor Hugo*	1				1
SNC Nantes Talensac*	1				1
SNC Marignane Saint-Pierre*	1				1
SNC Jean Jacques Bosc*	1				1
SCI Terres Neuves*	1				1
SNC André Lavignolle*	1				1
SCI de la Louisiane*	1				1
SNC Aix en Provence Sezanne*	1				1
SCI Meudon June		1			1
SNC Boulogne Jean Bouveri		1			1
Cœur d'Orly Promotion	1				1
FDL	149,846		149,846		0
Central Sicaf SPA	19,972		0	19,972	0
République	9,523		0	9,523	0
RGD Gestioni SRL	1,324		1,324		0
Covivio 2	884			884	0
SCI EB2	85			85	0
1630 av Croix Rouge	83		83		0
Gespar	10			10	0
SCCV Chartres avenue de Sully	2			2	0
SNC Le clos de Chanteloup	1		1		0
SNC le printemps de Sartrouville*	1		1		0
SNC GauguinST Ouen L'Aumone*	1		1		0
SNC Tours Coty	1		1		0
SNC Saint Germain Hennemont	1			1	0
SNC Antony Avenue De Gaule	1			1	0
SCCV Fontenay Sous Bois Le 9e Art	1			1	0
TOTAL EQUITY INVESTMENTS	**209,561**	**72,139**	**151,257**	**30,478**	**99,966**
Other securities	1,424	320		25	1,720
Treasury shares – liquidity agreement	40	18		40	18
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**1,464**	**338**	**0**	**64**	**1,737**
TOTAL IMPAIRMENT	**211,025**	**72,477**	**151,257**	**30,542**	**101,703**

* Since the impairment of shares was not sufficient to cover their net negative position, the loans or advances in the associates' current accounts that they were granted were impaired in the amount of their net position, and when necessary, a provision for contingencies and expenses was recognised.

Market prices and NAV of listed subsidiaries:

Name of listed subsidiary	Average share price December 2022	EPRA NDV at 31/12/2022
Covivio Hotels	15.1	25.4

As Covivio Hotels EPRA NDV is higher than the value of the shares recorded in Covivio's financial statements, no impairment is to be recognised.

4.5.3.1.7 Breakdown of impairments on loans and current accounts

This table lists loans and current accounts subject to an impairment only.

Receivables and impairments (in € K)	Gross values of receivables at 31/12/2022	Impairments at 31/12/2021	Charges	FTA	Reversals of provisions	Impairments 31/12/2022
SCI Meudon Saulnier	26,200	3,448	5,175			8,622
20 av. Victor Hugo	2,850		322			322
SCI Terres Neuves	143	180			37	143
SCI de la Louisiane	4,000		84			84
SCI André Lavignolle	27,415		60			60
SNC Jean Jacques Bosc	400	44			5	39
SNC Bordeaux lac		1,494			1,494	0
SCCV Fontenay Sous Bois Le 9e Art	9,325	177			177	0
SCCV Chartres avenue de Sully	2,715	46			46	0
Loans	**73,048**	**5,388**	**5,641**		**1,758**	**9,270**
Hotel N2	3,127	0	482			482
SNC Normandie Niemen Bobigny	1,211	165	65			230
SNC La Marina Fréjus	261	25	190			215
SNC Nantes Talensac	1,687	79	131			210
SNC Sucy Parc	1,110	165	32			197
SNC Gambetta le Raincy	3,925	0	166			166
SCI Terres Neuves	403	0	83			83
EURL Proptech	140	132			55	77
SNC Wellio	0	15,389			15,389	0
Covivio Property	0	2,939			2,939	0
Covivio Développement	0	1,135			1,135	0
SNC Le clos de Chanteloup	0	819		819		0
SNC André Lavignolle	0	408			408	0
1630 av Croix Rouge	0	345		345	0	0
SNC Saint Germain Hennemont	0	188			188	0
Other*	2,069	201	41	94	75	73
Current account (1)	**13,933**	**21,989**	**1,189**	**1,258**	**20,188**	**1,732**
Other receivables	22,901	8,579	423		97	8,906
Purchaser unpaid (2)	23	23			0	23
Debtor accounts	**22,924**	**8,602**	**423**	**0**	**97**	**8,929**
TOTAL IMPAIRMENT	**36,857**	**30,591**	**1,612**	**1,258**	**20,285**	**10,660**

* Other: impairment of less than €130 thousand.
(1) Current accounts are impaired by taking into account the negative net equity of subsidiaries and impairments recognised on other receivables.
(2) These are receivables from the settlement of expenses from disposed assets.

4.5.3.2 Current Assets

4.5.3.2.1 Breakdown of receivables by maturity

(In € thousand)	Gross amount as of 31/12/2022	Amount due in less than 1 year	Of which Gross Amount Italian Establishment	Amount due in less than 1 year Italian Establishment	Gross amount at 31/12/2021
Trade receivables and related accounts[1]	**32,040**	**32,040**	**21,571**	**21,571**	**38,641**
Of which expenses that may be recovered from tenants[2]	4,371	4,371			3,327
Invoice not yet submitted	944	944			6,258
Other receivables[3]	**108,863**	**108,863**	**36,050**	**36,050**	**260,292**
Current accounts	59,083	59,083	7,278	7,278	142,474
Other receivables	38,690	38,690	23,257	23,257	115,408
Tax receivable	8,593	8,593	5,515	5,515	1,008
VAT receivables	2,198	2,198			1,247
Principal's current account	300	300			154
TOTAL RECEIVABLES	**140,903**	**140,903**	**57,621**	**57,621**	**298,933**

(1) The application of the impairment rules presented in the accounting principles and methods resulted in the flow of impairments detailed below:

(2) These expenses result in advanced payment requests issued to tenants recorded as liabilities on the balance sheet under "Advanced payments and deposits" in the amount of €6,094 thousand (see Section 4.5.3.5 Payables).

(3) Impairment on other receivables is broken down as follows:

Receivables and impairments (in € K)	Trade receivables at 31/12/2022	Impairments at 31/12/2021	Charges	FTA	Reversals of provisions	Impairments 31/12/2022
Trade receivables Italian Establishment	1,423					
Trade Receivables French Establishment	2,422					
Doubtful receivables Italian Establishment	20,148	18,448	1,157	0	2,208	17,398
Doubtful receivables Covivio France	2,732	758	1,473	485	400	2,316
TOTAL IMPAIRMENT OF TRADE RECEIVABLES	**26,725**	**19,206**	**2,630**	**485**	**2,608**	**19,714**

Receivables and impairments (in € K)	Gross values of receivables at 31/12/2022	Impairments at 31/12/2021	Charges	FTA	Reversals of provisions	Impairments 31/12/2022
Current accounts	**13,933**	**21,989**	**1,189**	**1,258**	**20,188**	**1,732**
Purchaser unpaid	23	23				23
Miscellaneous receivables Italian Branch	23,257	8,579	423		97	8,906
Miscellaneous receivables Covivio France	15,409	0				0
Debtor accounts	**38,690**	**8,602**	**423**	**0**	**97**	**8,929**
TOTAL DEPRECIATIONS OTHER RECEIVABLES						**10,660**

4.5.3.2.2 Marketable securities

The realisable value of the marketable securities was €5,263 thousand as at 31 December 2022. There was no significant unrealised gain, as the Group states the unrealised gains in the last week of each financial year. (Sale/buyback)

(In € thousand)	Gross values at 31/12/2021	Acquis.	Disposals	Reclustering	Gross values at 31/12/2022
Shares held by the company for grant to employees – profit-sharing[1]	0		-2,897	2,897	0
Shares held by the company pending grant[1]	13,664			-2,897	10,767
Shares held by the company for grant to employees - AGA Plan[1]	9,296	37,589			46,885
	22,960	**37,589**	**-2,897**		**57,652**
Term account	615,090	170,251	-785,341		0
VMP[2]	6,038	13,577	-14,352		5,263
Accrued interest on investments	824		-824		0
BMTN to be received	90		-90		0
	622,042	**183,828**	**-800,608**		**5,263**
TOTAL MARKETABLE SECURITIES	**645,003**	**221,417**	**-803,505**	**0**	**62,915**

(1) 560,932 shares allocated to the free share plans for 2020, 2021 and 2022, were the subject of a provision for contingencies and expenses of €15,595 thousand, 189,470 shares pending allocation to free share plans were impaired for €141 thousand based on the average share price in December 2022.

132,225 shares awaiting pending grant to employees, these shares were impaired by €3,390 thousand on the basis of the average share price of December 2022.

(2) As at 31 December 2022, the portfolio of marketable securities comprised traditional money market investment funds (SICAV). The company does not make any speculative investments involving a capital risk.

4.5.3.2.3 Accruals – Assets

(In € thousand)	Gross values at 31/12/2022	Of which Italian Establishment as at 31/12/2022	Gross values at 31/12/2021	Of which Italian Establish ment as at 31/12/2021
Prepaid operating expenses[1]	**1,856**	**1,174**	**1,181**	**539**
Accrued financial expenses	**93,401**	**0**	**108,939**	**0**
Agent commissions	868		17	
Spreading of balances[2]	92,533		108,922	
Isolated Open Positions[2]				
Total prepaid expenses	**95,256**	**1,174**	**110,121**	**539**
Treasury instruments (Cap/Floor premiums)	3,497		1,300	
Treasury instruments IOP	200		311	
Total treasury instruments	**3,696**	**0**	**1,611**	**0**
Amortisable expenses (Loan issue costs)[3]	9,813	3,107	11,540	4,082
TOTAL ACCRUALS	**9,813**	**3,107**	**11,540**	**4,082**

(1) Prepaid operating expenses correspond to external expenses for which the service will be provided after 31/12/2022.

(2) During the 2022 financial year, the premiums paid from the renegotiation of six swaps amounted to €17.5 million. These premiums were spread over the residual term of the swaps. The outstanding premiums to be spread amount to €92.53 million and correspond to a historic accumulation of €182.7 million in premiums paid.

(3) Amortisable expenses exclusively comprise the bond issue costs spread over the term of the bond.

4.5.3.3 shareholders' equity

(In € thousand)	31/12/2021	Increases: Capital increase	Decreases: Other changes during the year	Decreases: Allocation of net income/dividend	31/12/2022
Share capital[1]	283,946	412			284,358
Share premium[1]	3,239,023	-431			3,238,593
Additional paid-in capital	296,342				296,342
Merger premiums	584,428		7	-66,352	518,082
Revaluation reserves	83,453		-83,453		0
Legal reserve	28,363	18		31	28,413
Other reserves	0		83,453		83,453
Retained earnings	1,302			581	1,883
Allocation of 2021 net income[2]	287,595			-287,595	0
Net income for the 2022 financial year			282,954		282,954
Regulated provisions	34,024		101		34,125
SHAREHOLDERS' EQUITY	**4,838,477**	**0**	**283,061**	**-353,335**	**4,768,203**

(1) Capital increase of 137,405 shares as part of the free share plans.

(2) The Ordinary and Extraordinary General Meeting on 21 April 2022 allocated net income as described below and paid a dividend of €3.75 per share.

(In € thousand)	
Net income for the financial year ended 31 December 2021	287,595
Merger premium	66,352
Retained earnings	1,302
TOTAL TO BE ALLOCATED	**355,250**
Legal reserve	31
Dividends paid out	353,335
Retained earnings	1,883
TOTAL ALLOCATED	**355,250**

4.5.3.4 Provisions

(In € thousand)	Note	31/12/2021	Increases: Of which Italian Establishment as at 31/12/2021	Increases: FTA and Merger	Increases: Operating charges	Increases: Financial charges	Decreases: Reversals of operating provisions (amount used)	Decreases: Reversals of operating provisions (amount not used)	Decreases: Reversals of financial provisions (amount not used)	31/12/2022	Of which Italian Establishment as at 31/12/2022
Provisions for risks		**13,682**	**3,427**	**571**	**2,380**	**13,698**	**2,110**	**921**	**632**	**26,668**	**2,473**
Portfolio-related disputes[1]		4,962	3,130	570	1,651		950	921		5,311	2,151
Provisions for litigation		297	297		25					322	322
Provisions relating to investments		2,431				2,233			632	4,031	
Provisions for URSSAF AGA		1,863		1	705		1,160			1,408	
Provision Plan AGA		4,130		0		11,465				15,595	
Provisions for losses		**3,204**	**306**	**0**	**173**	**0**	**699**	**271**	**0**	**2,406**	**3**
End-of-career benefits	*4.5.3.4.1*	1,802					430			1,373	
Provisions for tax – tax audit		306	306		3		35	271		3	3
Long service award		1,095					235			861	
Provision for departure and salary disputes		0			170					170	
TOTAL		**16,886**	**3,733**	**571**	**2,553**	**13,698**	**2,809**	**1,192**	**632**	**29,074**	**2,476**

(1) Allowances for provisions for property contingencies and expenses were made in France and Italy in 2022.

The provision of €1,651 thousand and the reversal of €1,871 thousand correspond to the rental guarantees given following the disposals of buildings, and repair costs to comply with environmental standards after anomalies were discovered after the disposals in Italy.

4.5.3.4.1 End-of-career benefits

Covivio applies the IFRIC 21 approach for the parent company financial statements concerning retirement benefits.

Main assumptions used for end-of-career benefits and long-service awards

Parameters	31/12/2022	31/12/2021
Discount rate	3.130%	0.60%
Annual inflation		
Annual wage growth		
Executives	4%	4%
Non-managers	3%	3%
Payroll tax rate (IFC only)	47.17%	48.49%
Mortality rate	TGF05/TGH05	TGF05/TGH05
Turnover		
Up to 49	9.11%	8.56%
50 and over	0%	0%
Reason for retirement	100% voluntary	100% voluntary

4.5.3.5 Debts

(In € thousand)	Note	31/12/2022	Amount due in less than 1 year	Amount due in 1 to 5 years	Amount due in over 5 years	Of which Italian Establishment 31/12/2022	Of which Italian Establishment Amount due in less than 1 year	Of which Italian Establishment Amount due in 1 to 5 years	Of which Italian Establishment Amount due in over 5 years	31/12/2021
Convertible bonds	4.5.3.5.1									
Bonds	4.5.3.5.1	2,819,446	24,446	1,395,000	1,400,000	607,160	7,160	300,000	300,000	2,946,454
Loans and debts with credit institutions[1]		746,417	709,417	37,000						1,460,609
Current accounts and various financial debts		163,147	159,169	3,978		16,565	12,587	3,978		253,690
Total financial debt		**3,729,010**	**893,032**	**1,435,978**	**1,400,000**	**623,726**	**19,748**	**303,978**	**300,000**	**4,660,754**
Advanced payments and deposits[2]		6,445	6,445			351	351			4,088
Trade payables and related accounts[3]		12,870	12,870			5,931	5,931			18,910
Debt on property assets and related accounts[3]		9,791	9,791			7,786	7,786			9,199
Tax and social security payables[4]		15,362	15,362			5,636	5,636			24,378
Other payables[5]		6,196	6,196			1,576	1,576			6,727
TOTAL REALISED		**3,779,675**	**943,697**	**1,435,978**	**1,400,000**	**645,006**	**41,028**	**303,978**	**300,000**	**4,724,057**

(1) Breakdown of loans and debts with credit institutions:
 * the outstanding principal on credit lines and commercial paper amounts to €743,000 thousand
 * the accrued interest not yet due for €3,384 thousand.
 The amount of borrowings taken out and credit lines drawn totalled €135,000 thousand and only concerned treasury bills.

(2) This line refers to calls for funds from tenants.

(3) Breakdown of trade payables and fixed asset suppliers.

(4) Breakdown of tax and social security payables:
- the VAT, €488 thousand
- the income tax of €616 thousand
- the payroll and social security expenses, €4,080 thousand
- the personnel expenses of €7,109 thousand, including provisions for paid leave of €1,976 thousand
- the organic, €76 thousand
- the tax liabilities, €2,993 thousand.

(5) Other payables item corresponds to the balance of accounts:
- the trade receivables in the amount of €4,504 thousand
- the receivables on disposals of fixed assets €250 thousand
- the other receivables €1,442 thousand.

(In € thousand)	31/12/2022	Of which Italian Establishment
Operating payables	**12,870**	**5,931**
Trade payables and related accounts	840	0
Trade payables – Invoices not received	11,908	5,931
Not used commission payable	122	
Debt on property assets and related accounts	**9,791**	**7,786**
Trade payables on fixed assets and related accounts	8,479	7,786
Trade payables – hold-backs	19	
Trade payables on fixed assets – Invoices not received	1,293	
TOTAL TRADE PAYABLES ON FIXED ASSETS	**22,662**	**13,717**

4.5.3.5.1 Bonds

The bond principal outstanding is €2,795 million, of which €24 million accrued interest.

The table below summarises the major features of these borrowings:

Issue date	20.05.2016
Issue amount (in € M)	€500 M
Nominal rate	1.875%
Maturity	20.05.2026

Issue date	21.06.2017
Issue amount (in € M)	€500 M
Nominal rate	1,500%
Maturity	21.06.2027

Issue date	23.02.2018
Issue amount (in € M)	€95 M
Nominal rate	1.500%
Maturity	21.06.2027

Issue date	17.09.2019
Issue amount (in € M)	€500 M
Nominal rate	1.125%
Maturity	17.09.2031

Issue date	23.06.2020
Issue amount (in € M)	€500 M
Nominal rate	1.625%
Maturity	23.06.2030

Issue date	20.01.2021
Issue amount (in € M)	€100 M
Nominal rate	0.875%
Maturity	20.01.2033

BOND Italy

Issue date	17.10.2017
Issue amount (in € M)	€300 M
Nominal rate	1,625%
Maturity	17.10.2024

Issue date	20.02.2018
Issue amount (in € M)	€300 M
Nominal rate	2.375%
Maturity	20.02.2028

4.5.3.5.2 Treasury instruments

This line refers to the fair value at closing of the financial instruments qualified as standalone open positions offset by a provisional account "Adjustment account – Assets".

4.5.3.5.3 Bank covenants

As of 31 December 2022, the consolidated ICR and LTV corporate bank covenants are all respected:

- LTV < 60%
- ICR > 200%.
- Secured Financial Debt < 25%.

4.5.3.5.4 Accrued expenses and deferred income

(In € thousand)	31/12/2022	Of which Italian Establishment	31/12/2021	Of which Italian Establishment
Trade payables – Invoices not received	11,908	5,931	16,812	9,078
Trade payables on fixed assets – Invoices not received	1,312		828	
Paid leave	1,976	530	1,937	496
Other tax and social security liabilities	5,737	469	5,591	429
Accrued bank interest – Charges	5		0	
Accrued interest not yet due on borrowings*	27,830	7,160	28,663	9,169
Unused commission to be paid	122		70	
TOTAL	**48,890**	**14,091**	**53,901**	**19,172**
Treasury instruments IOP	15,773		23,027	
TOTAL TREASURY INSTRUMENTS	**15,773**	**0**	**23,027**	**0**
Pre-booked income				
Spread of balances**	17,795		20,454	
Isolated Open Positions**	644		644	
Treasury bills	59		1,135	
Rental activity	1,200	1,200	2,892	2,873
TOTAL DEFERRED REVENUE	**19,698**	**1,200**	**25,125**	**2,873**

* The accrued interest is from treasury bills, bank loans and swaps (€3,384 thousand) and bonds (€24,446 thousand).

** For the 2022 financial year, no renegotiated Swaps. As of 31/12/2022 the amount remaining to be spread over Swaps and appearing in BCPs was €17.8 million. Note: the cash payments received amounted to €26.7 million.

4.5.4 Notes to the income statement

At 31 December 2022, net income amounted to €282,954 thousand, compared with €287,595 thousand in 2021.

Beni Stabili merged with Covivio on 31 December 2018.

From 1 January 2019, the Italian Permanent Branch has been included in Covivio's income statement.

4.5.4.1 Operating income

4.5.4.1.1 Revenues

(In € thousand)	31/12/2022	31/12/2021	Of which Italian Establishments 2022	Of which Italian Establishments 2021
Rental income	**107,457**	**111,057**	**66,074**	**69,913**
Offices	107,457	111,057	66,074	69,913
Real estate business	**1**	**1,500**	**1**	**1,500**
Service revenues	**30,684**	**35,499**	**2,988**	**3,321**
TOTAL	**138,141**	**148,056**	**69,063**	**74,734**

The change in revenue is explained by the decrease in rents related to the disposals of buildings in 2021 and offset by indexation.

4.5.4.1.2 Reversals of provisions and transfers of operating expenses

The reversals of provisions and transfers of operating expenses mainly consist of:

(In € thousand)	31/12/2022	Of which Italian Establishment
Reversals of provisions for operating contingencies and charges	**4,001**	**1,986**
Provisions for litigation related to the portfolio	2,177	1,986
Provisions for social security contribution (URSSAF) for free share allocation	1,160	
Provision for departure		
Provision for pension and long-service	430	
Provisions for long-service awards	235	
Reversal of impairment of tangible fixed assets	**1,458**	**1,458**
Reversal of impairment on inventories	**2,863**	**2,863**
Reversals of provisions for doubtful receivables and purchasers	**2,704**	**2,304**
Transferred charges	**2,157**	**0**
Loan issue costs	751	
Benefits in kind awarded to staff	109	
Incentive plan invested in shares	1,159	
Property tax relief		
Rebilled personnel expenses	8	
Repayment of insurance and other operating expenses	130	
TOTAL REVERSALS OF PROVISIONS, IMPAIRMENTS AND TRANSFERRED EXPENSES	**13,183**	**8,611**

4.5.4.1.3 Operating expenses

(In € thousand)	31/12/2022	31/12/2021	Of which Italian Establishment 2022	Of which Italian Establishment 2021
Purchases – Real estate traders	170	1,451	170	1,451
Change in inventory – Real estate traders	2,863	3,798	2,863	3,798
Other purchases and external expenses(1)	42,057	39,283	18,972	19,063
Taxes and related payments	12,391	15,341	8,443	9,155
Staff costs	43,029	36,056	9,585	7,489
Depreciation, amortisation and provisions(2)	78,981	92,907	56,451	74,255
Other operating expenses(3)	3,086	5,348	2,431	3,481
TOTAL OPERATING EXPENSES	**182,578**	**194,184**	**98,915**	**118,692**

(1) The decrease in the item Other purchases and external expenses is mainly due to the reduction of fees.

(2) Breakdown of depreciation, amortisation and provisions given in the note.

(3) The item "other operating expenses" mainly corresponds to losses on irrecoverable receivables of €1,888 thousand, Directors' remuneration of €424 thousand, a yield guarantee of €758 thousand and sundry expenses of €758 thousand for ongoing management in Italy.

(In € thousand)	31/12/2022	31/12/2021	Of which Stable Establishment 2022	Of which Italian Establishment 2021
Amortisation of intangible assets	890	1,185	1	324
Depreciation of rental assets	43,255	47,464	33,309	36,464
Depreciation of furniture and equipment	479	500	87	82
Depreciation of merger deficit	1,090	1,101		
Prepaid expenses	2,477	2,628	975	1,152
Sub-total for depreciation and amortisation	**48,191**	**52,879**	**34,372**	**38,023**
Depreciation of MDB stock	1,873	1,652	1,873	1,652
Provisions for trade receivables	3,053	6,670	1,580	6,519
Provisions for fixed assets	23,311	29,598	17,897	26,725
Provisions for contingencies and expenses(4)	2,553	2,108	729	1,337
Subtotal allowances for impairments and provisions	**30,790**	**40,028**	**22,079**	**36,233**
TOTAL	**78,981**	**92,907**	**56,451**	**74,255**

(4) Details of provisions for contingencies and expenses are given in paragraph 4.5.3.4. These allocations concern the Urssaf AGA provisions of €705 thousand, provisions related to the portfolio of €1,676 thousand and provisions for personnel disputes of €170 thousand.

4.5.4.2 Net financial income

(In € thousand)	*Note 4.5.4*	31/12/2022	31/12/2021	Of which Italian Establishment 2022	Of which Italian Establishment 2021
Financial income from investments		**286,826**	**284,622**	**41,293**	**48,893**
Dividends received from subsidiaries and equity investments	*2.1*	286,826	284,622	41,293	48,893
Financial income on guarantees given		0	0		
Other marketable securities and fixed asset receivables income		**9,015**	**10,885**	**0**	**-2**
Income from loans to employees		2	-1	0	-2
Income from loans to subsidiaries		9,014	10,885		
Other interest and similar income		**151,984**	**97,838**	**796**	**838**
Interest on group current accounts		3,796	3,477	137	200
Income from financial instruments		14,718	20,278		
Income from treasury bills		3,880	5,164		
Revenue from term accounts		2,379	3,011		
Premiums and cash adjustments received		9,912	9,912		
Other income		638	771	541	638
Statutory interest		3,232	15,678		
Merger premiums	*2.2*	113,430	39,546	117	
Reversals of provisions and transferred expenses	***2.3***	**60,877**	**12,481**	**19,996**	**1,160**
Reversals of provisions for financial contingencies and charges					
Reversals of provisions for financial risks related to securities – current accounts		20,820	2,449		
Reversals of provisions for treasury share risks					
Reversals of provisions on financial assets	*4.5.3.1.6*	32,306	5,903	19,996	1,160
Reversals of provisions for merger deficit on financial assets					
Transferred financial expenses		7,750	4,130		
Net income from disposal of marketable securities		**3**	**0**		
Total financial income		**508,706**	**405,826**	**62,086**	**50,888**
Provisions for financial contingencies and losses		**96,204**	**57,828**	**6,577**	**6,507**
Provisions for financial contingencies					
Provisions for financial contingencies related to securities – current accounts		3,422	10,871		
Provision for financial risks – treasury shares		11,465	4,130		
Provisions on financial assets[(1)]	*4.5.3.1.6*	79,822	41,332	6,577	6,507
Provisions for merger deficit on financial assets					
Other financial provisions		1,495	1,494		
Interest and similar expenses		**107,445**	**115,001**	**28,469**	**28,140**
Interests on loans and swaps		60,617	68,654	12,776	16,319
Interest on group current accounts		3,676	2,501	436	209
Bank interest and financing operations		4,114	4,107		
Merger deficits	*2.2*	625	642		
Premiums and cash adjustments paid		3,713	8,557	3,713	8,557
Spreading of premiums and cash adjustments	*4.5.3.2.3*	34,552	30,427		
Fair value adjustments to financial instruments		111	111		
Reversal of valuation of derivative financial instruments	*4.5.3.4*				
Other financial expenses		36	3	11,545	3,056
Net expenses from disposal of marketable securities		**24**	**29**		
Net expenses on disposals of treasury shares		**2,897**	**2,577**		
Total financial expenses		**206,570**	**175,435**	**35,047**	**34,647**
NET FINANCIAL INCOME		**302,135**	**230,391**	**27,039**	**16,241**

(1) Corresponds to impairments related to equity investments for €78,100 thousand (see 4.5.3.1.6 and 4.5.3.1.7) mainly and on treasury shares for €18 thousand (liquidity agreement) and €1,704 thousand on treasury shares pending grants to employees.

4.5.4.2.1 Breakdown of dividends

Dividends received from subsidiaries are shown in the table of subsidiaries and associates 4.5.6.6.

4.5.4.2.2 Breakdown of merger premiums and deficits for the year

(In € thousand)	Accounting treatment			
Company	Financial income (merger premium)	Financial expense (merger deficit)	Allocation to the account of the underlying	Allocation to shareholders' equity (merger premium)
Fédération	111,623			
Red Cross				7
SNC le Printemps Sartrouville		10		
SNC GauguinST Ouen L'Aumone		135		
Foncière Développement Logement	1,481			
SNC Le Clos de Chanteloup		56		
Lenopromo	109			
Promomurs	89			
Tours Coty		425		
Covivio Lux	11			
RGD Gestioni	117			
TOTAL	**113,430**	**625**	**0**	**7**

4.5.4.2.3 Breakdown of reversals of provisions and transfers of financial expenses

(In € thousand)	31/12/2022	Of which Italian Establishment 2022
Reversals of provisions for financial contingencies and charges	**53,127**	**19,996**
Reversals of provisions relating to investments:	**53,081**	**19,996**
Reversals of provisions on investments	32,261	19,996
Reversal of provisions for risks – current accounts	20,820	
Other reversals of provisions of a financial nature	**46**	**0**
Reversals of provisions on treasury shares	40	
Reversals of provisions on investment securities	6	
Transferred financial expenses	**7,750**	**0**
Expenses on allocation of shares to employees	7,750	
TOTAL	**60,877**	**19,996**

4.5.4.3 Exceptional income

Exceptional income of €10.96 million was mainly impacted by capital gains on the disposal of equity investments, i.e. € 20.41 million less capital losses on the sale of properties in Italy for €2.41 thousand € and scrapping and costs on sales for €8.38 million.

Income (in € K)	31/12/2022	31/12/2021	Of which Italian Esta-blishment 31/12/2022	Of which Italian Esta-blishment 31/12/2021	Expenses (in € K)	31/12/2022	2022 Net	31/12/2021	2021 Net	Of which Italian Esta-blishment 31/12/2022	Of which Italian Esta-blishment 31/12/2021
Exceptional income on management transactions	**2,257**	**192**	**2,252**	**0**	**Exceptional expenses on management transactions**	**83**	**2,174**	**145**	**46**	**1**	**23**
Miscellaneous income					Miscellaneous expenses	1	-1	25	-25	1	23
Non-recurring income on finance leases					Expenses on finance leases		0				
					Abandoned transaction		0		0		
Non-recurring income on leasing	2,257	192	2,252		Non-recurring expenses on operating leases	81	2,175	120	71		
Income on capital transactions	**221,451**	**284,593**	**91,383**	**69,432**	**Expenses on capital transactions**	**212,580**	**8,871**	**185,949**	**98,644**	**98,818**	**68,794**
Income on disposal of buildings	90,929	237,896	90,929	67,612	Book value of buildings sold off	93,342	-2,413	137,251	100,644	93,342	65,322
Income on disposals of other fixed assets sold	7			0	NBV of other fixed assets sold	8,392	-8,385	2,792	-2,792	5,193	1,699
Income from disposals of intangible assets					NBV of intangible fixed assets	2	-2		0		
Income on disposals of treasury shares	41,562	44,207			NBV of treasury shares sold	42,379	-817	43,958	249		
Income from disposals of securities[1]	88,474	1,791	355	1,786	Book value of securities disposed of[1]	68,058	20,416	1,778	13	282	1,774
Miscellaneous non-recurring income	478	699	98	34	Miscellaneous expenses	406	72	169	530		
Reversals of provisions	**0**	**0**	**0**	**0**	**Depreciation and provisions**	**101**	**-101**	**61**	**-61**	**0**	**0**
Provisions for capital cost allowances					Capital cost allowances	101	-101	61	-61		
Finance leases – Reversals of Art. 64 provisions					Finance leases – Art. 64 provisions		0		0		
Reversals of provisions for taxes					Depreciation and amortisation charges		0		0		
Non-recurring income	**223,707**	**284,785**	**93,635**	**69,432**	**Non-recurring expenses**	**212,763**	**10,945**	**186,155**	**98,630**	**98,819**	**68,817**
NET NON-RECURRING INCOME	**10,945**	**98,630**	**-5,184**	**615**							

(1) Income from disposals and book value of securities disposed of.

(In € thousand)	Disposal price	Net book value	Income from disposal
Attivita Commerciali Beinasco SRL – 2021 earn-out	62		62
NOMISMA SPA	293	282	11
République	39,023	50,950	-11,928
EB2	1,363	451	913
Gespar	647	56	591
11 place de l'Europe	35,819	15,434	20,384
ORIANZ	11,268	885	10,383
TOTAL	**88,474**	**68,058**	**20,416**

4.5.4.4 Income tax

Covivio's French establishment is subject to the SIIC regime; for 2022, the taxable income is a deficit of €10,744,430.17.

The SIIC regime allows the exemption of:

- income from the leasing of assets
- capital gains from the disposal of assets to non-related companies
- dividends from subsidiaries are either subject to corporate income tax and opting for the SIIC regime or not subject to corporate income tax.

In return, the company is subject to the following obligations concerning dividends:

- 95% of the taxable income from the leasing of assets must be distributed before the end of the year after the one in which said income was generated
- 70% of the capital gains from disposals of assets and shares in subsidiaries having opted for the tax treatment must be distributed before the end of the second financial year following the one in which they were realised
- 100% of the dividends from subsidiaries that have opted for the tax treatment must be distributed during the year after the year they are received.

The total distribution obligation is calculated by applying the appropriate distribution coefficient to each income category, limited to the taxable income from the entire exempt sector.

The tax credits amounted to €114,021 for the 2022 financial year.

Following Beni Stabili's merger with Covivio, the tax arrangements for Covivio's permanent establishment in Italy changed after it left the SIIQ tax regime. Since 2019 it has been subject to the 20% tax on real estate companies.

4.5.4.5 Increases and relief of future tax liabilities

As at 31 December 2021, Covivio had a tax loss carryforward of €285,520,667.

For the 2021 financial year, the amount of the losses used is €12,323,323.

The tax loss carryforwards now amount to €273,197,344.

4.5.4.6 Non-tax deductible expenses

In accordance with the provisions of Article 223 *quater* of the French General Tax Code, it should be noted that the financial statements for the past year include a total of €29,973 corresponding to non-tax-deductible expenses (depreciation, amortisation and excess rent on leased vehicles).

During the past financial year, Covivio incurred no expenses subject to Articles 223 *quinquies* and 39-4 of the French General Tax Code. It is recalled that the expenses covered by these articles are sumptuary expenses, such as for hunting, yachting and pleasure craft such as sail boats or motor boats.

Article 223 *quater* states that companies liable for corporate income tax must show these expenses in their financial statements and submit them every year for the approval by the Ordinary General Meeting.

4.5.5 Off-balance sheet commitments

4.5.5.1 Commitments given

Off-balance sheet commitments given (in € million)	Delivery date	31/12/2022	31/12/2021
Commitments related to operating activities (A+B+C)		**285.4**	**58.7**
A- Commitments given related to business development		**254.4**	**40.5**
Work commitments outstanding on assets under development		252.5	38.6
Guarantees given in connection with development projects			
Bank guaranties and other guaranties given		2.0	2.0
B- Commitments related to the implementation of operating contracts		**13.9**	**14.7**
Other contractual commitments given in "rental income owed"	2,051	13.9	14.4
Works commitments outstanding on assets in inventory			0.3
C- Commitments related to asset disposals		**17.1**	**3.5**
Preliminary sale agreements given [1]		17.1	3.5

(1) preliminary sale agreement.

- Under its SIIC status, the Group has specific obligations, as set out in Section 4.2.1.6.7.1
- Under the free-share plans awarded (see Section 4.2.7.2), Covivio has undertaken to deliver (through acquisition or creation) 560,932 shares to the beneficiaries present at the end of the vesting period.

4.5.5.1.1 Swaps

As a variable-rate borrower, Covivio is subject to the risk of interest rates rising over time. The exposure to this risk is limited through hedging (swaps, caps and floors).

Covivio's loans and debts with credit institutions have been covered by swap agreements.

The table below summarises the major features of these swap contracts:

Start date	End date	Ref.	Bank	Rate type	Notional (In € K)	Fair value (In € K)
18/02/2016	14/10/2024	Swaps	CM CIC	0.50%	50,000	-2,414
21/06/2017	21/06/2024	Swaps	ING	0.76%	75,000	-2,870
30/09/2019	30/06/2028	Swaps	CM CIC	0.87%	100,000	11,042
31/12/2018	30/06/2028	Swaps	ING	0.83%	50,000	5,634
15/01/2020	15/01/2026	Swaps	SG	0.21%	650,000	-55,301
15/01/2020	15/01/2030	Swaps	SG	0.45%	400,000	77,050
15/01/2020	15/01/2031	Swaps	CACIB	0.84%	75,000	11,754
15/04/2020	15/01/2032	Swaps	LCL	1.04%	70,000	11,083
15/01/2020	15/01/2031	Swaps	SG	1.18%	150,000	19,888
23/06/2020	24/06/2027	Swaps	SG	Euribor 3M+0.0660%	100,000	-13,640
23/06/2020	24/06/2030	Swaps	CACIB	Euribor 3M+0.0685%	250,000	-53,923
15/01/2021	15/01/2032	Swaps	CACIB	Euribor 3M+0.88%	200,000	34,314
17/01/2022	17/01/2033	Swaps	NATIXIS	Euribor 3M+0.875%	130,000	31,176
17/01/2022	15/01/2032	Swaps	ING	Euribor 3M+0.885%	100,000	22,165
17/01/2022	15/01/2032	Swaps	CACIB	Euribor 3M+0.83%	100,000	22,343
17/01/2022	17/01/2033	Swaps	LCL	Euribor 3M+0.838%	100,000	24,130
17/01/2022	17/01/2028	Swaps	SG	0.41%	550,000	-67,948
31/03/2022	15/01/2032	Swaps	NATIXIS	1.11%	75,000	11,457
31/03/2022	15/01/2032	Swaps	CIC	1.16%	100,000	14,870
15.07.2019	13.04.2029	Swaps	SG	0.83%	50,000	6,301

4.5.5.1.2 Caps and floors

Covivio's loans and debts with credit institutions are subject to a cap and *floor contract*.

The table below summarises the major features of these contracts:

Start date	End date	Ref.	Bank	Rate type	Notional (In € K)	Fair value (In € K)
15/01/2019	16/01/2023	A – Cap	HSBC	Euribor 3M	100,000	36
17/01/2028	15/01/2032	C. SWAPTION	LCL	Euribor 3M	70,000	-4,950
15/04/2020	17/07/2023	A – Cap	SG	Euribor 3M	125,000	1,788
20/01/2021	22/04/2024	A -floor	CACIB	Euribor 3M	100,000	2
15/01/2032	16/01/2034	V -P SWAPTION	CACIB	Euribor 3M	200,000	-764
16/02/2023	15/01/2026	A – UOCAP	SG	Euribor 3M	200.000	1,043
Italian Branch						
None						

4.5.5.2 Commitments received

Off-balance sheet commitments received (in € M)	Delivery date	31/12/2022	31/12/2021
Commitments related to financing		**1,225.0**	**1,330.0**
Financial guarantees received (authorised lines of credit not used)		1,225.0	1.330.0
Commitments related to operating activities		**725.1**	**532.1**
Other contractual commitments received related to activity		455.5	488.2
Assets received in pledge, mortgage or collateral, as well as guarantees received			1.6
Preliminary sale agreements received = Preliminary sale agreements given		17.1	3.5
Works commitment outstanding (fixed assets) = (2) + (3) commitments given		252.5	38.9

4.5.6 Miscellaneous information

4.5.6.1 Average headcount during the year and at the end of the period

2022 – Covivio France		2022 – Covivio Italie		Total 2022	Totl 2021
Executives	155	Managers	7	162	155
Supervisors	15	Supervisors	22	37	35
Employees	1	Employees	51	52	53
TOTAL EXCLUDING APPRENTICES	**171**	**TOTAL EXCLUDING APPRENTICES**	**80**	**251**	**243**
Apprentices – Professional contracts	15	Apprentices	0	15	12
TOTAL FRANCE	**186**	**TOTAL ITALY**	**80**	**266**	**255**

The average headcount for 2022 was 185.92 in France and 78.58 in Italy.

4.5.6.2 Remuneration of administrative and management bodies

4.5.6.2.1 Remuneration of Board members

The members of the Covivio Board received remuneration in the amount of €707 thousand in 2022 compared to €631,250 in 2021.

4.5.6.2.2 Remuneration of General Management

The members of the General Management and the Chairman of the Covivio Board of Directors received overall remuneration of €2,772 thousand for their roles, excluding the value of free shares.

The members of the General Management do not receive any post-retirement benefits, other than payment of the following compensation:

In the event of forced departure as a result of a change in control or strategy, the following Directors will receive compensation, provided that the performance conditions are met:

- Christophe Kullmann (Chief Executive Officer): the compensation will be equal to 12 months of total compensation including the fixed salary and the annual variable portion, increased by one month of additional remuneration per year of service capped at 24 months of remuneration, subject to two conditions:

1. the first is linked to the NAV
2. the second is linked to meeting the performance targets of the annual bonus.

- Olivier Esteve: his amount will be equal to 12 months of total remuneration (fixed salary and the annual variable portion), increased by one month of additional remuneration per year of service capped at 24 months of remuneration, subject to two conditions:

1. the first is linked to the NAV
2. the second is linked to meeting the performance targets of the annual bonus.

4.5.6.3 Information regarding related-party transactions

All related-party transactions are concluded under normal market conditions or are immaterial.

The term “related-party transactions” as presented here is defined under Article R. 123-199-1 of the French Commercial Code. It includes, in particular, all entities consolidated by Covivio, irrespective of the chosen method of consolidation. It also includes:

- persons or close family members of persons exercising joint control, significant influence, or who are key executives of Covivio
- controlled entities, jointly controlled entities, over which significant influence is exercised, or managed by the persons defined in the previous point.

4.5.6.4 Information on items with related companies 2022

The table below includes all related-party transactions for the financial year ended 31 December 2022, including transactions with wholly owned subsidiaries.

(In € thousand)	Amount
Advances and advanced payments on fixed assets	
Investments	5,213,669
Investment-related receivables	
Loans	1,503,071
Trade receivables and related accounts	3,236
Other receivables	59,290
Other sundry long-term loans and borrowings	
Other sundry short-term loans and borrowings	151,919
Advances and advanced payments received on orders in progress	332
Trade payables and related accounts	121
Debt on fixed assets and related accounts	
Other liabilities	0
Income from investments	366,508
Other financial income	26,394
Financial expenses	-15,227

4.5.6.5 Free shares

In 2022, a total of 142,848 free shares were awarded by Covivio.

The following fair-value assumptions were made for the free shares:

	2022			
	Corporate officers – with performance conditions[1]	Corporate officers – with performance condition[2]	Corporate officers and/or employees – without performance condition plan	Group plans for employees and managers
Date awarded	22.02.2022	22.02.2022	22.02.2022	24.11.2022
Number of shares awarded	18,209	18,209	14,335	92,095
Share price on the date awarded	€73.24	€73.24	€73.24	€57.15
Acquisition period	3 years	3 years	3 years	3 years
Lock-up period				
2022 dividend per share	3.80	3.80	3.80	
2023 dividend per share	3.80	3.80	3.80	3.90
2024 dividend per share	3.80	3.80	3.80	3.90
2025 dividend per share				3.90
Value of free share	€61.29	€61.29	€61.29	€45.82
Value of the benefit	€36.06	€36.97	€49.30	€35.10

At 31 December 2022, 560,932 free shares had been granted but were not yet vested.

4.5.6.6 Subsidiaries and equity investments

Companies or groups of companies	Capital	Reserves and retained earnings before allocation of income	Share of capital held (in %)	Book value of securities held	
				gross	net
I. Detailed information					
A. Subsidiaries (at least 50% of the capital held by the company)					
1) Real estate activities					
a) Leasing					
Foncière Développement Logement (FTA on 30.09.2022)	1,357	34,981	100.00		
Fédération (FTA on 30.06.2022)	0	0	100.00		
FDR7	3	822	100.00	825	825
SA Technical	102,026	87,170	100.00	358,640	358,640
SCI Le Ponant 1986	15	7,017	100.00	4,162	4,162
SCI Atlantis	2	6,521	100.00	28,429	28,429
SCI Iméfa 127	81,788	1,321	100.00	103,476	103,476
Latécoëre	4,714	-37,520	50.10	30,851	30,851
SCI du 32 avenue P. Grenier	157	6,723	100.00	20,610	20,610
SCI du 40 rue JJ. Rousseau	24	3	100.00	12	12
SCI du 3 place A Chaussy	15	0	100.00	234	234
SARL BGA Transactions	50	3,184	100.00	3,210	3,210
SCI du 9 rue des Cuirassiers	85	-8,574	50.10	5,693	5,693
SCI du 15 rue des Cuirassiers	159	-5,627	50.10	1,072	1,072
SCI du 10B et 11A 13 allée des Tanneurs	32	731	100.00	1,441	1,441
SCI 1 rue de Châteaudun	17	1,112	100.00	2,048	2,048
SCI du 1630 avenue de la Croix Rouge (FTA on 30/6/2022)	0	0	100.00	0	0
SCI du 125 avenue du Brancolar	25	260	100.00	7	7
SARL du 106-110 rue des Troënes	9	-1,248	100.00	9	9
SCI du 20 avenue Victor Hugo	12	1	100.00	3	0
SNC Palmer Plage	4,811	-4,639	100.00	1,917	1,917
SCI Dual Center	1,352	995	100.00	1,500	1,500
SCI Pompidou	966	4,035	100.00	5,000	5,000
SCI 11 Place de l'Europe	0	0	50.09	0	0
Office CB 21	330,447	5,998	75.00	247,695	247,695
SCI Lenovilla	8	1,310	50.10	24,286	24,286
SCI Latécoère 2	2	-3,964	50.10	1	1
SCI Meudon Saulnier	1	-8,976	99.90	1	0
SCI Charenton	3,201	22,009	100.00	16,001	16,001
SCI Avenue de la Marne	50	-5,648	100.00	50	50
Omega B	26,928	8,407	100.00	38,983	38,983
Covivio LUX (Liquidation on 24.12.2022)	13	90	100.00	0	0
SCI Rueil B2	1	5,034	99.90	11	11
SCI Factor E	10	538	100.00	13,081	13,081
SNC Wellio	2	4,594	99.90	20,001	568
SCI Cité Numérique	1	-1,138	99.90	1	1
SCI Danton Numérique	1	-7,555	99.90	1	1
SCI N2 Batignolles	6	10,136	50.00	10,314	10,314
SAS 6 rue Fructidor	4,795	43,278	50.10	24,787	24,787
SCI Terres neuves	1	-180	99.90	1	0
SCI de la Louisiane	1	-66	99.90	1	0
SCI Meudon June	1	0	99.90	1	0

Outstanding loans and advances granted by the company and not reimbursed	Guarantees and sureties given by the company	Revenues net of tax for the most recent year ended	Profit (loss) for the most recent year ended	Dividends received by the company over the year
		15	1,631	
		0	0	
537		412	1,003	286
		50,896	31,361	48,973
476		1,468	1,013	1,200
23,600		6,303	4,611	3,500
		7,618	3,684	2,999
		20,935	6,609	
12,621		1,349	-497	
6,400		898	538	235
4,400		1,350	713	642
28,400		5,117	1,860	1,748
40,726		3,538	-9,091	
		3,604	-461	
8,279		1,804	1,059	700
2,150		1,220	908	852
		0	0	
8,672		35	-552	
2,523		84	-34	
2,850		396	-335	195
108,432		6,853	-911	
2,494		521	175	272
5,000		1,067	386	217
		0	0	
		0	7,755	223
19,938		16,148	7,503	4,008
58,196		5,263	404	
26,592		0	-723	
53,147		8,714	4,141	3,201
97,962		6,528	1,623	
97,076		25	-4,911	
			-30	
76,678		6,140	880	
28,243		2,523	862	
6,381		19,541	-4,028	
33,546		2,637	-13	
129,858		2,295	-4,009	
69,881		7	-1,382	
99,591		110	-3,332	
546		0	-7	
4,592		0	-19	
			0	

Companies or groups of companies	Capital	Reserves and retained earnings before allocation of net income	Share of capital held (in %)	Book value of securities held	
				gross	net
b) Foreign companies					
Covivio 7 Spa	520	7,847	100.00	17,654	6,926
RGD Gestioni					
Covivio Immobiliare 9 SpA	120	96,777	100.00	90,554	84,176
SAS Covivio Alexanderplatz	20,418	171,639	55.00	111,158	111,158
Covivio Ativita Immobiliri 2	10	11,588	100.00	10,226	10,226
Covivio Ativita Immobiliri 3	10	11	100.00	35	14
Covivio Development Italy SpA SIINQ	50	469,455	100.00	423,276	423,276
Covivio Attivita Immobiliari 4	10	4	100.00	15	12
Covivio Attivita Immobiliari 5	10	0	100.00	10	10
Fondo Porta di Romana	86,677	0	100.00	34,917	34,917
c) Real estate trader					
SARL GFR Ravinelle	952	942	99.98	1,734	1,734
d) Property development					
Lenopromo (FTA on 11/30/2022)	1	119	99.90		
Latepromo	1	6	99.90	1	1
Promomurs (FTA on 11/30/2022)	1	130	100.00	0	0
SNC le clos de chanteloup (FTA on 30/11/2022)	1	-821	99.90	0	0
SNC Bordeaux lac	1	-1,496	99.90	1	0
SNC Sucy parc	1	-166	99.90	1	0
SNC Gambetta le Raincy	1	239	99.90	1	0
SNC Orly promo	1	9	99.90	1	1
Silexpromo	1	330	99.90	1	1
SCI du 21 rue Jean Goujon	1	-115	99.90	1	1
SNC Villouvette Saint Germain	1	495	99.90	1	1
SNC La Marina Fréjus	1	-26	99.90	1	0
SNC Normandie Niemen Bobigny	1	-166	99.90	1	0
SNC le printemps Sartrouville (FTA on 30/0/2022)	0	0	99.90	0	0
SNC Gauguin St-Ouen-l'Aumône (FTA on 30/9/2022)	0	0	99.90	0	0
SNC Meudon Bellevue	1	814	99.90	1	1
SNC Tours Coty (FTA on 12/24/2022)	1	-16	99.90	0	0
SNC Valence Victor Hugo	1	-22	99.90	1	0
SNC Nantes Talensac	1	-80	99.90	1	0
SNC Marignane Saint-Pierre	1	-10	99.90	1	0
SNC N2 Batrignolles Promo	10	-1,218	50.00	164	146
SNC Fructipromo	1	410	99.90	1	1
SNC Jean Jacques Bosc	1	-45	99.90	1	0
SNC André Lavignolle	1	-409	99.90	1	0
SCCV Chartres avenue de Sully	2	-48	99.90	2	2
SCCV Bobigny Le 9e Art	2	0	60.00	1	1
SCCV Fontenay-Sous-Bois Rabelais	1	0	50.00	1	1
SNC Saint Germain Hennemont	1	-189	99.90	1	1
SNC Antony avenue de Gaulle	1	-11	99.90	1	1
SNC Aix en Provence Cézanne	1	-3	99.90	1	0
SAS HOTEL N2	1	0	100.00	1	0
SNC Boulogne Jean Bouveri	1	0	99.90	1	0

Outstanding loans and advances granted by the company and not reimbursed	Guarantees and sureties given by the company	Revenues net of tax for the most recent year ended	Profit (loss) for the most recent year ended	Dividends received by the company over the year
		0	-1,440	15,000
		1	114	117
		5,649	-1,846	27,963
3,187		4	-3,041	
		0	-197	
		0	-6	
		15,670	-12,717	5,532
		0	0	
		0	0	
		0	-2,264	
			15	
		0	-9	
		0	8,808	5,534
		0	-11	400
		0	-56	
		0	65	
1,110		0	-32	
3,925		0	-406	
63		0	49	4,795
		0	3,477	10,989
173,506		326	-1,926	
		0	-86	
261		0	-190	
1,211		0	-65	
		0	0	
		0	0	
		0	501	
		0	-426	
887		0	-20	
1,687		0	-131	
149		0	-12	
		8	1,499	1,900
		540	4,570	26,973
400		0	5	
41,542		0	348	
2,715		0	420	
901		0	117	
9,325		0	1,079	
1,524		0	843	
		0	851	
433		0	-4	
3,127		0	-483	
		0	0	

Companies or groups of companies	Capital	Reserves and retained earnings before allocation of income	Share of capital held (in %)	Book value of securities held	
				gross	net
2) Car Parks activity					
SCI Esplanade Belvédère II	0	0	100.00		
République	0	0	100.00		
Gespar	0	0	50.00		
Trinité	1,428	7,191	100.00	10,898	10,898
3) Services activities					
SNC Covivio Property	10,311	-3,075	100.00	23,259	4,335
Covivio Développement	200	-3,134	100.00	1,852	0
Covivio Hotels Gestion	37	4	100.00	37	37
Foncière Margaux	40	-36	100.00	34	0
Covivio2	12,927	-11,756	100.00	12,927	12,927
Euromarseille 1	8,501	9,915	50.00	8,587	8,587
Euromarseille 2	3,501	-3,042	50.00	3,564	3,564
Covivio SGP	592	1,849	100.00	1,395	1,395
Télimob Paris SARL	552	21,401	100.00	57,670	57,670
Covivio Participations	1	-6	100.00	1	1
FDR PROPTECH	3	-284	100.00	3	0
Covivio Holding Gmbh	25	1,146,388	100.00	1,021,043	1,021,043
Covivio Office Gmbh	25	675,540	100.00	678,759	636,209
B. Investment (10% to 50% of capital held by the company)					
1) Real estate activities					
a) Leasing					
Cœur d'Orly Promotion	37	-1	50.00	19	18
Covivio Hotel SCA	592,566	1,860,155	43.84	1,325,048	1,325,048
SCI Orianz Disposed of	0	0	34.69	0	0
Central Sicaf	50,007	579,168	51.00	334,730	334,730
Real Estate Solution & Technology	10	158	30.00	3	3
II. General information on holdings					
B. Investments not included in paragraph 1					
a) In French companies					
(Oséo/Finantex/MRDIC/FNAIM)				7	7
III. General information on holdings					
A. Subsidiaries I + II					
a) French subsidiaries (together)	602,174	188,815		1,086,505	1,046,220
b) Foreign subsidiaries (together)	107,875	2,579,249		2,387,647	2,327,966
B. Investments I + II					
a) In French companies	592,603	1,860,154		1,325,074	1,325,073
b) In foreign companies	50,017	579,326		334,733	334,733

* Information not available on closing date.

Outstanding loans and advances granted by the company and not reimbursed	Guarantees and sureties given by the company	Revenues net of tax for the most recent year ended	Profit (loss) for the most recent year ended	Dividends received by the company over the year
			0	
			0	
			0	
		1,711	85	
38		8,372	-2,901	
		11,180	331	
		1,723	597	487
8		0	-9	
29,869		0	-726	
6,453		-11	440	
22,143		0	1,323	
		1,219	304	
2,207		0	1,688	
		0	40	
140		0	95	
135,000		7	86,931	83,000
18,200		4,458	-847	
144		0	0	
		57,469	39,726	42,206
			0	
		64,487	86,863	72,361
		0	5	
1,363,411		210,483	68,555	120,446
156,387	0	25,788	64,573	131,495
144		57,469	39,726	42,206
0	0	64,487	86,868	72,361

4.5.6.7 Research and development activities

Covivio did not conduct any research and development during the past financial year.

4.5.6.8 Post-closing events

No post-closing events.

4.5.6.9 Company earnings over the last five financial years

(In €)	31.12.2018	31.12.2019	31.12.2020	31/12/2021	31/12/2022
I – Capital at year-end					
a. Share capital	248,708,694	261,659,718	283,632,696	283,946,073	284,358,288
b. Number of existing ordinary shares	82,902,898	87,219,906	94,544,232	94,648,691	94,786,096
c. Number of priority dividend shares (without voting rights) outstanding	-	-	-		-
d. Maximum number of future shares to be created	-	-	-		-
d1. By conversion of bonds	-	-	-		-
d2. By exercising subscription rights	506,087	454,604	493,337	593,884	560,932
II – Operations and net income for the financial year					
a. Revenue excluding taxes	86,111,995	192,704,669	162,448,070	148,056,160	138,141,441
b. Income before tax, employee profit sharing, depreciation, amortisation and provisions	342,870,301	549,701,041	432,491,376	430,333,009	394,331,981
c. Income taxes	2,107,264	2,405,898	-43,444	10,769,841	245,042
d. Employee profit-sharing due for the financial year	499,992	308,864	0	0	0
e. Income after tax, employee profit-sharing, depreciation, amortisation and provisions	348,466,525	293,940,535	318,811,426	287,595,138	282,953,806
f. Distributed earnings	381,353,331	418,655,549	340,359,235	354,932,591	355,447,860
III – Net income per share					
a. Income after tax and employee profit sharing, but before depreciation, amortisation and provisions	4.11	6.27	4.57	4.43	4.16
b. Income after tax, employee profit-sharing, depreciation, amortisation and provisions	4.20	3.37	3.37	3.04	2.99
c. Dividend allocated to each share	4.60	4.80	3.60	3.75	3.75
IV – Personnel					
a. Average headcount over the financial year	155	157	252	253	264
b. Total payroll for the financial year	15,845,146	21,528,733	23,513,951	26,386,666	32,455,632
c. Amount paid in employee benefits for the financial year (social security, benefits, etc.)	7,674,213	10,056,013	10,053,554	9,669,575	10,573,640

4.6 Statutory Auditors' report on the annual financial statements

Fiscal year ending 31 December 2022

To the annual General Meeting of Covivio,

Opinion

In compliance with the engagement conferred on us by your General Meetings, we have performed an audit of the accompanying annual financial statements of Covivio for the fiscal year ended 31 December 2022.

In our opinion, the accompanying annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the company, and of the results of its operations for the year then ended, in accordance with French accounting standards.

The audit opinion thus formulated is consistent with the content of our report to the company's Audit Committee.

Basis for the audit opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities by virtue of those professional standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2022 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph 1 of regulation (EU) 537/2014.

Justification of our assessments – Key audit matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period, as well as how we addressed those risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these annual financial statements taken in isolation.

Valuation of equity investments, related receivables and provisions for any associated risks

Risk identified	Our response
At 31 December 2022, the company's equity investments were included in its balance sheet at a carrying amount of €6,605 million or 77% of the company's total assets. As stated in note 4.5.2.3, "Non-current financial assets", they are measured at cost or at the applicable contribution value less any impairment allowance required to reduce them to their value in use. In the case of investments held for the long term, value in use is assessed on the basis of the investee's net assets plus any unrecognised capital gains associated with the investee's non-current assets. For the listed subsidiary, their published triple net asset values are used. At the end of the financial year, the acquisition cost of the securities is compared to their net asset value. The lower of these values is recorded in the balance sheet. The net asset value of the securities corresponds to their value in use for the company. As stated in note 4.5.2.6 to the financial statements, "Provisions for risks and charges", provisions may also be recognised in the amount of any negative revalued equity associated with subsidiaries for which any associated assets have already been treated as impaired. Given the weight of the company's equity investments and related receivables, and the sensitivity of their valuation to the applicable assumptions, in particular as regards the estimation of the applicable unrecognised capital gains, we considered their valuation and that of any applicable provisions as a key audit matter.	• We obtained an understanding of the process of determination of the value in use of equity investments. Our procedures involved: • obtaining an understanding of the applicable valuation methods and of the underlying assumptions for the determination of value in use • assessing, on a test basis, the information used to estimate the value in use, in particular that: • the amount of shareholders' equity used is consistent with the financial statements of the entities valued and audited, or with analytical procedures, if applicable • any adjustments made to shareholders' equity to calculate net asset value, mainly relating to unrealised capital gains on property assets, are estimated based on appraisal values. Our audit approach to appraisal values of real estate assets is described in the key audit point "Valuation of real estate assets" • analysing the loss in value used for impairment of equity investments and related receivables by reconciling the remeasured net assets with the net book value; • assessing the recoverability of related receivables in light of the analyses performed on equity investments • examining the need to recognise a provision for risks to cover the remeasured net financial position of subsidiaries if negative and where all assets reported for these subsidiaries have been impaired • assessing the appropriateness of the information provided in the notes to the financial statements.

Valuation of real estate assets

Risk identified	Our response
As of 31 December 2022, real estate assets accounted for €1,544 million of a total balance sheet of €8,612 million. They mainly consist of buildings owned by the company. They are recognised at acquisition cost or contribution value and are amortised on a straight-line basis. As indicated in note 4.5.2.2 "Property, plant and equipment" to the annual financial statements, at each closing date, the company tests assets for indications that they have suffered a significant loss in value, in which case, an impairment for loss of value may be recognised in the income statement. These impairment losses are determined by comparing the market value (excluding duties), calculated on the basis of independent appraisals, and the net book value of the properties. Property valuation is a complex matter requiring the exercise of significant judgement by the company's property valuers based on the data communicated by the company. We deemed the valuation of property assets to be a key point in the audit due to the amounts involved and the significant degree of judgement in determining the main assumptions used to appraise the value of these assets.	We obtained an understanding of the company's process of valuation of its property assets. Our procedures involved: • assessing the competence and independence of the company's property valuers on the basis of the requirements for rotation and bases of remuneration defined by the company • obtaining an understanding of the company's written instructions to its property valuers describing the nature of the services required and the scope and limitations of their work with particular regard to the verification of the information provided by the company • assessing, on a test basis, the relevance of the information provided by the company's Finance Department to the property valuers for the purpose of determining the fair value of the company's property assets, including rent schedules, other accounting data and capital expenditure budgets • analysing the assumptions applied by the property valuers, such as applicable discount rates, yield rates, rental data and market rental values, by comparing them in the context of the Ukraine war and inflation with the available market data • interviewing certain professional property valuers in the presence of the company's Finance Department and assessing, by the inclusion of valuation specialists, the consistency and relevance of the valuation approach applied and of the main associated instances of the exercise of professional judgement • verifying, on a sample basis, that impairment allowances are recognised when assets' market values (excluding costs) lower than the existing carrying amounts and the criteria defined in note 4.5.2.2 to the financial statements are met • recalculating, on a sample basis, the impairment allowances recognised in the company's annual financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We have no matters to report as to the fair presentation and consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the other documents relating to financial position and the annual financial statements for shareholders.

We report to you that the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code is fairly presented and consistent with the annual financial statements.

Information relating to corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits received or allocated by the corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Format of presentation of the financial statements intended to be included in the annual financial report

In accordance with professional standards on the Statutory Auditors' work relating to the annual and consolidated financial statements presented in the European single electronic reporting format, we have also verified compliance with this format as defined by European delegated Regulation no. 2019/815 of 17 December 2018 in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer.

On the basis of our work, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

It is not our responsibility to verify that the annual financial statements that will be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointments of the Statutory Auditors

We were appointed as Statutory Auditors of Covivio by the General Meeting held on 22 May 2000 in the case of MAZARS, and 24 April 2013 in the case of ERNST & YOUNG et Autres.

As at 31 December 2022, MAZARS and ERNST & YOUNG et Autres were in the twenty-third year and tenth year, respectively, of total uninterrupted engagement.

Previously, Groupe PIA that became Conseil Audit & Synthèse (acquired by ERNST & YOUNG Audit in 2010) was the Statutory Auditor from 2007 to 2012.

Responsibilities of management and those charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company'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 it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Audit purpose and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 users made on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards in France, the Statutory Auditor exercises professional judgement throughout the audit. Further, the Statutory Auditor:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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
- obtains an understanding of internal control 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 internal control

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements
- assesses the appropriateness of management's 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 company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, 14 March 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Claire Gueydan-O'Quin	Anne Herbein

COVIVIO S.A. PERMANENT ESTABLISHMENT ITALY

4.7 Extract from the profit and loss account and balance sheet for the year ended 31 December 2022

4.7.1 Balance sheet at 31 december 2022

4.7.1.1 Assets

(in€)	31/12/2022	31/12/2021
A) Receivables from shareholders for payments still due	**-**	**-**
Receivables from shareholders for payments still due a)	-	-
B) Fixed assets		
I Intangible assets:		
4) concessions, licences, trademarks and similar rights	1,835,082	3,428
Total I	**1,835,082**	**3,428**
II Tangible assets		
1) land and buildings		
• investment properties	1,210,021,629	1,318,297,378
• properties under development	71,159,573	112,214,131
• operating properties	12,656,112	12,752,090
4) other assets	799,787	811,982
5) fixed assets in progress and advance payments	8,098,663	1,648,925
Total II	**1,302,735,764**	**1,445,724,506**
III Financial assets		
1) equity investments in:		
a) subsidiaries	903,017,078	903,783,913
b) associated companies	34,920,198	3,000
d-bis) other companies	4,562,922	9,061,486
Total 1)	**942,500,198**	**912,848,399**
4) derivative financial instruments - assets	-	-
Total 4)	**-**	**-**
Total III	**942,500,198**	**912,848,399**
TOTAL FIXED ASSETS (B)	**2,247,071 044**	**2,358,576 333**

(in€)	31/12/2022	31/12/2021
C) Current assets		
I Inventories:		
6) land and buildings		
Properties purchased for resale	13,800,000	15,503,998
Properties for leasing under disposal	6,260,000	3,377,233
Total I	**20,060,000**	**18,881,231**
II Receivables:		
1) from customers:		
• due within 12 months	11,107,991	105,456,820
• due beyond 12 months	15,537,917	15,193,200
Total 1)	**26,645,908**	**120,650,020**
2) from subsidiaries:		
• due within 12 months	1,461,833	1,677,221
• due beyond 12 months	–	–
Total 2)	**1,461,833**	**1,677,221**
3) from associated companies:		
• due within 12 months	–	–
• due beyond 12 months	–	–
Total 3)	**–**	**–**
5-*bis*) tax receivables:		
• due within 12 months	5,378,632	571,466
• due beyond 12 months	116,659	91,684
Total 5-*bis*)	**5,495,291**	**663,150**
5-*ter*) deferred tax income:		
• due within 12 months	–	–
• due beyond 12 months	32,943,380	50,134,149
TOTAL 5-*TER*)	**32,943,380**	**50,134,149**
5-*quater*) from others:		
• due within 12 months	5,525,905	4,756,170
• due beyond 12 months	69,346	67,089
Total 5-*quater*)	**5,595,251**	**4,823,259**
Total II	**72,141,663**	**177,947,799**
III Financial assets other than fixed assets		
1) investments in subsidiaries	–	–
7) financial assets from subsidiaries for centralised treasury management	5,815,513	42,983
Total III	**5,815,513**	**42,983**
IV Cash and cash equivalents:		
1) bank and postal deposits	983,490	17,046,863
Total IV	**983,490**	**17,046,863**
TOTAL CURRENT ASSETS C)	**99,000,666**	**213,918,876**
D) Accruals and deferrals	**1,322,285**	**686,752**
TOTAL ACCRUALS AND DEFERRALS D)	**1,322,285**	**686,752**
TOTAL ASSETS (A+B+C+D)	**2,347,393 995**	**2,573,181 961**

4.7.1.2 Equity & liabilities

(in€)	31/12/2022	31/12/2021
A) Shareholders' equity (net assets)		
III Revaluation reserves	**1,118,719,081**	**1,190,308,064**
VI Other reserves	**572,516,166**	**543,735,306**
VII Cash flow hedge reserve	**-**	**-**
IX Profit (loss) for the year	**114,177**	**37,946,256**
TOTAL SHAREHOLDERS' EQUITY A)	**1,691,349,424**	**1,771,989,626**
B) Provisions for risks and charges		
for taxes, including deferred taxes		
a) taxes	2,900	306,283
b) deferred taxes	10,969,981	13,595,826
Total 2)	**10,972,881**	**13,902,109**
3) derivative financial instruments - liabilities	-	4,242,810
Total 3)	**-**	**4,242,810**
4) others	2,473,279	3,426,802
Total 4)	**2,473,279**	**3,426,802**
TOTAL PROVISIONS FOR RISKS AND CHARGES B)	**13,446,160**	**21,571,721**
C) Employee severance indemnity	**130,355**	**119,612**
D) Payables		
1) bonds:		
• due within 12 months	-	124,944,348
• due beyond 12 months	596,893,409	595,973,919
Total 1)	**596,893,409**	**720,918,267**
2) convertible bonds:		
• due within 12 months	-	-
• due beyond 12 months	-	-
Total 2)	**-**	**-**
4) bank payables:		
• due within 12 months	-	-
• due beyond 12 months	-	-
Total 4)	**-**	**-**

(in€)	31/12/2022	31/12/2021
6) advance payments		
• due within 12 months	250,000	302,500
• due beyond 12 months	–	–
Total 6)	**250,000**	**302,500**
7) Trade payables:		
• due within 12 months	13,361,404	16,996,175
• due beyond 12 months	–	–
Total 7)	**13,361,404**	**16,996,175**
9) payables to subsidiaries:		
• due within 12 months	10,194,664	12,036,509
• due beyond 12 months	–	–
Total 9)	**10,194,664**	**12,036,509**
12) tax payables:		
• due within 12 months	2,881,220	6,124,993
• due beyond 12 months	–	2,618,664
Total 12)	**2,881,220**	**8,743,657**
13) payables to pension and social security institutions:		
• due within 12 months	236,188	209,206
• due beyond 12 months	–	–
Total 13)	**236,188**	**209,206**
14) other payables:		
• due within 12 months	3,721,905	8,027,932
• due beyond 12 months	6,343,545	–
Total 14)	**10,065,450**	**8,027,932**
TOTAL PAYABLES D)	**633,882,335**	**767,234,246**
E) Accruals and deferrals	**8,585,721**	**12,266,756**
TOTAL ACCRUALS AND DEFERRALS E)	**8,585,721**	**12,266,756**
TOTAL EQUITY & LIABILITIES (A+B+C+D+E)	**2,347,393 995**	**2,573,181 961**

4.7.2 Profit and loss account for the year ended 31 december 2021

(in€)	31/12/2022	31/12/2021
A) Value of production (revenues)		
1) revenue from sales and services:		
a) lease revenue	61,867,124	69,423,655
b) service revenue	2,830,612	3,184,679
c) revenue from sale of properties purchased for resale	1,000	1,500,000
Total 1)	**64,698,736**	**74,108,334**
5) other revenue and income		
b) capital gains on sale of fixed assets	72,765	5,675,903
c) write-backs	1,457,681	-
d) income related to contingent assets and liabilities	3,350,349	3,437,851
e) non-financial income and revenues from non-core business	7,773,895	5,624,914
Total 5)	**12,654,690**	**14,738,668**
TOTAL VALUE OF PRODUCTION A)	**77,353,426**	**88,847,002**
B) Costs of production		
6) for raw and auxiliary materials, consumables and goods for sale	(168,965)	(1,450,872)
7) for services	(22,312,976)	(17,636,183)
8) for use of third-party assets	(720,154)	(2,058,314)
9) personnel expense:		
a) salaries and wages	(7,273,541)	(5,278,405)
b) social security contributions	(1,542,314)	(1,535,808)
c) employee severance indemnity	(401,644)	(364,745)
e) other costs	(38,400)	(46,314)
Total 9)	**(9,255,899)**	**(7,225,272)**
10) amortisation, depreciation and impairment		
a) amortisation of intangible fixed assets	(1,433)	(324,293)
b) depreciation of tangible fixed assets	(34,154,707)	(37,423,220)
c) other write-downs of fixed assets	(27,965,957)	(30,825,593)
d) write-downs of receivables included in current assets and cash and cash equivalents	(2,020,751)	(7,734,457)
Total 10)	**(64,142,848)**	**(76,307,563)**
11) changes in inventories of raw and auxiliary materials, consumables and goods for sale	(1,704,000)	(1,451,000)
12) provisions for risks	(725,802)	(1,336,936)
14) other operating expenses	(17,953,692)	(13,963,011)
TOTAL COSTS OF PRODUCTION B)	**(116,984,336)**	**(121,429,151)**
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A+B)	**(39,630,910)**	**(32,582,149)**

(in€)	31/12/2022	31/12/2021
C) Financial income and expenses		
15) income from equity investments:		
a) in subsidiaries and associated companies	121,191,014	49,573,691
c) in subsidiaries of other parent companies	10,951	82,501
Total 15)	**121,201,965**	**49,656,192**
16) other financial income:		
d) income other than the above:		
• from subsidiaries	137,472	200,067
• from other sources	541,519	635,759
Total 16)	**678,991**	**835,826**
17) Interest and other financial expenses:		
• due to parent companies	(11,515,000)	(3,055,000)
• due to subsidiaries	(475,355)	(365,875)
• due to banks for mortgage loans	–	–
• other	(13,740,782)	(17,921,015)
Total 17)	**(25,731,137)**	**(21,341,890)**
TOTAL FINANCIAL INCOME AND EXPENSES (15+16+17+17BIS) C)	**96,149,819**	**29,150,128**
D) Adjustments to financial assets		
18) revaluations:		
a) of equity investments	24,561	22,868
b) of financial assets other than equity investments	–	–
d) of derivative financial instruments	529,560	3,867,237
Total 18)	**554,121**	**3,890,105**
19) write-downs:		
a) of equity investments	(44,217,064)	(4,937,327)
b) of financial assets other than equity investments	–	–
c) of securities classified as current assets other than equity investments	–	–
d) of derivative financial instruments	–	–
Total 19)	**(44,217,064)**	**(4,937,327)**
TOTAL VALUE ADJUSTMENTS ON FINANCIAL ASSETS (18+19) D)	**(43,662,943)**	**(1,047,222)**
PROFIT (LOSS) BEFORE TAX (A+B+/-C+/-D)	**12,855,966**	**(4,479,243)**
20) income tax for the year:		
a) current tax	1,538,597	(7,814,955)
b) deferred tax	2,625,845	40,565,212
c) prepaid tax	(17,190,769)	9,628,971
d) income from tax consolidation	284,538	46,271
Total 20)	**(12,741,789)**	**42,425,499**
21) Profit (loss) for the year	114,177	37,946,256

4.7.3 note prépa titre non traduit

4.7.3.1 Significant events during the financial year

4.7.3.1.1 Real estate leasing activities

The portfolio includes properties held for leasing with a market value of approximately €1.39 billion covering approximately 270,000 m^2 of surface area. Excluding two properties currently undergoing redevelopment, the occupancy rate is 97.7% and the standard annual lease payments amount to €62,725 thousand.

With reference to the marketing activity carried out in 2022 on the properties in the portfolio at the end of the financial year, 12 new lease agreements were signed for approximately 4,600 m^2 of surface area and corresponding to €2,430 thousand of new standard annual lease payments. Of these agreements, two were to come into effect after 31 December 2022, representing approximately 784 m^2 of surface area and €323 thousand of standard annual lease payments.

In addition to the above, a further agreement was signed on one of the two properties currently undergoing redevelopment, for approximately 12,100 m^2 of surface area, plus terraces, and €7,400 thousand of new standard annual lease payments.

Besides the new agreements, 4 agreements were renewed for a surface area of 3,900 m^2 and €1,000 thousand in standard annual lease payments.

Furthermore, 3 new lease agreements signed in previous financial years for approximately 2,454 m^2, corresponding to a total of €2,760 thousand in standard annual lease payments, were activated during the year.

4.7.3.1.2 Real estate purchases and sales

No properties were purchased in 2022, while the sales made are summarised below:

- two properties classified under the "Land and buildings – Investment properties" item. The sales took place at a total price of €87,480 thousand, against a book value (at the date of sale) of €96,108 thousand plus brokerage and other sales costs of €173 thousand
- two properties classified under "Properties for leasing under disposal". The sales took place at a total price of €3.450 thousand against a book value of the properties at the date of sale of €3,377 thousand.

As at 31 December 2022, two preliminary sales agreements were signed for two properties with a book value of €6,260 thousand. The sales will take place at a price of €6,300 million, with expected brokerage costs of approximately €40 thousand.

4.7.3.1.3 Equity investments

As at 31 December 2022, Covivio Permanent Establishment in Italy had equity investments of €942,500 thousand (€912,848 thousand as at 31 December 2021), of which €518,326 thousand were in SIINQs (unlisted real estate investment companies) and €367,503 thousand in a real estate SICAF.

In this regard, it should be noted that in 2022 Covivio made payments of €44,500 thousand into the equity account for an affiliated SIINQ to cover the financial needs to carry out some major real estate development projects in Milan for the construction of buildings for office use, mainly for leasing purposes.

Payments were then made into the equity account for €30,996 thousand for the affiliated vehicle in order to finalise, through a subsidiary, the acquisition of a significant portion of the area corresponding to the former Scalo di Porta Romana railway yard in Milan, which will be used for the development of office buildings.

Furthermore, €121,012 thousand were received during the financial year by way of distributions from subsidiaries, of which €105,856 thousand were from real estate SIIQ/SICAFs. These distributions, which refer partly to retained earnings and partly to capital reserves, regardless of the nature of the reserve distributed (and in compliance with the provisions of OIC 21(58), were recognised in the profit and loss account as income for "dividends". Due to these capital reserve distributions, at the end of the year it was deemed appropriate to record certain write-downs of the equity investments concerned. Overall write-downs of equity investments recognised in the 2022 profit and loss account amounted to €44,217 thousand.

4.7.3.1.4 Revaluation of properties pursuant to law 126/2020

As already noted in the financial statements of previous financial years, Covivio Permanent Establishment in Italy revalued its properties for accounting purposes at their current value (for €100,286 thousand), taking advantage of the opportunity offered by law 126/2020.

Furthermore, as permitted by the law, the opportunity to give tax relevance to such revaluation for some properties was also positively evaluated, and also to realign the difference between the tax value and the book value of the properties ("realignment"), by paying the expected substitute tax of 3% (initially estimated at €7,855 thousand) on the increase in the tax value of these properties, initially quantified as €261,834 thousand, considering the land component and the building component of each property separately.

Conversely, Covivio did not deem it appropriate to redeem this revaluation credit balance by paying the additional substitute tax of 10%.

All of the above led to the recognition in the 2021 financial statements of a tax suspension reserve (pursuant to law 126/2020) for €253,979 thousand (corresponding to the balance of the total tax revaluation as initially estimated, net of the substitute tax of 3%).

Subsequently, during 2022, the Italian Revenue Agency used some administrative practice documents to clarify, *inter alia,* the terms for calculating the permitted tax realignment, setting the maximum limit to the amount needed to realign the tax value with the market value of each property considered as a unit, and therefore considering the revaluation of the two components, land and buildings, as a whole.

The consequent recalculation of the permitted tax realignment (reduced by €73,803 thousand compared to initial estimates) led to: i) the recalculation of the 3% substitute tax payable, which decreased to €5,641 thousand (with a positive impact of €2,214 thousand on the 2022 profit and loss account); ii) the recalculation of the deferred taxation on the residual difference between the book value and the tax value of the properties in the portfolio (with an effect on the 2022 profit and loss account corresponding to an expense of €14,763 thousand); iii) the recalculation of the tax suspension reserves, which decreased to €182,390 thousand (corresponding to the final step-up of the tax value of the properties of €188,031 thousand, net of the substitute tax of €5,641 thousand).

4.7.3.1.5 Financial activities

On 30 March 2022, Covivio S.A. Permanent Establishment in Italy repaid the bond loan on maturity for a total of €125,000 thousand. The bond loan, issued in 2015 and divided into bonds with a nominal unit value of €100 thousand, was admitted to trading on the official list (Main Securities Market managed by Borsa Italiana) of the Irish Stock Exchange. The loan had a maturity of 7 years and provided for the payment of a deferred annual coupon of 2.125%. The bonds were redeemed at their nominal value.

In addition, in January 2022, the Permanent Establishment terminated two IRS agreements in advance for a nominal €112,500 thousand, paying €3,797 thousand, corresponding to their market value at the redemption date, already recognised in the accounts in application of the fair value evaluation criterion for derivatives.

4.7.3.1.6 General economic framework and effects for Covivio S.A. – Permanent Establishment in Italy

In line with last year's financial statements, the Covid-19 pandemic also had limited effects for Covivio in 2022 and there was no need to provide support to tenants by granting significant discounts.

However, the changes in the general macroeconomic context, also in relation to the conflict in Ukraine, and particularly the increase in interest rates, have significantly affected the market value of the real estate portfolio, which nevertheless remains significantly higher than its overall book value.

Based on estimates at the end of 2022, the market value of the properties in the portfolio recorded an LfL (like-for-like) decrease of 2.68% on an annual basis. This negative change is mainly attributable to the significant increase in the exit cap rate used in the valuation models, resulting from the general increase in interest rates, the effect of which was only partially offset by the expected increase in rental income due to inflation indexing.

4.7.3.2 Information on the special regime under art. 1, paragraph 141-bis, of law 296 of 2006

Covivio S.A. (hereinafter referred to as "Covivio") is a French real estate company listed on the Paris stock exchange (Euronext) and the Milan screen-based stock market (MTA) and qualifies, in France, for the special regime applicable to *sociétés d'investissement immobilier cotées* (the "SIIC Regime"), which, in terms of statutory and tax requirements, is similar to Italy's special regime for listed real estate investment companies known as "SIIQ" in Italy (the "SIIQ Regime"), governed by paragraph 119 *et seq.* of Article 1, law no. 296 of 27 December 2006, as supplemented by Ministerial Decree no. 174 of 7 September 2007.

Pursuant to a cross-border merger deed dated 22 November 2018 (under the seal of Mario Notari Esq., notary in Milan, file no. 24161, index no. 14398) and effective as of 11:599pm on 31 December 2018, Covivio absorbed its subsidiary Beni Stabili S.p.A. SIIQ ("Beni Stabili"), a listed real estate management company with tax residence in Italy and subject to the aforementioned SIIQ Regime (hereinafter "Merger").

As a result of the Merger, Beni Stabili ceased to exist as a separate legal entity and Covivio established a secondary establishment in Italy which, from a tax point of view, qualifies as a permanent establishment of Covivio in Italy (hereinafter also referred to as the "Permanent Establishment"), to which all the assets previously owned by Beni Stabili were transferred.

The Permanent Establishment opted for the special tax regime provided for in Article 1(141-bis) of law no. 296/2006 (special regime envisaged by the SIIQ regulation for branches), with effect from the 2019 tax period, continuing without interruption the SIIQ tax regime already applied to Beni Stabili.

This means that the Permanent Establishment continues to determine two separate financial year results for tax purposes, continuing with the SIIQ Regime applied by Beni Stabili (up until the 2018 tax period).

More specifically, the SIIQ Regime for Permanent Establishments provides for the application of a substitute tax of 20% (instead of IRES and IRAP) on income derived from real estate activities (known as "tax-exempt transactions"). Conversely, income from activities other than real estate or which do not fall within the scope of SIIQ (known as "taxable transactions") are subject to ordinary taxation.

4.7.3.2.1 Compliance with the requirements for the prevalence of real estate leasing for the purposes of remaining in the special regime

As required by Article 1(121) of law no. 296/2006, the main activity carried out by SIIQs must be real estate leasing. The same applies for branches that apply the special regime pursuant to Article 1(141-bis) of said law no. 296/2006.

Real estate leasing is considered to be the main activity carried out if the properties held by title or another real right and intended for leasing, the investments in SIIQ/SIINQs and in eligible real estate funds (or SICAFs) represent at least 80% of the assets (asset parameter) and if, in each financial year, revenue therefrom represents at least 80% of the positive items on the profit and loss account (economic parameter).

Failure to comply with one of the two parameters indicated above for three consecutive financial years will lead to the termination of the special regime as of the second of the three years. Failure to comply with both parameters in the same financial year, on the other hand, will lead to the termination of the special regime as of the year in relation to which the condition of forfeiture is fulfilled.

Below are the results of the calculation of the aforesaid parameters, which were both complied with in 2022, based on the data from the profit and loss account and balance sheet (hereinafter also the "Financial Statements") as at 31 December 2022 of the Permanent Establishment of Covivio S.A. in Italy (pursuant to Article 152(1) of the Consolidated Income Tax Act, TUIR).

Asset parameter

(in € thousand)	31/12/2022
Properties held for leasing(A)	1,292,540
Investments in SIIQ/SIINQ, SICAF and eligible real estate funds (B)	885,829
TOTAL NUMERATOR (C)=(A)+(B)	**2,178,369**
TOTAL ASSETS (D)	**2,347,394**
Items excluded from the ratio denominator:	
Book value of headquarters	-12,656
Cash and cash equivalents	-983
Loans to Group companies (including tax consolidation asset)	-6,101
Trade receivables (receivables from customers, Group companies and other receivables of a commercial nature)	-33,418
Deferred tax assets	-32,943
Tax receivables (including VAT)	-5,495
Prepaid expenses	-1,322
Total adjustments	-92,918
TOTAL DENOMINATOR: "ADJUSTED" ASSETS (F) =(D)+(E)	**2,254,476**
ASSET PARAMETER (C)/(F)	**96,62%**

The asset parameter, as shown in the table above, is given by the ratio between:

- the numerator, amounting to a total of €2,178,369 thousand, which includes the book value:

(1) of properties held for leasing, which amount to €1,292,540 thousand. This amount corresponds to the value of the properties classified in the financial statements: (i) under tangible fixed assets, "Land and buildings" (sub-items "Investment properties" (€1,210,021 thousand) and "Properties under development" (€71,160 thousand) and "Fixed assets in progress" (relating to properties held for leasing (€5,099 thousand); (ii) under current assets, "Inventories" (sub-item "Properties for leasing under disposal" (€6,260 thousand)

(2) of equity investments in real estate SICAFs eligible for the Special Regime (51% equity investment in Central Sicaf S.p.A. (€€367,503 thousand), in SIINQ (100% equity investment in Covivio Immobiliare 9 S.p.A. SIINQ (€95,051 thousand) and 100% in Covivio Development Italy S.p.A. SIINQ (€423,275 thousand).

- the denominator, amounting to a total of €2,254,476 thousand, which includes total assets (€2,347,394 thousand), adjusted, in application of the criteria of Article 6 of Ministerial Decree 174/2007, to exclude: i) the value of the properties for use as the headquarters of the Permanent Establishment (classified under "Tangible fixed assets - operating properties", amounting to €12,656 thousand as at 31 December 2022); ii) the value of cash and cash equivalents (€983 thousand); iii) the value of loans to Group companies (€6,101 thousand); iv) the value of trade receivables derived both from tax-exempt transactions and, as clarified by Italian Revenue Agency Circular no. 8/E of 2008, from taxable transactions (€33,418 thousand). Furthermore, to ensure that the ratio is not affected by other items not directly related to either tax-exempt or taxable transactions whose inclusion in the denominator could distort the result of the asset prevalence criterion, the following are excluded: v) the value of deferred tax assets (€32,943 thousand as at 31 December 2022); vi) the value of tax receivables (€5,495 thousand); vii) prepaid expenses relating to tax-exempt leasing activities (€1,322 thousand).

Revenue parameter

(in € thousand)	31/12/2022
Rental income and similar revenue (A)	61,798
Capital gains "realised" on the sale of properties held for leasing and the sale of real estate rights on such properties (B)	50
Dividends and capital gains from SIIQ/SIINQ, SICAF and eligible real estate funds (C)	105,856
TOTAL NUMERATOR (D)=(A)+(B)+(C)	**167,704**
Total income items	204,238
Adjustment of capital gains recognised in profit or loss in 2022	-73
Capital gains realised during the year on the sale of properties held for leasing, but recognised in previous years	50
Capital gains on sales of properties purchased for resale, recognised in the financial year but which are adjustments of write-downs from previous years	
TOTAL INCOME ITEMS (E)	**204,215**
Items excluded from the ratio denominator:	
Revaluations of portfolio properties as at 31 December 2022 (F1)	-1,458
Income from chargebacks (F2)	-7,786
Releases of provisions for impairment and provisions for risks and charges (F3)	-3,252
Write-backs adjusting write-downs of equity investments (F4)	-25
Income on cost adjustments (F5)	-
Contingent tax assets (F6)	-2,215
Interest on tax receivables and interest income from banks (F7)	-
Deferred tax assets and liabilities, income from tax consolidation(F8)	-2,234
Total adjustments (F)	**-16,970**
TOTAL DENOMINATOR (G) =(E)+(F)	**187,245**
REVENUE PARAMETER (D)/(G)	**89,56%**

The revenue parameter, as shown in the table above, is given by the ratio between:

- the numerator, amounting to a total of €167,704 thousand, which includes revenue from: (i) rental income on properties held for leasing (investment properties, properties under development and properties for leasing under disposal) amounting to a total of €61,798 thousand. It should be noted that the above amount includes any revenue similar to rental income, such as indemnities from tenants (but not the income from the chargeback of costs to tenants); (ii) gross capital gains realised during the year on the sale of properties held for leasing and related property rights (€50 thousand); (iii) dividends and capital gains from investments in SIIQ/SIINQs and SICAFs and from real estate funds eligible for the Special Regime (€105,856 thousand for 2022)
- the denominator, amounting to a total of €187,245 thousand. This amount corresponds to the total amount of the positive components on the profit and loss account (€204,219 thousand), adjusted to ensure that the ratio is not affected by other items not directly related to either tax-exempt or taxable transactions whose inclusion in the ratio denominator could distort the result of the economic prevalence criterion. Accordingly, the following were excluded: (i) impairment write-backs on property recognised during the year (€1,458 thousand); (ii) income representing chargebacks of costs, mainly comprising costs relating to secondments of personnel, cost chargebacks to tenants of properties held for leasing and chargebacks to subsidiaries (€7,786 thousand); (iii) releases of provisions and other write-backs (€3,252 thousand); (iv) impairment write-backs on equity investments adjusting previous write-downs (€25 thousand); (v) income related to contingent tax assets from prior years (€2,215 thousand); (vi) income for deferred taxation and income from tax consolidation (€2,234 thousand).

4.7.3.2.2 Breakdown of economic items between tax-exempt and taxable transactions and related allocation criteria

The profit and loss account for the year ended 31 December 2022 is shown below, divided into tax-exempt and taxable transactions (figures in euros).

	31/12/2022		
	Total (A)	Tax-exempt transactions (B)	Taxable transactions (A)-(B)
A) Value of production			
1) revenue from sales and services:	64,699	61,798	2,901
5) other revenue and income	12,654	12,249	405
TOTAL VALUE OF PRODUCTION A)	**77,353**	**74,047**	**3,306**
B) Costs of production			
6) for raw and auxiliary materials, consumables and goods for sale	-169	-	-169
7) for services	-22,313	-21,622	-691
8) for use of third-party assets	-720	-598	-122
9) personnel expense	-9,256	-8,290	-966
10) amortisation, depreciation and impairment	-64,143	-64,056	-87
11) changes in inventories of raw and auxiliary materials, consumables and goods for sale	-1,704	-	-1,704
12) provisions for risks	-726	-724	-2
14) other operating expenses	-17,953	-17,892	-61
TOTAL COSTS OF PRODUCTION B)	**-116,984**	**-113,182**	**-3,802**
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A+B)	**-39,631**	**-39,135**	**-496**
C) Financial income and expenses			
15) income from equity investments	121,202	105,856	15,346
16) other financial income	679	-	679
17) interest and other financial expenses	-25,731	-22,973	-2,758
TOTAL FINANCIAL INCOME AND EXPENSES (15+16+17+17BIS) C)	**96,150**	**82,883**	**13,267**
D) Adjustments to financial assets			
18) write-backs	554	-	554
19) write-downs	-44,217	-27,449	-16,768
TOTAL VALUE ADJUSTMENTS ON FINANCIAL ASSETS (18+19) D)	**-43,663**	**-27,449**	**-16,214**
PROFIT (LOSS) BEFORE TAX (A+B+/-C+/-D)	**12,856**	**16,299**	**-3,443**
20) income tax for the year	-12,742	-13,028	286
21) profit (loss) for the year	114	3,271	-3,157

The results shown in the table above relating to the two types of transactions come from the separation of the economic items for the 2021 financial year resulting from the separate accounting adopted by the Permanent Establishment (for such items). The purpose of separate accounting is, in fact, to identify the operating results of tax-exempt and taxable transactions through: i) the allocation of specifically attributable economic items to each of the two types of transactions; ii) the *pro-rata* allocation of the "common" economic items to each of the two types of transactions (since they are not specifically attributable to either of the two types of transactions).

In particular, it should be noted that the division of "common" items into tax-exempt and taxable transactions was made using the revenue parameter described above as reference, since it was deemed the most suitable percentage parameter for said division; once it has been cleared of the economic items that are not attributable to any activity carried out, it effectively expresses the percentage incidence ratio of the leasing activity, compared to the total activities carried out.

The main criteria followed to decide to which type of transaction the various economic items resulting from the table above should be allocated are set out below.

4.7.3.2.2.1 Value of production (revenues)

1) Revenue from sales and services

- **(1.1)** *rental income*: this is divided into tax-exempt and taxable transactions based on the type of property concerned. More specifically, rental income is allocated to (a) tax-exempt transactions if it is generated by properties held for leasing (investment properties, properties under development and properties for leasing under disposal); (b) taxable transactions if it is generated from leasing properties purchased for resale or from sub-leases of properties which the Permanent Establishment leases and does not own;
- **(1.2)** *service revenue*: this includes revenue specifically derived from real estate, administrative, accounting and tax services provided by the Permanent Establishment to subsidiaries and/or third parties. Since this is an activity other than the leasing activity falling within the scope of tax-exempt transactions, the service revenue is fully allocated to taxable transactions;
- **(1.3)** *revenue from the sale of properties purchased for resale*: this is allocated to taxable transactions.

2) Other revenue and income

The rule established for rental income also applies to revenue from chargebacks of costs to tenants, insurance indemnities and revenue "equivalent" to rental income or in any way connected to the leasing activity, which is therefore allocated to tax-exempt transactions if it derives from properties held for leasing and to taxable transactions if it derives from the leasing of properties purchased for resale.

Capital gains on the sale of properties held for leasing are allocated to tax-exempt transactions, whereas capital gains on the sale of other fixed assets are allocated to taxable transactions.

Any other revenue classified under this item is allocated to taxable transactions, with the exception of adjustments to write-downs of receivables, which will be explained below, and revenue from contingent assets and adjustments to costs recognised in previous years, which are allocated to the two types of transactions on the basis of the original allocation of the adjusted cost.

4.7.3.2.2.2 Costs of production

Building management and maintenance costs, *indirect taxes on lease agreements*, *the single municipal property tax* and all costs or provisions for risks and charges in any way directly connected to the real estate business, regardless of the profit and loss account item under which they are classified and in line with the revenue allocation criterion, are allocated to (a) tax-exempt transactions if they relate to properties held for leasing and (b) taxable transactions if they relate to the leasing of properties purchased for resale or property sub-leasing.

The other *costs for services, costs for raw and auxiliary materials, consumables and goods for sale, costs for the use of third-party assets, personnel costs, other provisions for risks and miscellaneous operating expenses* are mainly costs that are "common" to the two types of transactions and, as such, are divided between them on the basis of the revenue parameter as previously calculated (this also applies to any adjustments to these costs made in years subsequent to their entry in the accounts).

The following are exceptions: (i) costs for the use of third-party assets, consisting of rental income on properties sub-leased by the Permanent Establishment, which are allocated to taxable transactions; and (ii) under miscellaneous operating expenses, capital losses from the sale of properties held for leasing, which are allocated to tax-exempt transactions. Another exception is the costs for purchases or improvements to properties purchased for resale, classified under "Costs for raw and auxiliary materials, consumables and goods for sale", and the corresponding revenue (or changes in the value of properties purchased for resale) classified under "Change in inventories of raw and auxiliary materials, consumables and goods for sale", which are allocated to taxable transactions.

Depreciation and write-downs of fixed assets are allocated to tax-exempt transactions if they relate to properties held for leasing. Other depreciation and write-downs of tangible and intangible fixed assets are considered "common" expenses for the two types of transactions and are divided between them on the basis of the revenue parameter.

Write-downs (subsequent adjustments) *and losses on receivables* from leases and property disposals are allocated to tax-exempt transactions if they relate to properties held for leasing and to taxable transactions if they relate to properties purchased for resale or property sub-leasing agreements. Write-downs (subsequent adjustments) and losses on other receivables are considered "common" expenses for the two types of transactions and are divided between them on the basis of the revenue parameter.

4.7.3.2.2.3 Financial income and expenses

Income from equity investments and *other financial income* is fully allocated to taxable transactions, with the exception of: (i) financial income from loan interest rate hedging transactions (which are recognised as adjustments to financial expenses), as indicated below; (ii) income from investments in SIIQ/SIINQs, SICAFs and other eligible real estate funds, which are included under tax-exempt transactions pursuant to an express regulatory provision.

The following should be noted with reference to the main types of *financial expenses*:

- financial expenses relating to mortgage loans structured in such a way as to assign, in various ways, the income from managing the properties as collateral for loans repayments are considered as "specifically" referring to tax-exempt and/or taxable transactions according to the type of transaction to which the property covered by the mortgage guarantee is allocated. Consequently, for loans that (i) have properties held for leasing as collateral and that (ii) simultaneously have structures that assign the related management income as collateral for loan repayments, the related financial expenses have been allocated to tax-exempt transactions, while if the loan collateral comprises properties purchased for resale, the related financial expenses have been allocated to taxable transactions.

  In cases where the loans from which the aforesaid financial expenses originate are the subject of interest rate hedging transactions, the related hedging income and charges are allocated to tax-exempt or taxable transactions depending on the allocation of the hedged cash flows
- financial expenses relating to short-term payables and medium/long-term non-mortgage loans that are not assisted by the aforesaid cash flow hedging (such as convertible bond loans and short-term loan facilities), including those from loans by subsidiaries, are considered costs that are "common" to the two types of transactions and have consequently been divided between them on the basis of the revenue parameter as previously calculated.

4.7.3.2.2.4 Adjustments to financial assets:

Write-downs of equity investments and other securities (*e.g.* UCITS units) and any *subsequent write-backs* are allocated to tax-exempt transactions if they relate to investments in SIIQ/SIINQs, SICAFs and other eligible real estate funds. Otherwise they are allocated to taxable transactions.

Write-*downs* (and any subsequent adjustments) *and losses on receivables of* a financial nature are allocated to taxable transactions.

Income and expenses recognised due to changes in the fair value of derivative financial instruments which are not used in cash flow hedges, including the conversion options associated with convertible bond loans (recognised under assets/liabilities for derivative instruments in compliance with the reference accounting principles) are allocated to taxable transactions.

4.7.3.2.2.5 Taxes for the year

Current and deferred tax income and expenses are allocated to tax-exempt or taxable transactions according to the type of transaction to which the taxable income from which they arise (will arise) is allocated.

With regard to the income and expenses that constitute adjustments to economic items accounted for in the financial statements of years prior to the entry into the special regime, or contingencies representing costs and charges that would have been allocated to years prior to the entry into the special regime (continuing with the regime applied by Beni Stabili S.p.A. SIIQ), these items – regardless of their classification within the margins or other items identified above – are fully allocated to taxable transactions, as they are closely related to (and adjust) components accrued in years in which the entire income was taxable.

4.7.4 Net assets (shareholders' equity)

Net assets is made up as follows:

(in € thousand)	31/12/2022	31/12/2021	Changes
III Revaluation reserves			
• Reserve pursuant to Law 266/05	911,943	911,943	-
• Revaluation reserve Law 72/83	191	191	-
• Revaluation reserve Law 413/91	53	53	-
• Revaluation reserve Law 2/2009	24,130	24,130	-
• Revaluation reserve Law 126/2020	182,390	253,979	-71,589
• Reserve Article 89 of Presidential Decree 917/86	12	12	-
• Other revaluation reserves suspended since the 1999 San Paolo IMU spin-off	92,885	92,885	-
VI Other reserves	**479,631**	**450,850**	**28,781**
VII Cash flow hedge reserve	**-**	**-**	**-**
IX Profit (loss) for the year	**114**	**37,946**	**-37,832**
TOTAL SHAREHOLDERS' EQUITY	**1,691,349**	**1,771,989**	**-80,640**

The change of €80,640 thousand in shareholders' equity during the financial year is positive overall.

This change is due to:

i) the €114 thousand in profit for 2022

ii) certain other contributions in favour of the Permanent Establishment in Italy from the "parent company" for €14,896 thousand, corresponding to the financial expenses and services incurred by the parent company on behalf of the Permanent Establishment net of

iii) the net liquidity transferred to the "parent company" by the Permanent Establishment in Italy for €95,650 thousand.

The €37,946 thousand in profit for 2021 was reclassified under "other reserves".

With regard to the €71,589 thousand change in the reserve pursuant to law 126/2020 (balance reclassified under "other reserves"), please refer to the "Significant events during the financial year" section above.

The table below summarises the movements in net assets (shareholders' equity) from 1 January 2020 to 31 December 2022.

(in € thousand)	Revaluation reserves	Other reserves	Profit (loss) for the year	Total
BALANCE AS AT 1 JANUARY 2021	**1,109,443**	**576,283**	**-31,183**	**1,654,543**
Transfer of 2020 profit/loss to other reserves	-	-31,183	31,183	-
Contributions from the "parent company"	-	79,500	-	79,500
Reallocation of reserves	173,750	-173,750	-	-
Net income for the 2021 fiscal year	-	-	37,946	37,946
BALANCE AS AT 31 DECEMBER 2021	**1,283,193**	**450,850**	**37,946**	**1,771,989**
Transfer of 2021 profit/loss to other reserves	-	37,946	-37,946	-
Contributions (repayments) from (to) the "parent company"	-	-80,754	-	-80,754
Reallocation of reserves	-71,589	71,589	-	-
Profit/(loss) for the year 2022	-	-	114	114
BALANCE AS AT 31 DECEMBER 2022	**1,211,604**	**479,631**	**114**	**1,691,349**

It should be noted that as at 31 December 2022, the following reserves were subject to tax deferral for a total of €1,221,604 thousand: i) revaluation reserve under law 266/05, for €911,943 thousand; ii) revaluation reserve under law 78/83, for €191 thousand; iii) revaluation reserve under law 413/91, for €53 thousand; iv) revaluation reserve under law 2/2009, for €24,130 thousand; v) revaluation reserve pursuant to law 126/2020 for €182.390 thousand; vi) contributions reserve pursuant to Article 55 (now 89) of Presidential Decree 917/86, for €12 thousand; vii) deferred tax reserve transferred from San Paolo IMI following the spin-off carried out in 1999 for €92,885 thousand.

4.7.5 Tables and details of some balance sheet and profit and loss account items

Below are some detailed tables of balance sheet and profit and loss account items.

These only include the tables considered useful for a better understanding of the data used to calculate the main asset and economic parameters of the real estate leasing activity, as previously reported. Where applicable, to facilitate reading, a cross-reference has been inserted with the systems used to calculate these parameters.

These detailed tables are taken from the notes to the profit and loss account and balance sheet as at 31 December 2022.

All the data presented below are in thousands of euros.

4.7.5.1 Fixed assets

4.7.5.1.1 Tangible assets

4.7.5.1.1.1 Land and buildings

	Balance at 31/12/2021				Balance at 31/12/2022		
(in € thousand)	Historical cost	Accumulated depreciation	Accumulated write-downs	Total	Incremental expenses	Depreciation	Write-down/ Revaluation
Land	563,552	–	-15,148	548,404	–	–	-5,653
Property structure	427,970	-13,856	-27,812	386,302	131	-5,000	-7,738
Interior finishes	98,050	-30,569	-4,347	63,134	1,474	-10,012	-417
Exterior finishes and roofing	200,833	-19,698	-12,752	168,383	589	-6,410	-1,219
Plants	201,612	-37,675	-11,863	152,074	2,525	-12,450	-1,092
Investment properties	**1,492,017**	**-101,798**	**-71,922**	**1,318,297**	**4,719**	**-33,872**	**-16,119**
Land	52,300	–	–	52,300	–	–	–
Buildings under development	59,914	–	–	59,914	8,666	–	–
Properties under development	**112,214**	**–**	**–**	**112,214**	**8,666**	**–**	
Land	7,469	–	-1,253	6,216	–	–	–
Property structure	4,773	-105	–	4,668	–	-62	–
Interior finishes	430	-144	–	286	110	-48	–
Exterior finishes and roofing	938	-99	–	839	–	-33	–
Plants	901	-158	–	743	23	-53	–
Operating properties	**14,511**	**-506**	**-1,253**	**12,752**	**133**	**-196**	**–**
TOTAL LAND AND BUILDINGS	**1,618,742**	**-102,304**	**-73,175**	**1,443,263**	**13,518**	**-34,068**	**-16,119**

Sales			Substitution elimination			Reclassifications			Balance as at 31/12/2022			
Historical cost	Accumulated depreciation	Accumulated write-downs	Historical cost	Accumulated depreciation	Accumulated write-downs	Historical cost	Accumulated depreciation	Accumulated write-downs	Historical cost	Accumulated depreciation	Accumulated write-downs	Total
-20,450	–	1,367	–	–	–	17,328	–	761	560,430	–	-18,673	541,757
-43,148	1,619	2,382	–	–	–	5,020	348	1,366	389,973	-16,889	-31,802	341,282
-9,602	3,557	410	-1,282	534		1,740	1,085	243	90,380	-35,405	-4,111	50,864
-21,736	2,623	1,269	-53	8	–	2,541	694	785	182,174	-22,783	-11,917	147,474
-19,774	4,311	1,064	-3,062	722	–	2,219	1,417	690	183,520	-43,675	-11,201	128,644
-114,710	**12,110**	**6,492**	**-4,397**	**1,264**	**–**	**28,848**	**3,544**	**3,845**	**1,406,477**	**-118,752**	**-77,704**	**1,210,021**
–	–	–	–	–	–	-21,200	–	–	31,100	–	–	31,100
–	–	–	–	–	–	-28,520	–	–	40,060	–	–	40,060
–	**–**	**–**	**–**	**–**	**–**	**-49,720**	**–**	**–**	**71,160**	**–**	**–**	**71,160**
–	–	–	–	–	–	–	–	–	7,469	–	-1,253	6,216
–	–	–	–	–	–	–	–	–	4,773	-167	–	4,606
–	–	–	-41	18	–	–	–	–	499	-174	–	325
–	–	–	–	–	–	–	–	–	938	-132	–	806
–	–	–	-13	3	–	–	–	–	911	-208	–	703
–	**–**	**–**	**-54**	**21**	**–**	**–**	**–**	**–**	**14,590**	**-681**	**-1,253**	**12,656**
-114,710	**12,110**	**6,492**	**-4,451**	**1,285**	**–**	**-20,872**	**3,544**	**3,845**	**1,492,227**	**-119,433**	**-78,957**	**1,293,837**

The item "*Investment properties*" includes assets held for leasing.

"*Properties under development*" are assets subject to development activities or major redevelopment operations, for subsequent leasing.

The item "*Operating properties*" refers to the portion of a building located at Via Cornaggia in Milan, used by the Permanent Establishment as offices.

With respect to the movements during the financial year, it should be noted that:

- expenses were incurred during the financial year that were classified as increasing the value of the properties (in accordance with the provisions of the reference standards) for a total of €13,518 thousand, of which €4,719 thousand referred to "investment properties", €8,666 thousand to "properties under development" and €133 thousand to "operating properties". The incremental expenses incurred on the "investment properties", "properties under development" and "operating properties" led to the disposal of some replaced items (not yet fully depreciated) with a net book value of €3,166 thousand
- depreciation for the financial year totalled €34,068 thousand, beyond which write-downs were necessary for losses in value (evaluated on individual properties) that were deemed permanent (and supported by appraisals drawn up by an independent expert) for €17,577 thousand, net of write-backs of €1,458 thousand
- the sales concerned two properties and were carried out for a total sale price of €87,479 thousand, against a book value of the transferred assets of €96,108 thousand
- the Permanent Establishment reclassified certain buildings between the various financial statement items. Specifically:

i) two properties, with a total value of €13,483 thousand, were reclassified from the "investment properties" category to current assets in light of preliminary sales agreements

ii) a portion of the property in Milan, at Via Unione/Via Torino, for a total value of €49,720 *thousands*, was moved from the "properties under development" category to the "investment properties" category, following the completion of the related construction and marketing activities.

4.7.5.1.1.2 Other assets

	Balance at 31/12/2021					Sales		Elimination		Balance as at 31/12/2022		
(in € thousand)	Historical cost	Accumulated depreciation	Total	Increases	Depreciation	Historical cost	Accumulated depreciation	Historical cost	Accumulated depreciation	Historical cost	Accumulated depreciation	Total
Office furniture and equipment	841	-148	693	-	-30	-	-	-	-	841	-178	663
Electronic equipment	136	-82	54	71	-29	-	-	-8	8	199	-103	96
Sundry equipment	227	-162	65	3	-27	-	-	-	-	230	-189	41
Other assets	**1,204**	**-392**	**812**	**74**	**-86**	**-**	**-**	**-8**	**8**	**1,270**	**-470**	**800**

4.7.5.1.1.3 Fixed assets under construction and advance payments

This item includes the cost of property redevelopment initiatives underway on "*Investment properties*" for €5,099 thousand and contract down payments to suppliers for projects for €3,000 thousand.

4.7.5.1.2 Financial assets

Investments

(in € thousand)	a) Subsidiaries	b) Associated companies	d-bis) Other companies	Total
Balance as at 31 December 2021	**903,784**	**3**	**9,061**	**912,848**
Incorporation of companies, capital increases and other contributions	44,510	-	30,996	75,506
Acquisitions	-	-	-	-
Sales and liquidations	-1,380	-	-282	-1,662
Investment repayments	-	-		0
Write- downs	-43,897	-	-320	-44,217
Write-backs	-	-	25	25
Reclassifications	-	34,916	-34,916	-
Balance as at 31 December 2022	**903,017**	**34,919**	**4,564**	**942,500**
Of which				
• SIIQ/SIINQ, SICAF real estate and eligible real estate funds	885,829	-	-	885,829
• Companies other than the above	17,188	34,919	4,564	56,671

a) subsidiaries

(in € thousand)	% of equity investment	Equity (net assets) of the related company	Book value of investment (A)	% of equity attributable to Covivio (B)	Difference between book value of equity investments and corresponding % of equity (A)-(B)
Covivio Immobiliare 9 S.p.A. SIINQ	100%	95,051	95,051	95,051	-
Covivio Development Italy S.p.A. SIINQ	100%	456,788	423,275	456,788	-33,513
Covivio 7 SpA	100%	6,926	6,926	6,926	-
Covivio Development Trading S.r.l. (formerly Covivio Att. Imm. 2 S.r.l.)	100%	11,401	10,226	11,401	-1,175
Covivio Attività Immobiliari 3 S.r.l.	100%	14	14	14	-
Covivio Attività Immobiliari 4 S.r.l.	100%	12	12	12	-
Covivio Attività Immobiliari 5 S.r.l.	100%	10	10	10	-
Central Sicaf S.p.A.	51%	716,036	367,503	367,503	-
TOTAL		**1,286,238**	**903,017**	**937,705**	**-34,688**

b) associated companies

The balance of the item refers to:

(i) the value of the 30% investment in the capital of Real Estate Solution & Technology S.r.l, dedicated to the performance of Information Technology services for companies operating in the real estate sector (€3 thousand as at 31 December 2022 and 31 December 2021)

(ii) the investment in the "Fondo di Porta Romana" real estate fund (34,917,198), reclassified under investments in "associated companies" from the investments in "other companies" item (€34,916 thousand as at 31 December 2022, of which €30,996 thousand relate to subscriptions for 2022).

d-bis) other companies

(in € thousand)	% of investment/ shares	Balance as at 31 December 2021	Acquisitions/ subscriptions	Write-backs	Write- downs	Sales	Reclassifi-cations	Balance as at 31/12/2022
Other companies								
Nomisma S.p.A.	0.20%	281	-	25	-	-282	-	24
TOTAL OTHER COMPANIES		**281**	**-**	**25**	**-**	**-282**	**0**	**24**
Securities in real estate investment funds								
Securis Real Estate fund	99	4,860	-	-	-320	-	-	4,540
Porta Romana fund	-	3,920	30,996	-	-	-	-34,916	-
TOTAL SECURITIES IN FUNDS		**8,780**	**30,996**	**-**	**-320**	**-**	**-34,916**	**4,540**
TOTAL		**9,061**	**30,996**	**25**	**-320**	**-282**	**-34,916**	**4,564**

4.7.5.2 Current assets

4.7.5.2.1 Inventories

Land and buildings

(in € thousand)	Balance at 31/12/2021						Sales		Elimination		Reclassi-fications	Balance as at 31/12/2022		
	Histo-rical cost	Accu-mulated write-downs	Total	Acquisi-tions	Incre-mental expenses	Write-downs	Histo-rical cost	Accu-mulated write-downs	Histo-rical cost	Accu-mulated write-downs		Histo-rical cost	Accu-mulated write-downs	Total
Land	68	-49	19	-	-	-4	-	-	-37	22	-	31	-31	0
Buildings	43,261	-27,776	15,485	-	169	-1,869			-2,826	2,841	-	40,604	-26,804	13,800
Properties purchased for resale	**43,329**	**-27,825**	**15,504**	**-**	**169**	**-1,873**	**0**	**0**	**-2,863**	**2,863**	**0**	**40,635**	**-26,835**	**13,800**
Land	639	-57	582	-	-	-1,685	-639	57	-	-	3,111	3,111	-1,685	1,426
Buildings	3,099	-304	2,795	-	-	-5,537	-3,099	304	-	-	10,371	10,371	-5,537	4,834
Properties held for leasing under disposal	**3,738**	**-361**	**3,377**	**-**	**-**	**-7,222**	**-3,738**	**361**	**-**	**-**	**13,482**	**13,482**	**-7,222**	**6,260**
TOTAL LAND AND BUILDINGS	**47,067**	**-28,186**	**18,881**	**-**	**169**	**-9,095**	**-3,738**	**361**	**-2,863**	**2,863**	**13,482**	**54,117**	**-34,057**	**20,060**

4.7.5.2.2 Receivables

4.7.5.2.2.1 From customers

(in € thousand)	31/12/2022	31/12/2021
Trade receivables (commercial) due within 12 months		
Receivables from customers for sales of properties and investments	5,600	98,298
Tenants	24,024	27,446
Provision for impairment of trade receivables due within 12 months	-18,516	-20,287
Total trade receivables (commercial) due within 12 months	**11,108**	**105,457**
Trade receivables (commercial) due beyond 12 months		
Tenants	15,538	15,193
Total trade receivables (commercial) due beyond 12 months	**15,538**	**15,193**
TOTAL TRADE RECEIVABLES	**26,646**	**120,650**

4.7.5.2.2.2 From subsidiaries

(in € thousand)	31/12/2022	31/12/2021
Receivables from subsidiaries due within 12 months		
Trade receivables for the provision of services and leases	1,177	1,631
Receivable arising from the consolidation of IRES taxable income	285	46
Total receivables from subsidiaries due within 12 months	**1,462**	**1,677**
Receivables from subsidiaries due beyond 12 months		
Trade receivables for the provision of services and leases	-	-
Total receivables from subsidiaries due beyond 12 months	**-**	**-**
TOTAL RECEIVABLES FROM SUBSIDIARIES	**1,462**	**1,677**

4.7.5.2.2.3 Tax receivables

The balance of the item "*Tax receivables*" due within 12 months, totalling €5,379 thousand (€571 thousand as at 31 December 2021), includes:

i) the receivable for IRES and IRAP direct taxes of €197 thousand – representing €108 thousand (€168 thousand as at 31 December 2021) and €1 thousand (€94 thousand as at 31 December 2021), respectively

ii) the VAT receivable of €5,182 thousand, accrued by the Group in December 2022 and which will be used to offset the next VAT settlement.

The increase over the previous year (€4,808 thousand) is attributable to the aforementioned 2022 VAT receivable, net of the reduction in IRES and IRAP receivables (€62 thousand) and receivables for IMU, TARI and minor taxes (a total of €312 thousand as at 31 December 2021), partly collected during the financial year (€271 thousand) and partly cancelled since they are no longer recoverable (€41 thousand).

The "*Tax receivables*" due beyond 12 months, of €116 thousand (€92 thousand as at 31 December 2021) include: i) the IRES receivable (€92 thousand as at 31 December 2022, unchanged *versus* 31 December 2021) from the partial deductibility of the IRAP paid in previous financial years, for IRES purposes, as required by law 2/2009 and law 214/2011; and ii) the IRAP receivable (€24 thousand), requested as reimbursement by a subsidiary during liquidation and transferred to Covivio. This receivable will be repaid directly to Covivio.

These receivables are classified as "due beyond 12 months" due to their foreseeable recovery times.

4.7.5.2.2.4 Deferred tax assets

(in € thousand)	Difference in book value/ tax value of properties	Tax payables	Temporarily non-tax deductible costs	Total
Balance as at 31 December 2021	**45,203**	**2,785**	**2,146**	**50,134**
Net increases/(decreases) in P/L account	-14,332	-2,479	-380	-17,191
Net increases/(decreases) in shareholders' equity	-	-	-	-
Balance as at 31 December 2022	**30,871**	**306**	**1,766**	**32,943**

4.7.5.2.2.5 Third-party receivables

(in € thousand)	31/12/2022	31/12/2021
Other receivables due within 12 months		
Guarantee deposits	55	62
Other receivables	6,684	5,780
Provision for impairment of other receivables due within 12 months	-1,213	-1,086
Total other receivables due within 12 months	**5,526**	**4,756**
Other receivables due beyond 12 months		
Receivables from the Municipality of Rome	7,492	7,492
Guarantee deposits	69	67
Provision for impairment of other receivables due beyond 12 months	-7,492	-7,492
Total other receivables due beyond 12 months	**69**	**67**
TOTAL THIRD-PARTY RECEIVABLES	**5,595**	**4,823**

4.7.5.2.3 Financial assets excluding fixed assets

From subsidiaries for centralised cash management

For both financial years under comparison, the balance of this item (€5,815 thousand as at 31 December 2022 and €43 thousand as at 31 December 2021) relates entirely to receivables represented by the balances (assets for Covivio) of *giro* accounts (interest-bearing) with subsidiary companies, used for the centralised management of the financial resources of the Covivio group in Italy.

4.7.5.2.4 Cash and cash equivalents

These total €983 thousand (€17,047 thousand as at 31 December 2021) and are entirely represented by bank deposits.

4.7.5.3 Accruals and deferrals

Accruals and deferrals of €1,322 thousand (€687 thousand as at 31 December 2021), include, among others, the expenses relating to the registration tax paid in advance on the current years of the lease agreements for €314 thousand (€329 thousand as at 31 December 2021) and the expenses for brokerage fees incurred for the conclusion of existing leases (which, in compliance with the requirements of the reference standards, are recognised in the profit and loss account over the duration of the underlying lease) for €936 thousand (€293 thousand as at 31 December 2021).

4.7.5.4 Profit and loss data

4.7.5.4.1 Value of production

A1 - Revenue from sales and services[1]	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
a) lease revenue	61,867	69,423		
● from properties held for leasing	61,798	67,862	61,798	(A)
● from properties purchased for resale and sub-leases	69	1,561		
b) service revenue	2,831	3,185		
c) revenue from the sale of properties purchased for resale	1	1,500		
TOTAL A1	**64,699**	**74,108**		

A5 - Other revenues and income	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
b) capital gains on sale of fixed assets and revenue from sale of other real estate rights	73	5,675		
of which:				
● capital gains on sale of properties held for leasing recognised during the year	73	5,680	50	(B)
● capital gains on sale of properties held for leasing corresponding to the				
● accumulated depreciation and/or depreciation recognised in previous years	-	-17		
● sale of real rights on properties held for leasing	-	12	-	(B)
● capital gains on sale of other fixed assets	-	-		
	73	**5,675**		
c) write-backs				
● write-backs on investment properties	1,458	-		(F1)
	1,458	**-**		
d) income related to contingent assets and liabilities				
● release of provisions for risks and charges	1,165	220	1,165	(F3)
● release of provisions for impairment of receivables	2,087	3,132	2,087	(F3)
● various contingencies	76	88		
● *including for the recovery of other costs and charges*	*12*	*9*	*12*	*(F2)*
● *including for other contingent assets and liabilities*	*64*	*79*		
● discounts receivable	22	-		
	3,350	**3,440**		
e) non-financial income and revenues from non-core business				
● penalties/income on lease terminations	-	-	-	(A)
● recovery of ancillary costs from tenants	7,452	5,348	7,452	(F2)
● recovery of intercompany ancillary costs and charges[1]	134	110	134	(F2)
● recovery of costs of seconded personnel and directors' fees paid to the S.O.[1]	188	166	188	(F2)
	7,774	**5,624**		
TOTAL A5	**12,654**	**14,739**		

4.7.5.4.2 Financial income

4.7.5.4.2.1 Income from equity investments

C15 - income from equity investments	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
a) in subsidiaries and associated companies	121,191	49,656		
i) of which dividends				
• *from SIIQ/SIINQ, SICAF and eligible real estate funds (distributions of profits)*	*105,856*	*45,893*	*105,856*	*(C)*
• *from other subsidiaries and associated companies;*	*15,156*	*3,510*		
ii) of which positive margins on disposal	179	253		
b) in parent companies	–	–		
c) in subsidiaries of other parent companies	11	–		
d) in other companies	–	–		
TOTAL C15	**121,202**	**49,656**		

4.7.5.4.2.2 Other financial income

C16 - Other financial income:	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
a) from receivables recorded under fixed assets	–	–		
b) from securities classified as fixed assets other than equity investments	–	–		
c) from securities classified as current assets other than equity investments	–	–		
d) income other than the above:	–	–		
• from subsidiaries[1]	137	200		
• from subsidiaries of other parent companies	–	–		
• from others	542	636		
of which interest income receivable from banks	–	-2	–	(F7)
of which other interest income and exchange differences	–	–		
of which interest on tax receivables	–	4	–	(F7)
of which for receivables discounting and other discounts	542	634		
TOTAL C16	**679**	**836**		

4.7.5.5 Value adjustments on financial assets: revaluations

D18 - Revaluations	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
a) of equity investments				
of which investments in SIIQ/SIINQs and real estate SICAFs	*–*	*–*		
of which investments in other companies	*25*	*23*	*25*	*(F4)*
Total a) – of equity investments	**25**	**23**		
b) of financial fixed assets other than equity investments	–	–	–	(F4)
Total b) - of financial fixed assets other than equity investments	**-**	**-**		
d) of derivative financial instruments				
• Positive ineffective portion of derivative instruments	529	–		
• Positive ineffective portion of bond loan conversion option (known as ORNANE) and IRS	–	3,867		
Total d) - of derivative financial instruments	**529**	**3,867**		
TOTAL D18 - REVALUATIONS	**554**	**3,890**		

4.7.5.6 Taxes

20 - Income tax for the year:	2022 FY	2021 FY	Cross-reference with revenue parameter – par. 2.1	
a) current tax	**1,539**	**-7,816**		
• current tax	-676	–	-676	(F8)
• income for the recalculation of current tax for the previous year	1	57	1	(F6)
• charges for the recalculation of current tax for the previous year		-18		
• income for the recalculation of substitute tax for revaluation pursuant to Law 126/2020	2,214	-7,855	2,214	(F6)
b) deferred taxes	**2,626**	**40,566**		
• accruals and releases for deferred tax assets	2,626	40,566	2,626	(F8)
• recalculation of deferred taxes from previous years	-	-	-	
c) prepaid taxes	**-17,191**	**9,629**		
• provisions and releases for prepaid taxes	-2,744	9,629		
• recalculation of deferred taxes from previous years	-14,447	0		
d) income from tax consolidation	**284**	**46**	**284**	**(F8)**
TOTAL 20	**-12,742**	**42,425**	**4,449**	

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5

General Meeting and corporate governance

5.1 Agenda and text of draft resolutions for the Combined General Meeting of 20 April 2023

5.1.1 Agenda

5.1.1.1 Ordinary resolutions

- Approval of the parent company's financial statements for the year ended 31 December 2022
- Approval of the consolidated financial statements for the year ended 31 December 2022
- Appropriation of income – Distribution of dividend
- Option to pay the dividend in shares
- Approval of the Statutory Auditors' special report prepared in accordance with Article L. 225-40 of the French Commercial Code and the regulated agreements referred to in Article L. 225-38 *et seq.* of the French Commercial Code referred to therein
- Approval of the information mentioned in in Article L. 22-10-9, I of the French Commercial Code related to remuneration of all corporate executive officers
- Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Jean Laurent in his capacity as Chairman of the Board of Directors.
- Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Jean-Luc Biamonti in his capacity as Chairman of the Board of Directors from 21 July 2022
- Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Christophe Kullmann in his capacity as Chief Executive Officer
- Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Olivier Estève in his capacity as Deputy CEO
- Approval of the remuneration policy applicable to the Chairman of the Board of Directors
- Approval of the remuneration policy applicable to the Chief Executive Officer
- Approval of the remuneration policy applicable to the Deputy CEO
- Approval of the remuneration policy applicable to Directors
- Ratification of the cooptation of the company Delfin SARL as a Director
- Renewal of the term of office of Jean-Luc Biamonti
- Renewal of the term of office of Christian Delaire
- Renewal of the term of office of Olivier Piani
- Renewal of the term of office of the company Covéa Coopérations
- Renewal of the term of office of the company Delfin SARL
- Authorisation to be given to the Board of Directors for the company to purchase treasury shares.
- Advisory opinion on the company's climate strategy and its climate objectives for 2030

5.1.1.2 Extraordinary resolutions

- Delegation of authority to the Board of Directors to increase the company's share capital through the incorporation of reserves, profits or premiums
- Authorisation to be granted to the Board of Directors to reduce the company's share capital through the cancellation of shares
- Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, maintaining the shareholders' preferential subscription right
- Delegation of authority to the Board of Directors to issue, through public offering, company shares and/or transferable securities convertible into equity, with waiver of shareholders' preferential subscription rights and a mandatory priority period for share issues
- Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, with waiver of shareholders' preferential subscription rights, in the event of a public exchange offer initiated by the company
- Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, to pay for the contributions in kind granted to the company consisting of capital shares or transferable securities convertible into equity
- Delegation of authority to the Board of Directors to make capital increases reserved for employees of the company and companies in the Covivio group that are members of a company savings plan, with waiver of shareholders' preferential subscription right
- Modification of Article 8 (*Threshold crossings*) of the company's Articles of Association
- Powers for formal recording requirements

5.1.2 Text of the draft resolutions

5.1.2.1 Ordinary resolutions

FIRST RESOLUTION

(Approval of the parent company's financial statements for the year ended 31 December 2022).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the parent company's financial statements for the fiscal year ended 31 December 2022 and the reports of the Board of Directors and Statutory Auditors on these annual financial statements, approves in full the report of the Board of Directors and the parent company's financial statements for the year ended 31 December 2022, which include the balance sheet, income statement and notes, as presented, showing a profit of €282,953,806.34.

The General Meeting consequently approves the transactions reflected in these financial statements and summarised in these reports.

The General Meeting notes that there were no expenditure and charges covered by Article 39.4 of the French General Tax Code, and observes that there is no corporate income tax payable in this respect.

SECOND RESOLUTION

(Approval of the consolidated financial statements for the year ended 31 December 2022).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the reports of the Board of Directors and Statutory Auditors on the consolidated financial statements, approves the consolidated financial statements for the year ended 31 December 2022, which include the balance sheet, income statement and notes, as presented, as well as the transactions reflected by these financial statements and summarised in these reports.

The General Meeting notes that the consolidated net income of the Group as at 31 December 2022 was €620,694 thousand.

THIRD RESOLUTION

(Appropriation of income – Distribution of dividend).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having noted that the profit of €282 953,806.34 for the year increased by the retained earnings of €1,883,115.00, bringing the distributable profit to a sum of €284,836,921.34, resolves, on a proposal from the Board of Directors,

- to allocate the distributable profit as follows:
  - **(i)** €22,852.50 to the legal reserve, bringing the amount of the legal reserve to 10% of share capital at the end of the fiscal year, *i.e.,* €28,435,828.80
  - **(ii)** €284,814,068.84 as a dividend payment to shareholders.
- to also proceed with the distribution of a sum of €70,633,791.16 deducted from:
  - **(i)** the account "Distributable revaluation reserve", in the amount of €70,627,157.07
  - **(ii)** the account "Merger premium", in the amount of €6,634.09.

Thus, each share will receive a dividend of €3.75.

The dividend will be paid on 1 June 2023.

On the basis of the total number of shares comprising the share capital as of 21 February 2023, *i.e.*, 94,786,096 shares, and subject to the possible application of the provisions of Article 25.3 of the company's Articles of Association to shareholders regarding Withholding Tax, it is proposed to a total dividend of €355,447,860.00 will thus be allocated. This dividend only gives entitlement to the 40% rebate in the event of an annual, express, overall and irrevocable option for the progressive income tax scale pursuant to Article 200 A 2 of the French General Tax Code, and only for the portion of this dividend deducted from earnings subject to corporate income tax. In compliance with article 158–3-3° b *bis* of the French General Tax Code, this rebate does not apply to earnings exempt from corporate income tax under the SIIC plan in application of Article 208 C of the French General Tax Code.

The corporation tax-exempt dividend in application of Article 208 C of the French General Tax Code not eligible for the 40% rebate totals €232,802,920.98.

The dividend withheld on the profits subject to corporation tax totals €122,644,939.02.

The dividend drawn against the company's profits exempt from corporate income tax pursuant to article 208–3° *quater* of the French General Tax Code totals €0.

The General Meeting resolves that, pursuant to the provisions of Article L. 225-210 of the French Commercial Code, the amount the shareholders may have waived, as well as the amount corresponding to treasury shares on the dividend payment date, which do not grant a right to dividends, will be allocated to the "Retained earnings" account. Accordingly, the General Meeting grants all powers to the Board of Directors, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, for the purposes of determining, considering the number of shares held by the company at the record date, the overall amount of the dividend and, consequently, the amount that will be withdrawn from the "Retained earnings" account.

In accordance with the law, the General Meeting confirms that the dividends distributed for the previous three fiscal years were as follows:

Financial year	Type of dividend	Dividend paid per share	Amount of dividend eligible for the 40% rebate[(1)]	Amount of dividend not eligible for the 40% rebate
2019	Current	€4.80	€0.7506	€4.0494
2020	Current	€3.60	€0.6681	€2.9319
2021	Current	€3.75	€0.9761	€2.7739

(1) In case of option for a progressive rate of the revenue tax.

FOURTH RESOLUTION

(Option to pay the dividend in shares).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having confirmed that the share capital is entirely paid up and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 232-18 to L. 232-20 of the French Commercial Code, offers each shareholder an option between payment of the dividend in cash and in shares. This option applies to the full amount of the dividend per share.

Accordingly, the General Meeting decides:

- that the issue price of shares allocated as payment of the dividend is set at 90% of the average of the listed price at the closure of the previous twenty sessions of the stock market preceding the date of this meeting, less the net amount of dividend per share subject to the 3rd resolution, rounded up to the next closest hundredth of a cent
- that the shareholders who request payment of the dividend in shares may exercise their option with financial intermediaries authorised to pay the dividend from 26 April 2023 until 10 May 2023 inclusive. Following the end of this period, the dividend will be paid in cash, with payment taking place on 1 June 2023, the date on which the delivery-payment of shares for those who have opted for payment in shares of the entirety of the dividend owed to them will also take place. Current rights to shares issued as payment of the dividend will be granted and therefore will grant rights, upon their issuance, to all distributions decided by the company from this date; and
- that if the amount of the dividend for which the option is exercised does not correspond to a whole number of shares, shareholders will be able to obtain the whole number of shares immediately below, in addition to the balance in cash.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- performing all the necessary transactions relating or subsequent to the exercise of the option for the payment of the dividend in shares
- recording the number of shares issued and the capital increase resulting from the issuance of shares following the exercise of the option offered to the shareholders for payment of the dividend in shares
- charging the expenses of said capital increase to the amount of the related issue premium, and withdrawing from this amount the necessary sums, corresponding to 10% of the nominal amount of the issuance, in order to add to the legal reserve
- modifying the Articles of Association accordingly
- completing all formalities required to enter into negotiations on a regulated market in France or abroad for the shares issued and ensuring the financial service of the securities issued and the fiscal year for the attached rights; and
- completing all publication formalities and, more generally, doing whatever is necessary and useful.

FIFTH RESOLUTION

(Approval of the Statutory Auditors' special report prepared in accordance with Article L. 225-40 of the French Commercial Code and the regulated agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code referred to therein).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Statutory Auditors' special report on the regulated agreements and undertakings referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, approves this report and such regulated agreements entered into or executed during the fiscal year ended 31 December 2022.

SIXTH RESOLUTION

(Approval of the information mentioned in in Article L. 22-10-9, I of the French Commercial Code relating to all remuneration of corporate officers).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves pursuant to Article L. 22-10-34, I of the French Commercial Code the information referred to in Article L. 22-10-9, I of the French Commercial Code related to remuneration of all corporate officers and detailed in paragraph 5.3.4.2 of the company's Universal Registration Document.

SEVENTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Jean Laurent in his capacity as Chairman of the Board of Directors until 21 July 2022).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, pursuant to Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of said fiscal year to Jean Laurent in his capacity as Chairman of the Board of Directors until 21 July 2022, as described in said report, and presented in paragraph 5.3.4.3.1 of the company's Universal Registration Document.

EIGHTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Jean-Luc Biamonti in his capacity as Chairman of the Board of Directors from 21 July 2022).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of said fiscal year to Jean-Luc Biamonti in his capacity as Chairman of the Board of Directors from 21 July 2022, as described in said report, and presented in paragraph 5.3.4.3.2 of the company's Universal Registration Document.

NINTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during t he fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Christophe Kullmann in his capacity as Chief Executive Officer).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, pursuant to Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of said fiscal year to Christophe Kullmann in his capacity as Chief Executive Officer, as described in said report, and presented in paragraph 5.3.4.3.3 of the company's Universal Registration Document.

TENTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Olivier Estève in his capacity as Deputy CEO).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors on corporate governance drafted pursuant to Article L. 225-37 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and all benefits in kind paid during the fiscal year ended 31 December 2022 or allocated in respect of the said fiscal year to Olivier Estève in his capacity as Deputy CEO, as described in the said report, and presented in paragraph 5.3.4.3.4 of the company's Universal Registration Document, pursuant to Article L. 22-10-34, II of the French Commercial Code.

ELEVENTH RESOLUTION

(Approval of the remuneration policy applicable to the Chairman of the Board of Directors).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance pursuant to Article L. 225-37 of the French Commercial Code describing in particular the items of the remuneration policy of the corporate officers, approves, pursuant to Article L. 22-10-8 of the French Commercial Code the remuneration policy applicable to the Chairman of the Board of Directors presented and detailed in paragraph 5.3.4.1.1 of company's Universal Registration Document.

TWELFTH RESOLUTION

(Approval of the remuneration policy applicable to the Chief Executive Officer).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance pursuant to Article L. 225-37 of the French Commercial Code describing in particular the items of the remuneration policy of the corporate officers, approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the remuneration policy applicable to the Chief Executive Officer presented and detailed in paragraph 5.3.4.1.2 of the company's Universal Registration Document.

THIRTEENTH RESOLUTION

(Approval of the remuneration policy applicable to the Deputy CEO).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code detailing in particular the items of the remuneration policy of the corporate officers, approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the remuneration policy applicable to the Deputy CEO presented and detailed in paragraph 5.3.4.1.2 of the company's Universal Registration Document.

FOURTEENTH RESOLUTION

(Approval of the remuneration policy applicable to the Directors).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, detailing in particular the components of the remuneration policy of the legal representatives, approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the remuneration policy applicable to the Directors presented and detailed in paragraph 5.3.4.1.3. of the company's Universal Registration Document.

FIFTEENTH RESOLUTION

(Ratification of the cooptation of the company Delfin SARL as a Director).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors, ratifies the cooptation by the Board of Directors in its meeting of 21 July 2022 of the company Delfin SARL as a Director to replace Leonardo Del Vecchio for the remainder of the latter's term of office expiring at the end of the General Meeting of shareholders called in 2023 to approve the financial statements for the fiscal year ended 31 December 2022.

SIXTEENTH RESOLUTION

(Renewal of the term of office as Director of Jean-Luc Biamonti).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors, and having noted that the term of office of Mr Jean-Luc Biamonti as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Mr Jean-Luc Biamonti as a Director of the company, for a period of four (4) years expiring at the end of the General Meeting called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026.

SEVENTEENTH RESOLUTION

(Renewal of the term of office as Director of Christian Delaire).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors and having noted that the term of office of Mr Christian Delaire as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Mr Christian Delaire as a Director of the company, for a period of four (4) years expiring at the end of the General Meeting called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026.

EIGHTEENTH RESOLUTION

(Renewal of the term of office as Director of Olivier Piani).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors, and having noted that the term of office of Mr Olivier Plani as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Mr Olivier Plani as a Director of the company, for a period of four (4) years expiring at the end of the General Meeting called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026.

NINETEENTH RESOLUTION

(Renewal of the term of office as Director of the company Covéa Coopérations).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors, and having noted that the term of office of Covéa Coopérations as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Covéa Coopérations as a Director for a period of four (4) years expiring at the end of the General Meeting of shareholders called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026.

TWENTIETH RESOLUTION

(Renewal of the term of office as Director of the company Delfin SARL).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report by the Board of Directors, and having noted that the term of office of Delfin SARL as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Delfin SARL as a Director for a period of four (4) years expiring at the end of the General Meeting of shareholders called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026.

TWENTY-FIRST RESOLUTION

(Authorisation to be given to the Board of Directors for the company to purchase treasury shares).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors and in accordance with the provisions of Articles L. 225-210 *et seq.* and L. 22-10-62 *et seq.* of the French Commercial Code, European regulation no. 596/2014 of the European Parliament and Council of 16 April 2014 and the market practices allowed by the French Financial Markets Authority:

- terminates, effective immediately, for the unused portion, the authorisation given by the Combined General Meeting of 21 April 2022
- authorises the Board of Directors, which may further delegate such authority under the conditions stipulated by the legal and regulatory provisions, to purchase treasury shares or cause them to be purchased all at once or in several instances at the time of its choosing; and
- decides that purchases of company shares as described in the paragraph above may be for a number of shares such that the number of shares that the company would purchase during the buyback program does not exceed 10% of the shares making up the share capital of the company (at any time whatsoever, and this percentage applies to adjusted capital based on the impact of transactions subsequent to this General Meeting). It is stipulated that (i) a maximum of 5% of the shares comprising the company's share capital may be allocated for holding purposes and subsequent payment or exchange within the framework of a merger, split or contribution, and (ii) in the event of an acquisition within the context of a liquidity agreement, the number of shares taken into account for calculating the 10% limit on the total share capital mentioned above corresponds to the number of shares purchased less the number of shares resold during the term of this authorisation, and (iii) purchases made by the company may not under any circumstances lead to it owning more than 10% of the share capital of the company.

The maximum purchase price paid by the company for treasury shares must not exceed one hundred and thirty-five euros (€135) per share (excluding acquisition expenses). In case of capital transactions, specifically through the incorporation of reserves and the allocation of free shares and/or the splitting or consolidation of shares, this price will be adjusted by a multiplier coefficient equal to the ratio between the number of shares comprising the share capital prior to the transaction and the same number after the transaction. Therefore, in the event of a change in the share par value, a capital increase through the incorporation of reserves, the allocation of free shares, the splitting or consolidation of shares, the distribution of reserves or any other assets, the amortisation of capital or any other transaction affecting shareholders' equity, the General Meeting resolves to delegate to the Board of Directors the authority to adjust the aforementioned maximum purchase price in order to take these transactions into consideration in the share value.

The maximum amount of funds reserved for the share buyback programme will be five hundred million euros (€500,000,000).

In compliance with the applicable legal and regulatory provisions, transactions relating to purchases, disposals, exchanges or transfers may be executed by any means, including by trading on a regulated market, a multilateral trading facility, systematic or over-the-counter internalisers, in particular through the acquisition or disposal of blocks (on the market or off-market), by way of takeover or exchange offer or through the use of financial instruments, in particular derivative financial instruments traded on a regulated market or over the counter, such as call or put options or any combination thereof, or through the use of warrants, either directly or indirectly through the intermediary of an investment services provider, under the conditions authorised by the competent market authorities, and at such times as the company's Board of Directors deems appropriate. The maximum portion of the share capital acquired or transferred in the form of blocks of shares may comprise up to the entire programme.

These transactions may take place at any time, subject to compliance with regulations in effect, unless a third party files a public offering for the shares of the company, until the end of the offer period.

This authorisation is intended to allow the company to pursue the following objectives, in compliance with the applicable legal and regulatory provisions:

- to allocate shares to executive corporate officers or employees of the company and/or of companies belonging to its group, in accordance with the terms and conditions set out in the laws and regulations applicable to (i) the sharing in the benefits due to the company's growth, (ii) the stock-option scheme stipulated by Articles L. 225-177 *et seq.* of the French Commercial Code and its Article L. 22-10-56, (iii) the scheme for allocation of free shares as stipulated in Articles L. 225-197-1 *et seq.* of the French Commercial Code and L. 22-10-59 and L. 22-10-60 of the Commercial Code and (iv) any employee savings plan, as well as to undertake any hedging transaction relating to these transactions, under the conditions stipulated by the market authorities and at such times as the Board of Directors or the individual acting on behalf of the Board of Directors deems suitable
- to deliver shares during the exercise of rights attached to transferable securities giving the right, immediately or in the future, through redemption, conversion, exchange, presentation of a warrant or any other manner, to the allocation of company shares, as well as to undertake any hedging transaction in relation to the issue of such securities, under the conditions stipulated by the market authorities and at such times as the Board of Directors or the individual acting on behalf of the Board of Directors deems suitable
- to hold the shares and deliver them later as payment or in exchange in the context of potential transactions for external growth, merger, split or contribution
- to cancel all or part of the shares through a reduction in the share capital (specifically in order to optimise cash management, return on equity or earnings per share), subject to this General Meeting adopting the 24th resolution below
- to facilitate the liquidity of transactions and consistency in the trading of the company's shares or to prevent price swings not justified by market trends within the framework of a liquidity agreement entered into with an investment services provider operating in complete independence, under the conditions and in accordance with the methods set by regulation and recognised market practice and consistent with a Code of Ethics recognised by the French Financial Markets Authority
- and also with a view to any other practice that could be recognised by the law or the French Financial Markets Authority or any other purpose to be authorised by the law or regulations in effect in future. In such a case, the company would inform its shareholders by sending out a notice.

This authorisation is given for eighteen (18) months as at the date of this General Meeting.

The General Meeting grants complete authority to the Board of Directors, which may further delegate such authority under the conditions stipulated by the applicable legal and regulatory provisions, for the purposes of implementing this authorisation, and specifically:

- to place all orders on the securities exchange or over the counter
- to enter into any agreements specifically with a view to maintaining records on the purchase and sale of shares
- to prepare all documents, including those for information
- to allocate or reallocate the shares acquired to the various objectives pursued, under the applicable legal and regulatory conditions; and
- to prepare any statements and execute any recording requirements of the French Financial Markets Authority or any other public authority and, in general, to take all necessary measures.

The General Meeting acknowledges that, in the event that the Board of Directors uses this authorisation, the Board of Directors must report on it pursuant to Article L. 225-100 of the French Commercial Code, in accordance with Article L. 225-211 of the French Commercial Code.

TWENTY-SECOND RESOLUTION

(Advisory opinion on the company's climate strategy and its climate objectives for 2030).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the reports of the Board of Directors, approves the climate strategy of the company and of the Group as well as the objectives it has set for 2030, as presented in section 3.3 of the company's Universal Registration Document.

5.1.2.2 Extraordinary resolutions

TWENTY-THIRD RESOLUTION

(Delegation of authority to the Board of Directors to increase the company's share capital through the incorporation of reserves, profits or premiums).

The General Meeting, ruling under the *quorum* and majority conditions required for Ordinary General Meetings, and having reviewed the report of the Board of Directors:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022
- hereby fully authorises the Board of Directors, in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code, which may further delegate such authority, to decide to increase the company's share capital, on one or more occasions, in the proportions and at the times that it deems suitable, by incorporating all or part of the reserves, profits, premiums or any other sums that may be capitalised, to be executed through the issue of new free shares or an increase in the par value of the company shares or a combination of these two procedures
- notwithstanding the above, resolves that the Board of Directors may not, unless with the prior authorisation of the General Meeting, use this delegation of authority as of the date of the filing by a third party of a proposed public takeover offer for the company's shares, and until the end of the offer period

- resolves that the maximum nominal amount of the capital increases performed under this delegation, immediately or in the future, may not exceed a total of twenty-eight million four hundred thousand euros (€28,400,000), plus, if applicable, the par value of the additional shares to be issued in order to protect the rights of the holders of transferable securities convertible into equity as required by legal, regulatory and contractual stipulations. This amount is set independently and separately from the caps on share capital increases as a result of share and/or transferable securities issues authorised by Resolutions 25 through 29
- resolves that this delegation is valid for a period of twenty-six (26) months from the date of this General Meeting
- resolves that the rights forming fractional shares will be neither tradable nor transferable and that the corresponding shares will be sold; the sums resulting from the sale will be allocated to the holders of the rights as stipulated under the legislative and regulatory provisions applicable; and
- resolves that the Board of Directors, which may further delegate such authority under the conditions stipulated by the legal and regulatory provisions, will have all powers to implement this delegation, specifically for the purposes of:
  - **(i)** determining the terms and conditions of the transactions authorised above, and more specifically, determining in this respect the amount of sums to be capitalised and the shareholders' equity account or accounts against which they will be drawn
  - **(ii)** setting the amounts to be issued and the dividend entitlement date, applied retroactively or not, for the securities to be issued
  - **(iii)** making any adjustments in order to take into account the impact of transactions on the company's share capital
  - **(iv)** setting the terms and conditions under which the rights of holders of transferable securities providing access to the share capital will be maintained, as relevant, in accordance with the legal and regulatory provisions in force and the conditions stipulated in any contracts in force
  - **(v)** performing, either on its own or through an agent, all acts and formalities to finalise any capital increases that may be carried out as authorised under this resolution; and
  - **(vi)** amending the Articles of Association accordingly and, in general, doing whatever is necessary.

TWENTY-FOURTH RESOLUTION

(Authorisation to be granted to the Board of Directors to reduce the company's share capital through the cancellation of shares).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code:

- terminates, effective immediately, for the unused portion, the authorisation given by the Combined General Meeting of 21 April 2022
- authorises the Board of Directors, which may further delegate such authority, for a period of eighteen (18) months from the date of this General Meeting, to cancel, on one or more occasions and at times it deems fit, shares acquired by the company under the authority of Resolution 21 or any other resolution with the same purpose and same legal basis, within the limit of 10% of the company's share capital per period of twenty-four (24) months, and to reduce the share capital accordingly, on the understanding that this percentage applies to the capital following any adjustments to take into account the impact of transactions subsequent to this General Meeting; and
- authorises the Board of Directors to allocate the difference between the purchase value of the cancelled shares and their par value to the "share premium" account or to any available reserves and premium account, including legal reserves, to a maximum of 10% of the realised capital reduction.

The General Meeting grants all authority to the Board of Directors, which may further delegate such authority under the conditions stipulated by the legal and regulatory provisions, to undertake this (these) transaction(s) involving share cancellations and capital reductions, specifically to set the final value of the capital reduction, setting the conditions and confirming its fulfilment and undertaking the corresponding amendment of the company's Articles of Association, to take any formal recording measures, to make any efforts and statements to any public entities and, in general, to do anything necessary.

TWENTY-FIFTH RESOLUTION

(Delegation of the authority to the Board of Directors to issue shares and/or securities convertible into equity, maintaining the shareholders' preferential subscription right).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 *et seq.*, particularly Articles L. 225-129-2, L. 225-132 to L. 225-134 and the provisions of Articles L. 228-91 *et seq.* of the French Commercial Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022
- delegates authority to the Board of Directors, which may further delegate said authority, for a period of twenty-six (26) months as from the date of this General Meeting, to decide, on one or more occasions, in the proportions and at the times it deems fit, both in France and abroad, on the issue, in euros or in foreign currency, maintaining the shareholders' preferential subscription rights, of company shares and/or transferable securities (including warrants to subscribe for new or existing shares), providing immediate or future access by any means to the company's share capital, whether issued free of charge or in return for payment. It is specified that this delegation may allow the issue of transferable securities under the conditions set forth by Article L. 228-93 of the French Commercial Code
- notwithstanding the above, resolves that the Board of Directors may not, unless with the prior authorisation of the General Meeting, use this delegation of authority as of the date of the filing by a third party of a proposed public takeover offer for the company's shares, and until the end of the offer period
- resolves that the maximum nominal amount of the share capital increases performed under this delegation, immediately or in the future, may not exceed a total of seventy-one million euros (€71,000,000) plus, where applicable, the par value of any additional shares to be issued to protect the rights of the holders of transferable securities convertible into equity as required by applicable legal, regulatory and contractual stipulations. This amount is set independently and separately from the caps on share capital increases as a result of share and/or transferable securities issues authorised by Resolutions 23 and 26 through 29; and
- also resolves that the par value of debt securities convertible into equity immediately and/or in the future that may be issued under this delegation may not exceed a total of seven hundred and fifty million euros (€750,000,000) or the equivalent of this on the date of this issue decision in the case of an issue in foreign currency or in a unit of account set by reference to several

currencies. Please note that the nominal amount of the debt securities convertible into equity immediately and/or in the future issued under this delegation and Resolutions 26 to 28 May not exceed a total of seven hundred and fifty million euros (€750,000,000), the overall cap for all debt securities. This amount is independent of the amount of the debt securities for which issue was decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code.

Shares or transferable securities convertible into equity may be subscribed for either in cash or by offsetting receivables against the company.

Shareholders have a preferential right, in proportion to the value of their shares, to subscribe the shares and securities issued under this resolution. The Board of Directors may establish, for shareholders, a subscription right on a reducible basis for the shares or transferable securities issued, which will be issued in proportion to their subscription rights and up to the maximum of their orders.

Consequently, if subscriptions on an irreducible basis and, where applicable, on a reducible basis, have not absorbed the entire issue of shares or transferable securities as defined above, the Board of Directors may use all or some of the options below in the order it deems appropriate:

- to restrict the issue to the amount of subscriptions, it being specified that in the event of a share issue, this limit may only be applied by the Board of Directors on condition that the subscriptions amount to at least three quarters (3/4) of the issue decided
- to freely distribute all or part of any securities not subscribed on an irreducible basis and, where relevant, on a reducible basis; and
- to offer to the public all or part of the non-subscribed shares on the French and/or international markets and/or abroad.

The General Meeting acknowledges that the authorisation implies, as applicable, in favour of the holders of such transferable securities convertible into equity as may be issued under this delegation, waiver *ipso jure* by the shareholders of their preferential subscription right to shares in connection with such transferable securities.

The General Meeting resolves that the company's stock warrants may be issued by subscription offer, as well as by free allocations to owners of old shares, and that, in the event of a free allocation of stock warrants, the Board of Directors will be entitled to resolve that fractional allocation rights will not be negotiable and that the corresponding securities must be sold.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- determining the dates, prices and other conditions of the issues as well as the form and features of the transferable securities to be created
- setting the amounts to be issued and the dividend entitlement date, applied retroactively or not, for the securities to be issued
- determining the method of release for the shares or other securities issued and, if applicable, the conditions for their purchase or exchange
- suspending, if applicable, the exercise of the share allocation rights attached to the transferable securities to be issued, for a period no longer than three (3) months
- setting the terms and conditions under which the rights of holders of transferable securities convertible into equity will be maintained, as relevant, in accordance with the legal and regulatory provisions in force and the conditions of any applicable contracts providing for other adjustments
- charging any amounts against the share premium as required, in particular the fees triggered by the issue, to deduct from this amount the necessary amounts corresponding to 10% of the nominal value of each issue for the legal reserve after each increase
- undertaking any formalities required for the listing for trading on a regulated market in France or abroad, of the rights, shares or transferable securities issued, and providing financial services for the securities in question and exercise of the corresponding rights
- deciding, in the event of an issue of transferable securities representing debt securities convertible into equity, subject to the conditions defined by law, whether or not they are subordinated, setting the interest rate and the currency, the maturity, which may be perpetual if applicable, the fixed or variable redemption price with or without premium, the conditions for amortisation based on market conditions, and the conditions under which these securities will be convertible into shares of the company and the other conditions for issue (including the act of granting guarantees or securities) and amortisation; and
- in general, taking any measure that may be required, entering into any agreements, requesting any authorisations, performing any formalities and doing whatever is necessary to ensure the successful outcome of the issues planned, or to postpone them, and specifically recording the capital increases resulting from any issue performed through the use of this delegation, and amending the company's Articles of Association accordingly.

TWENTY-SIXTH RESOLUTION

(Delegation of authority to the Board of Directors to issue, through public offering, company shares and/or securities convertible into equity, with waiver of shareholders' preferential subscription rights and a mandatory priority period for share issues).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 *et seq.*, particularly Articles L. 225-129-2, L. 225-135, and the provisions of Articles L. 22-10-51, L. 225-136, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022

- delegates to the Board of Directors, which may further delegate such authority, for a period of twenty-six (26) months as from the date of this General Meeting, the power to decide, on one or more occasions, in the proportions and at the times it deems fit, on the issue of company shares and/or transferable securities convertible into equity immediately or in the future, through public offering, (including the offerings covered by paragraph 1, article L. 411-2 of the Monetary and Financial Code), in France or abroad, in euros or in foreign currency, with waiver of shareholders' preferential subscription rights. It is specified that this delegation of authority may allow for the issue of transferable securities under the conditions set forth by Article L. 228-93 of the French Commercial Code
- notwithstanding the above, resolves that the Board of Directors may not, unless with the prior authorisation of the General Meeting, use this delegation of authority as of the date of the filing by a third party of a proposed public takeover offer for the company's shares, and until the end of the offer period
- resolves that the maximum nominal value of increases in the company's share capital that might be made immediately or in the future, by virtue of the present delegation, may not exceed twenty-eight million four hundred thousand euros (€28,400,000), on the understanding that (i) the maximum nominal value of the any capital increase that might be made immediately or in the future, by virtue of the present delegation with no priority period having been allocated to benefit shareholders, will be charged to the applicable cap amount for share capital increases as a result of shares and/or transferable securities issues authorised by Resolutions|exposant#› 27 and 28, and (ii) in all other cases, this amount is set independently and separately from the caps on share capital increases as a result of share and/or transferable securities issues authorised by Resolutions 23, 25 and 27 to 29. Added to this cap, as necessary, will be the additional par value of the shares or other equity instruments to be issued, in accordance with the applicable legal and regulatory provisions and any applicable contractual stipulations providing for other cases of adjustment, to preserve the rights of holders of transferable securities representing receivables convertible into equity; and
- resolves that the par value of debt securities giving immediate and/or future access to the company's capital, issued under this delegation, may not exceed a total of seven hundred and fifty million euros (€750,000,000), the overall cap for debt securities stipulated herein and in Resolutions 25, 27 and 28, or the equivalent of this amount on the date of the issue decision in the event of issue in foreign currency or in a unit of account set by reference to several currencies. This amount is independent of the amount of the debt securities for which issue was decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code.

Issuances decided under this delegation will be completed through public offering.

This delegation of authority expressly excludes the issue of preference shares or marketable securities providing access by any means to preference shares either immediately or in the future.

Shares or transferable securities convertible into equity may be subscribed for either in cash or by offsetting receivables against the company.

The General Meeting resolves:

- to cancel the shareholders' preferential subscription right to the shares and/or transferable securities issued under this delegation; and
- to plan for a mandatory priority period of three (3) trading days minimum to the benefit of shareholders, in accordance with Articles L. 22-10-51 and R. 225-131 of the French Commercial Code, applying to all issues of shares performed within the scope of the present resolution
- to delegate to the Board of Directors the ability to confer such a priority period for issues of transferable securities other than shares performed within the scope of the present resolution.

A priority subscription period that does not lead to the creation of negotiable rights must be exercised in proportion to the portion of equity owned by each shareholder and could potentially be topped up by a subscription on a reducible basis, on the understanding that unsubscribed shares will be sold to public investors in France or, where applicable, offered for investment abroad.

In accordance with Article L. 22-10-52 of the French Commercial Code, the General Meeting resolves that:

- the issue price of the shares will be at least equal to the minimum amount authorised by the laws and regulations in force at the time of use of this delegation (*i.e.*, for information purposes on the date of this General Meeting, at a price at least equal to the weighted average price of the last three trading sessions of the Covivio share on Euronext Paris preceding the start of the public offering within the meaning of regulation (EU) no. 2017/1129 of 14 June 2017, possibly reduced by a maximum discount of 10%); and
- the issue price of transferable securities convertible into equity (whether immediately or in the future), issued under this delegation will be such that the sum immediately received by the company, plus any amount it might receive subsequently, for each share or other equity security issued as a consequence of the issue of these transferable securities, will be at least equal to the minimum subscription price defined in the previous paragraph, after adjustment, if any, of that amount to cover any difference in dividend eligibility dates.

If subscriptions have not absorbed the entire issue of shares or other transferable securities as defined above, the Board of Directors may use all or some of the options below, as it deems fit, and in the order it deems appropriate:

- limit the issue to the amount subscribed, provided that this is equal to at least three quarters (3/4) of the agreed value of the issue
- freely distribute all or part of the unsubscribed securities; and
- offer all or part of the unsubscribed securities to the public.

The General Meeting acknowledges that the authorisation implies waiver *ipso jure* by the holders of any transferable securities convertible into equity issued under this delegation of their preferential subscription right to shares in connection with such transferable securities.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- determining the dates and conditions of the issues as well as the features of the transferable securities and shares to be created or associated with them

- setting the number of shares and/or other transferable securities to be issued, as well as their terms and conditions, in particular their issue price and, as applicable, the amount of the premium
- determining the payment method for the shares and/or securities issued
- determining the terms of payment for the shares and/or other securities issued setting the dividend entitlement date, with or without retroactive effect, of the securities to be issued and, as applicable, the conditions for their buyback or exchange
- suspending, as applicable, exercise of the rights attached to the securities for a period no longer than of three (3) months under the limits stipulated by the applicable legal and regulatory provisions
- setting the conditions to ensure preservation of the rights of holders of transferable securities or other instruments providing access to the share capital, in accordance with applicable legal and regulatory provisions and, as necessary, the applicable contractual stipulations providing for other adjustments
- charging any amounts against the share premium as required, in particular the fees triggered by the issue, to deduct from this amount the necessary amounts corresponding to 10% of the nominal value of each issue for the legal reserve after each increase
- undertaking any formalities required for the listing for trading on a regulated market in France or abroad, of the rights, shares or transferable securities issued, and providing financial services for the securities in question and exercising the corresponding rights
- deciding, in the event of the issue of transferable debt securities convertible into equity as stipulated under French law, whether these securities should be subordinated or not (and setting their subordination rank where applicable), setting their interest rate, currency, maturity (which may be perpetual), their fixed or variable redemption price (with or without premium), amortisation conditions based on market conditions, conditions under which these securities will entitle holders to company shares, and other conditions concerning their issue (including the act of granting guarantees or securities) and amortisation; and
- in general, taking any measure that may be required, entering into any agreements, requesting any authorisations, performing any formalities and doing whatever is necessary to ensure the successful outcome of the issues planned, or to postpone them, and specifically recording the capital increases resulting from any issue performed through the use of this delegation, and amending the company's Articles of Association accordingly.

TWENTY-SEVENTH RESOLUTION

(Delegation of authority to the Board of Directors to issue shares and/or securities convertible into equity, with waiver of shareholders' preferential subscription rights, in the event of a public exchange offer initiated by the company).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 *et seq.*, L. 22-10-54 and L. 228-91 *et seq.* of the French Commercial Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022
- delegates to the Board of Directors, which may further delegate such authority, for a period of twenty-six (26) months as from the date of this General Meeting, the power to decide, on one or more occasions, in the proportions and at the times it deems fit, on the issue of company shares and/or transferable securities convertible into equity, immediately or in the future, and by any means, through a public exchange offering launched by the company, in France or (depending on local criteria and regulations) abroad, for shares of another company whose securities are admitted to trading on a regulated market pursuant to Article L. 22-10-54 of the French Commercial Code
- notwithstanding the above, resolves that the Board of Directors may not, unless with the prior authorisation of the General Meeting, use this delegation of authority as of the date of the filing by a third party of a proposed public takeover offer for the company's shares, and until the end of the offer period
- resolves to waive, as required, the shareholders' preferential subscription right to the shares and/or transferable securities issued under this delegation
- acknowledges that the authorisation implies waiver *ipso jure* by the holders of any transferable securities convertible into equity issued under this delegation of their preferential subscription right to shares in connection with such transferable securities
- resolves that the maximum nominal value of increases in the company's share capital made immediately or in the future under this delegation may not exceed 10% of its share capital (corresponding to its amount on the date of use of this delegation by the Board of Directors). It is specified that the maximum overall nominal value of increases in the company's share capital that might be made under the present delegation and of that conferred under Resolution 28 May not exceed 10% of the share capital of the company, with an overall cap on all capital increases that might be made immediately or in the future stipulated in the present resolution, Resolution 28 and, with regard to issues performed without a priority period being conferred to benefit shareholders, Resolution 26; and
- resolves that the par value of debt securities giving immediate and/or future access to the company's capital, issued under this delegation, may not exceed a total of seven hundred and fifty million euros (€750,000,000), the overall cap for debt securities stipulated herein and in Resolutions 25, 26 and 28, or the equivalent of this amount on the date of the issue decision in the event of issue in foreign currency or in a unit of account set by reference to several currencies. This amount is independent of the amount of the debt securities for which issue was decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- defining the terms, conditions and details of the transaction, within the limits set by this resolution and applicable legal and regulatory provisions
- determining the exchange ratio as well as any amount payable in cash
- recording the number of shares tendered to the exchange
- determining the dates and issue conditions, in particular the price of the shares to be issued and their dividend entitlement date (possibly retroactive), or where applicable, the dates and issue conditions of transferable securities convertible, now or in future, into company shares to be issued
- taking all required measures to protect the rights of holders of transferable securities or other instruments providing access to the share capital, in accordance with applicable legal and regulatory provisions and any contractual stipulations providing for other adjustments
- recording the difference between the issue price of the new shares and their par value in the "Liabilities" section of the balance sheet under an "Additional paid-in capital" account which will cover the rights of all shareholders
- at its sole initiative, charging the fees for any issue to the amount of the "Additional paid-in capital" and deducting from this amount the necessary amounts corresponding to 10% of the nominal value of each issue for the legal reserve after each increase
- performing all required formalities for the rights and shares issued to be listed on a regulated market in France or abroad, providing financial services of the transferable securities in question and ensuring the exercise of their attached rights; and
- in general, taking any measure that may be required, entering into any agreements, requesting any authorisations, performing any formalities and doing whatever is necessary to ensure the successful outcome of the issues planned, or to postpone them, and specifically recording the capital increases resulting from any issue performed through the use of this delegation, and amending the company's Articles of Association accordingly.

TWENTY-EIGHTH RESOLUTION

(Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, to pay for the contributions in kind granted to the company consisting of capital shares or transferable securities convertible into equity).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, in particular Article L. 225-147, as well as Article L. 22-10-53 of said Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022
- delegates to the Board of Directors, which may further delegate such authority, for a period of twenty-six (26) months as from the date of this General Meeting, the power to decide, based on the report of the contribution auditor(s) (*commissaire aux apports*) mentioned in paragraphs 1 and 2 of Article L. 225-147 of the French Commercial Code, on the issue of existing or new company shares and/or transferable securities convertible into equity, immediately or in the future and by any means, pursuant to Articles L. 228-91 *et seq.* of the French Commercial Code, to pay for contributions in kind granted to the company consisting of capital shares or transferable securities convertible into equity, when the provisions of Article L. 22-10-54 of the French Commercial Code do not apply
- notwithstanding the above, resolves that the Board of Directors may not, unless with the prior authorisation of the General Meeting, use this delegation of authority as of the date of the filing by a third party of a proposed public takeover offer for the company's shares, and until the end of the offer period
- resolves that the maximum nominal value of increases in the company's share capital that might be made immediately or in the future under the present delegation may not exceed 10% of the share capital of the company (corresponding to its amount on the date of use of this delegation by the Board of Directors), with the overall cap for share capital increases that might be made immediately or in the future stipulated in the present resolution, Resolution 27 and, with regard to issues performed without a priority period being conferred to benefit shareholders, Resolution 26
- resolves that the par value of debt securities giving immediate and/or future access to the company's capital, issued under this delegation, may not exceed a total of seven hundred and fifty million euros (€750,000,000), the overall cap for debt securities stipulated herein and in Resolutions 25 through 27, or the equivalent of this amount on the date of the issue decision in the event of issue in foreign currency or in a unit of account set by reference to several currencies. This amount is independent of the amount of the debt securities for which issue was decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code
- notes the absence of a preferential subscription right of shareholders to the shares and/or transferable securities issued under this delegation, as their purpose is solely to compensate contributions in kind; and
- acknowledges that the authorisation implies waiver *ipso jure* by the holders of any transferable securities convertible into equity issued under this delegation of their preferential subscription right to shares in connection with such transferable securities.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- ruling on the report of the contribution auditor(s) regarding the capital contributions
- defining the terms, conditions and details of the transaction, within the limits set by this resolution and applicable legal and regulatory provisions
- determining the exchange ratio as well as any amount payable in cash
- recording the number of securities issued in remuneration for the contributions in kind
- determining the dates and issue conditions, in particular the price and the entitlement date (even retroactive) of the new shares or other equity securities and, if relevant, the transferable securities providing immediate or future access to the company's share capital, evaluating the contributions and any special benefits that may be granted, and reducing the valuation of the contributions and any special benefits if agreed by the tenderers
- recording the difference between the issue price of the new shares and their par value in the "Liabilities" section of the balance sheet under an "Additional paid-in capital" account which will cover the rights of all shareholders

- at its sole initiative, charging the fees for any issue to the amount of the "Additional paid-in capital" and deducting from this amount the necessary amounts corresponding to 10% of the nominal value of each issue for the legal reserve after each increase; and
- generally take all necessary steps, enter into all agreements (in particular to ensure the successful completion of the issue), request all authorisations, carry out all formalities and do whatever is necessary to successfully complete the planned issues or postpone them, and in particular to record the capital increase(s) resulting from any issue carried out by the use of this delegation, to amend the company's Articles of Association accordingly, to request listing on a regulated market in France or abroad of the rights, shares or other transferable securities issued pursuant to this delegation and to ensure the financial service for the securities concerned and the exercise of the rights attached thereto.

TWENTY-NINTH RESOLUTION

(Delegation of authority to the Board of Directors to undertake capital increases reserved for employees of the company and companies in the Covivio group that are members of a company savings plan, with waiver of shareholders' preferential subscription right).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, to enable a capital increase to take place, reserved for employees belonging to a company savings plan at a level that remains consistent with the amount of the share capital, and in accordance with the provisions of Articles L. 225-129-2, L. 225-129-6, L. 225-138 *et seq.* of the French Commercial Code, and L. 3331-1 *et seq.* of the French Labour Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 21 April 2022
- delegates to the Board of Directors, which may further delegate such authority, the authority to decide, on one or more occasions, in the proportions and at the times it deems appropriate, for twenty-six (26) months as from this General Meeting, the issue of shares and/or transferable securities convertible into equity, up to a maximum par value of five hundred thousand euros (€500,000) reserved for participants in a company or Group savings scheme provided by the company and by the companies and economic interest groups associated with the company, under the conditions set out in Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code. This amount is set independently and separately from the caps on share capital increases as a result of share and/or transferable securities issues authorised by Resolutions 23 and 25 through 28
- resolves to cancel, in favour of said participants, the preferential right of shareholders to subscribe for shares and/or transferable securities convertible into equity issued pursuant to this delegation
- resolves, in accordance with Articles L. 3332-18 to L. 3332-24 of the French Labour Code, that the discount offered may not exceed 30% of the average most recent prices listed for the company's shares over the twenty trading days prior to the subscription opening date, and 40% of the same average when the expected holding period under the plan is ten years or more; however, the General Meeting explicitly authorises the Board of Directors to cancel or reduce the aforementioned discount, if it deems this appropriate, in response, *inter alia*, to local legal, accounting, financial and social security regimes. The Board of Directors may also replace all or part of the discount through the allocation of shares or other securities pursuant to the aforementioned provisions; and
- resolves that the Board of Directors may stipulate the allocation of free shares or marketable transferable securities convertible into equity (other than preferred stock), on the understanding that the total benefit resulting from this allocation for the contribution or, where applicable, discount from the subscription price may not exceed the legal and regulatory limits, and the company's shareholders waive all rights to any securities that may be issued free of charge pursuant to this resolution.

The General Meeting grants all powers to the Board of Directors to implement this delegation, with a right of sub-delegation, under the conditions stipulated by the legal and regulatory provisions, specifically for the purposes of:

- determining, within the above-mentioned limits, the features, amount and conditions for any issue
- determining that the issues or allocations may be made directly to the beneficiaries or through an intermediate collective body
- conducting the capital increases resulting from this delegation, up to the cap set above
- setting the subscription price of the shares in cash pursuant to legal provisions
- stipulating, as needed, the establishment of a Group savings plan or the modification of existing plans
- determining the list of the companies whose employees will be the beneficiaries of the issues conducted under this delegation, set the period for payment of the shares and, as applicable, the seniority required for employees to participate in the operations, within the legal limits
- making all adjustments in order to take into account the impact of transactions on the company's share capital, particularly in the case of a change in the par value of the share, a capital increase through capitalisation of reserves, a free allocation of shares, a stock split or reverse split, a distribution of reserves or any other assets, the amortisation of capital or any other transaction involving shareholders' equity
- as required, charging the fees incurred by the share capital increases to the amount of the related premiums and deducting from these amounts the necessary amounts corresponding to 10% of the nominal value of each issue for the legal reserve after each increase
- undertaking any formalities necessary for the listing for trading on a regulated market in France or abroad of the rights, shares or transferable securities issued, and ensuring the financial servicing of the securities issued under this delegation and the exercise of the corresponding rights
- performing, either on its own or through an agent, all acts and formalities to finalise any capital increases that may be carried out as authorised under this resolution; and
- amending the Articles of Association accordingly and, in general, doing whatever is necessary.

THIRTIETH RESOLUTION

(Modification of Article 8 (Threshold crossings) of the company's Articles of Association).

The General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report, resolves to modify Article 8 of the company's Articles of Association, particularly in order to explicitly incorporate statutory thresholds into assimilation cases stipulated in Article L. 233-9 of the French Commercial Code in terms of legal thresholds, and thus standardise the calculation methods for legal and statutory thresholds.

Therefore, Article 8 of the Articles of Association now reads as follows:

"Article 8 – Threshold crossing

8.1 In addition to the legal obligation to notify the company of the holding of certain fractions of the capital and to make any resultant declarations of intent, any physical person or legal entity, acting alone or in concert, who has come to hold or stops holding, directly or indirectly, at least one per cent (1%) of the company's capital or voting rights, or any multiple of this percentage, must notify the company, by registered post with proof of receipt request to the registered office within the period provided for in Article R. 233-1 of the French Commercial Code, also indicating the number of securities ultimately giving access to the share capital it holds, the number of related voting rights as well as all the information referred to in Article L. 233-7, I of the French Commercial Code. Mutual fund management firms must carry out such reporting for the entirety of the shares of the company held by the funds that they manage.

This reporting obligation applies to all cases of exceeded thresholds mentioned above, including beyond the statutory and regulatory thresholds. Unless a declaration has been made under the conditions outlined above, shares above the fraction which should have been declared will have no voting rights attached for any General Meeting held within two (2) years after the date of regularisation of the declaration, at the request, recorded in the minutes of the General Meeting, of one or several shareholders together holding at least one per cent (1%) of the share capital.

8.2 (i) Any shareholder other than a physical person that holds, directly or by intermediary of entities that they control in the meaning of Article L. 233-3 of the French Commercial Code, a percentage of rights to dividends of the company at least equal to that mentioned in Article 208 C II *ter* of the French General Tax Code; and

(ii) any shareholder other than a physical person that holds, by intermediary of the company, a percentage of rights to dividends of real estate investment *sociétés anonymes* (public limited companies) listed on the stock exchange in Spain ("**SOCIMIs**") at least equal to that mentioned in Article 9.3 of the Spanish law 11/2009 of 26 October 2009 ("**law 11/2009**");

(collectively, a "**Concerned Shareholder**")

shall be required to register the entirety of registered shares in the company which they own and ensure that the entities that they control within the meaning of Article L. 233-3 of the French Commercial Code register all registered shares in the company of which they hold ownership. Any Concerned Shareholder that has not met these obligations by the second working day prior to a General Meeting will have the voting rights it holds, either directly or *via* entities it controls pursuant to Article L. 233-3 of the French Commercial Code, capped at the number of shares that it holds, at the relevant General Meeting, in registered form at this date. The Concerned Shareholder referred to above will regain all of the voting rights attached to the shares they hold, directly or by intermediary of entities it controls pursuant to of Article L. 233-3 of the French Commercial Code, at the next following General Meeting, provided that they make their situation compliant by registering all the shares they hold, directly or *via* entities they control pursuant to of Article L. 233-3 of the French Commercial Code, in registered form, by the second working day prior to that General Meeting.

8.3 In order to determine the thresholds for capital and voting rights whose crossing is to be declared under the present Article 8, the assimilation cases and calculation methods stipulated in Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of articles 223–11 *et seq.* of the General Regulations of the French Financial Markets Authority are applied."

THIRTY-FIRST RESOLUTION

(Powers for formalities).

The General Meeting, ruling under the *quorum* and majority conditions required by law, grants complete authority to the bearer of an original, a copy or an extract of these minutes recording its resolutions, in order to fulfil all legal or administrative requirements and to undertake any filings or notifications required by current law.

5.2 report of the Board of Directors on the text of the draft resolutions presented to the Combined General Meeting of 20 April 2023

Ladies and Gentlemen,

We have convened a Combined General Meeting for the purpose of submitting 31 draft resolutions to you. The purpose of this report is to provide comments on these drafts, the complete text of which will later be sent to you in the company's Universal Registration Document that will be submitted to the French Financial Markets Authority and made available to you in accordance with the legal and regulatory requirements.

5.2.1 Ordinary resolutions

Resolutions 1 to 22 fall within the scope of the Ordinary General Meeting.

5.2.1.1 Approval of corporate and consolidated financial statements, allocation of net income, distribution of a dividend and option to pay the dividend in shares (Resolutions 1, 2, 3 and 4)

The 1st and 2nd draft resolutions concern approval of consolidated and parent company's financial statements for the fiscal year ended 31 December 2022, approved by the Board of Directors on 21 February 2023, in accordance with the provisions of Article L. 232-1 of the French Commercial Code. The consolidated and parent company's financial statements, which appear in the Universal Registration Document, show respectively a net profit of €282,953,806.34 and net income, Group share of €620,694 thousand.

Under Resolution 3, you are hereby called upon to approve the allocation of the income for the 2022 fiscal year and to make a dividend distribution of €3.75 per share. On the basis of the total number of shares comprising the share capital on 21 February 2023, *i.e.*, 94,786,096 shares, a total dividend of €355,447,860 will be allocated.

Resolution 4 offers you the choice of receiving the entire dividend either in cash or in shares.

The issue price of the new shares, which may not be below the par value of the shares, will be equal to 90% of the average for shares listed at the closure of the previous twenty sessions of the stock market preceding the date of the General Meeting, less the amount of the net dividend of €3.75. This price will be rounded to the next highest eurocent.

The option should be exercised between Wednesday, 26 April 2023 and Wednesday, 10 May 2023 inclusive, with the specification that, given the technical order constraints on performing orders, the choice of shareholders with directly registered shares to receive payment of the dividend in shares must be received no later than Monday, 8 May 2023 for responses sent *via* post and Tuesday, 9 May 2023 (5:30 p.m.) for those sent *via* Sharinbox, the website provided by Société Générale that can be accessed at www.sharinbox.societegenerale.com. Beyond these dates, or in the case that no choice is made, the dividend will be paid entirely in cash. Shares thus issued as payment of the dividend will bear current rights and grant rights, upon their issue, to all subsequent distributions.

With regard to taxation, shareholders who have exercised the option to receive the dividend in shares will be taxed in accordance with the same conditions as those for a payment in cash.

The dividend for the 2022 fiscal year will be ex-dividend on Monday, 24 April 2023. Payment of the dividend in cash and the delivery-payment of new shares will take place on Thursday, 1 June 2023.

5.2.1.2 Approval of the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code (Resolution 5)

The purpose of Resolution 5 is to approve (i) the Statutory Auditors' special report on the agreements described in Article L. 225-38 *et seq.* of the French Commercial Code, as well as (ii) the related-party agreements entered into or executed by the company during the fiscal year ended 31 December 2022. For more information, please refer to the Statutory Auditors' special report on related-party agreements, set out in section 5.4 of the Universal Registration Document.

The related-party agreements signed during the fiscal year ended on 31 December 2022 that have not yet been submitted for the approval of the General Meeting[1] are detailed below. Their main terms and conditions are published, in accordance with Articles L. 22-10-13 and R. 22-10-17 of the French Commercial Code, on the Covivio website in the section dedicated to the General Meeting.

These related-party agreements are part of the development project, on Alexanderplatz in Berlin (Germany), of a real estate complex of approximately 60,000 m2 for mixed-use offices, shops and housing operated by Covivio Alexanderplatz SARL (the "**Project**").

Amendment no. 1 to the shareholders' agreement signed on 8 June 2021 between Covivio, MMA IARD and Generali Vie in the presence of Covivio Alexanderplatz SARL ("Amendment no. 1")

The primary purpose of Amendment no. 1, agreed on 29 July 2022, is to take into account the modification to the terms and conditions applied to the financing of the Project giving rise to an increase in contributions of shareholders' equity by the shareholders of the company Covivio Alexanderplatz SARL.

(1) 0 The reader is reminded that the memorandum of understanding signed on 25 January 2022 by Covivio and Indigo Infra SAS on the general principles of collaboration between Covivio and the Indigo group, authorised by the Board of Directors on 20 April 2021, the purpose of which is to set the terms and conditions under which Covivio undertakes to examine the parking facilities and gentle mobility solutions in certain areas of its sites, was submitted for the approval of the Combined General Meeting of 21 April 2022. It is part of Covivio's sale to Indigo Infra SAS of the remainder of its car park business activity, performed on 25 January 2022.

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Amendment no. 2 to the shareholders' agreement signed on 8 June 2021 between Covivio, MMA IARD and Generali Vie in the presence of Covivio Alexanderplatz SARL ("Amendment no. 2")

The primary purpose of Amendment no. 2, agreed on 14 October 2022, is to take into account the modifications agreed among the parties to the terms and conditions of the project, particularly on (i) the real estate promotion contract, (ii) the refinancing of the Project and (iii) the service provider contracts agreed to by the company Covivio Alexanderplatz SARL and the Covivio group.

The conclusion of Amendment no. 1 and Amendment no. 2 was authorised by the Board of Directors on 21 July 2022.

The Board of Directors considered that Amendment no. 1 and Amendment no. 2 enable Covivio to continue the implementation of the Project, a strategic real estate investment in terms of geographical positioning and the potential for value creation.

As these are amendments to a related-party agreement and given the term of office of Covéa Coopérations as Director on the Board of Directors of Covivio, they should be approved in the form of Article L. 225-38 of the French Commercial Code.

5.2.1.3 Approval of the information referred to in Article L. 22-10-9, I of the French Commercial Code relating to the remuneration paid and/or awarded to corporate officers for the fiscal year ended 31 December 2022 (Resolution 6)

Pursuant to Article L. 22-10-34, I of the French Commercial Code, the Board of Directors proposes that by voting on Resolution 6, you are called on to approve the information referred to in Article L. 22-10-9, I of the French Commercial Code related to remuneration of all corporate officers, including that of the corporate officers whose mandates ended and those newly appointed during the fiscal year ended ("global" *ex-post* Say on Pay), detailed in the Board of Directors' report on corporate governance in paragraph 5.3.4.2 of the Universal Registration Document.

5.2.1.4 Approval of the individual remuneration paid and/or allocated to corporate officers for the fiscal year ended 31 December 2022 (Resolutions 7, 8, 9 and 10)

Pursuant to Article L. 22-10-34, II of the French Commercial Code, you are called on to vote on Resolutions 7, 8, 9 and 10, to approve the fixed, variable and exceptional components making up the total remuneration and benefits of any kind paid during the fiscal year ended on 31 December 2022 or allocated in relation to the said fiscal year to the executive corporate officers (*ex-post* Say on Pay, known as "individual") resulting from implementation of the remuneration policy approved by the General Meeting of 21 April 2022, it being specified that the components composing the variable and exceptional remuneration may only be paid out after approval by the shareholders that payment of variable or exceptional remuneration components will be subject to shareholders' approval of the individual remuneration of executive corporate officers.

The individual remuneration components presented in the Board of Directors' report on corporate governance in paragraph 5.3.4.3 of the Universal Registration Document concern:

- Jean Laurent, Chairman of the Board of Directors until 21 July 2022 (Resolution 7)
- Jean-Luc Biamonti, Chairman of the Board of Directors from 21 July 2022 (Resolution 8)
- Christophe Kullmann, Chief Executive Officer (Resolution 9); and
- Olivier Estève, Deputy CEO (Resolution 10).

5.2.1.5 Approval of the remuneration policy for corporate officers (Resolutions 11, 12, 13 and 14)

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the Board of Directors proposes that by voting on Resolutions 11, 12, 13 and 14, you are called on to approve the remuneration policy for the corporate officers applicable to the Chairman of the Board of Directors (Resolution 11), the Chief Executive Officer (Resolution 12), the Deputy CEO (Resolution 13) and the Directors (Resolution 14) in consideration of the exercise of their mandate for the 2023 fiscal year.

The remuneration policy for Covivio's legal representatives, approved by the Board of Directors on upon recommendation of the Appointments and Remunerations Committee is detailed in the Board of Directors' report on corporate governance in section 5.3.4.1 of the Universal Registration Document. This remuneration policy will be submitted to the vote of the General Meeting each year and in the event of any major change in the remuneration policy.

5.2.1.6 Ratification of the cooptation of the company Delfin SARL as Director (Resolution 15)

It is proposed to you, within the scope of Resolution 15, to ratify the cooptation by the Board of Directors in its meeting of 21 July 2022 of the company Delfin SARL, represented by Giovanni Giallombardo, as a replacement for Leonardo Del Vecchio following his death on 27 June 2022, for the remainder of the latter's term of office expiring at the end of the General Meeting called in 2023 to approve the financial statements for the fiscal year ended 31 December 2022.

The Delfin group holds 27.18% of the Covivio capital and voting rights.

Giovanni Giallombardo, 67 years old

After studying economics at the European School of Luxembourg and earning a degree in Economic and Commercial Sciences from the University of Florence, Giovanni Giallombardo has spent the majority of his career in the financial sector. Notably, he joined the Luxembourg branch of UniCredit in 2001, where he most recently held the positions of Director General and Senior Vice-President. Giovanni Giallombardo is now a Director of Delfin Holding and Chairman of the Board of Directors of LuxairGroup.

Profiles of the company Delfin SARL and of Giovanni Giallombardo appear in the Board of Directors report on corporate governance in section 5.3.2.1.3 of the Universal Registration Document.

5.2.1.7 Renewal of five Directors' terms of office (Resolutions 16, 17, 18, 19 and 20)

As the terms of office of Directors Jean-Luc Biamonti (Resolution 16), Christian Delaire (Resolution 17), Olivier Piani (Resolution 18), and the companies Covéa Coopérations, represented within the Board of Directors by Olivier Le Borgne (Resolution 19) and Delfin SARL, represented within the Board of Directors by Giovanni Giallombardo (Resolution 20), are set‹#exposant| to expire at the end of the Combined General Meeting of 20 April 2023, you are invited, in respect of Resolutions 16 through 20, to renew them in their roles for a duration of four years, expiring at the end of the General Meeting called in 2027 to approve the financial statements for the fiscal year ended on 31 December 2026.

- Jean-Luc Biamonti, Director appointed on 31 January 2011 and Chairman of the Board of Directors since 21 July 2022, will continue to bring his real estate, hospitality, strategic and banking expertise as well as his solid experience with listed companies to the Board of Directors. Over the two years of his term as Director,[1] Jean-Luc Biamonti's attendance was 100%.
- Christian Delaire, independent Director appointed on 17 April 2019, will continue to bring his wealth of real estate and financial experience, as well as his experience with foreign listed companies, to the Board of Directors. Over the duration of his Directorship, Christian Delaire's attendance was 100%.
- Olivier Piani, independent Director appointed on 17 April 2019, will also continue to bring his wealth of real estate experience, as well as his experience with foreign listed companies, to the Board of Directors. Over the duration of his Directorship, Olivier Piani's attendance was 100%.
- Subject to the approval of Resolution 19, the company Covéa Coopérations (subsidiary of the Covéa group holding 7.17% of the Covivio capital and voting rights) will continue to be represented within the Board of Directors by Olivier Le Borgne. He will continue his invaluable contribution to the Board of Directors and its work, particularly thanks to his financial and real estate expertise and his experience in management roles. Since his appointment on 1 December 2020 as permanent representative, the attendance of Olivier Le Borgne has been 100%.
- Subject to the approval of Resolution 20, the company Delfin SARL, coopted by the Board of Directors on 21 July 2022, will continue to be represented within the Board of Directors by Giovanni Giallombardo. He will continue actively contributing to the Board of Directors, particularly thanks to his expertise in the financial sector and his solid experience in corporate governance. Since his appointment on 21 July 2022 as permanent representative, the attendance of Giovanni Giallombardo has been 100%.

Subject to approval of their renewal, they will thus keep actively contributing to the discussions and appropriate management of the company.

A biographical note, a list of all their terms of office and functions exercised over the last five fiscal years, their attendance and the number of shares they hold as of 31 December 2022 are provided in section 5.3.2.1.3 of the Universal Registration Document.

The Board of Directors noted that if the entirety of the 16th to 20th resolutions is approved by the General Meeting, the proportion of independent Directors and the percentage of women would be maintained at 50% and 43% respectively.

5.2.1.8 Authorisation granted to the Board of Directors for the company to purchase treasury shares (Resolution 21)

Resolution 21 proposes that you authorise a share buyback programme. The principal characteristics of this programme will be the following:

- the number of shares bought back may not exceed 10% of the company's share capital
- the purchase price may not exceed €135 per share (excluding acquisition costs)
- the maximum amount of funds allocated to the buyback programme would be €500 million
- this programme may not be implemented during a public takeover bid.

The buyback by the company of its treasury shares would result in:

- allocating shares to corporate officers or employees of the company and/or of companies belonging to its group
- delivering shares upon the exercise of rights attached to securities entitled to the allocation of company shares
- delivering as payment or exchange (up to a limit of 5% of the capital), specifically within the context of potential external growth, merger, spin-off or contribution operations
- cancelling shares in whole or in part, subject to adoption of Resolution 24;
- setting up a liquidity agreement, noting that by law, in the event of acquisition under a liquidity agreement, the number of shares considered for calculation of the 10% limit of the share capital amount would match the number of shares purchased, deducting the number of shares resold during the authorisation granted by the General Meeting; and
- any other practice that may be recognised by the law or the French Financial Markets Authority or any other purpose that could be authorised by the law or regulations in effect, given that, in such a case, the company would inform its shareholders by sending out a notice.

This authorisation would be given to the Board of Directors for a period of eighteen months with effect from the date of the General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the authorisation given by the Combined General Meeting of 21 April 2022.

Prior to its completion, the company will publish a description of the programme in the form stipulated in article 241–2 of the French Financial Markets Authority's General Regulations.

5.2.1.9 Advisory opinion on the company's climate strategy and its climate objectives for 2030 (Resolution 22)

In respect of Resolution 22, your Board of Directors wished to consult the General Meeting regarding the main subjects of the climate strategy of the company and its Group, as well as regarding the objectives it has set for 2030, as presented in section 3.3 of the company's Universal Registration Document.

This vote, for the purposes of consultation, is part of an approach built on dialogue with the shareholders to which your Board of Directors is particularly attached, and its purpose is to include them in the strategic direction that it has defined in terms of the climate, allowing them to affirm their commitment to it, if they wish to do so. As such, this vote is not binding on either shareholders – who are not asked to take responsibility for the company's climate

(1) Jean-Luc Biamonti having been appointed a member of the company's Board of Directors on 31 January 2011, his Directorship was renewed by the Combined General Meeting of 20 April 2021 for a duration of two years.

strategy, which is incumbent upon the Board of Directors and the Executive Committee – or the company, whose intention is, in any event, to roll out an ambitious climate strategy to all its lines of business.

The Board of Directors naturally hopes that this strategic direction, which entails active commitments for the company and its Group, will be supported and therefore shared by the company's shareholders.

Should the present Resolution not be adopted by the shareholders, the company would implement all means at its disposal to discuss with and collect information from its shareholders regarding the reasons that led them, where applicable, to not support the draft resolution proposed, and would inform its shareholders of the result of this procedure and present the measures envisaged for taking this into consideration.

Your Board of Administration envisages renewing this consultation with shareholders at least every four years following the end of the 2030 climate plan or, where applicable, at more regular intervals based on new information to be shared in this respect, with the specification that the advancement of the climate objectives and key actions performed will be summarised each year at the General Meeting.

In a more general sense, the Group's strategy in terms of social and environmental responsibility (CSR) is described in detail in Chapter 3 of the company's Universal Registration Document.

5.2.2 Extraordinary resolutions

5.2.2.1 Financial authorisations to be conferred upon the Board of Directors (Resolutions 23 to 29)

In the Extraordinary General Meeting, you will be asked to grant certain financial authorisations to your Board of Directors and to authorise it, within the limits and conditions that you will set, to decide on the issuance of shares and/or securities directly or indirectly convertible to equity.

The Board of Directors wishes to continue having the means that enable it, if necessary, by calling upon the markets, to gather the financial resources needed for the development of your company.

It is being proposed that you grant the Board of Directors the following financial authorisations in the area of capital increases:

- Resolution 23: capital increase through the incorporation of reserves, profits or premiums (useable outside public offering periods)
- Resolution 25: issue of shares and/or transferable securities convertible to equity, maintaining shareholders' preferential subscription rights (useable outside public offering periods)
- Resolution 26: issue of shares and/or transferable securities convertible to equity, through public offering, with waiver of shareholders' preferential subscription right and a mandatory priority period for share issues (useable outside public offering periods)
- Resolution 27: issue of shares and/or transferable securities convertible to equity, through a public exchange offer launched by the company, with waiver of shareholders' preferential subscription right (useable outside public offering periods)
- Resolution 28: issue of shares and/or transferable securities convertible to equity, with a view to compensating contributions in kind given to the company, made up of equity or transferable securities convertible to equity, with waiver of shareholders' preferential subscription right (useable outside public offering periods)
- Resolution 29: capital increase reserved for employees of the company and the Covivio group companies, covered by a company or group savings plan, with waiver of shareholders' preferential subscription right.

You will also be asked, in Resolution 24, to authorise the Board of Directors to reduce the company's share capital by cancelling shares purchased within share buyback programmes adopted by the company.

In proposing to you that you grant these authorisations, the Board of Directors seeks to clearly explain to you the impact of the corresponding resolutions submitted to your approval.

In accordance with the relevant applicable regulations, the Board of Directors will prepare a supplementary report relating to the use of this delegation mentioning, in particular, the following:

- the impact of the issuance on the situation of holders of equity securities and securities convertible to equity (especially as regards their portion of shareholders' equity) and
- the theoretical impact of the aforementioned issuance on the stock market value of the company's shares.

The Statutory Auditors will prepare their own reports on the financial authorisations, which will be made available to you in accordance with the legal and regulatory conditions.

5.2.2.1.1 Delegation of authority to be granted to the Board of Directors to increase the share capital of the company through the capitalisation of reserves, earnings or premiums (Resolution 23)

Under Resolution 23, you will be called upon to delegate to the Board of Directors, which may further delegate its authority, to carry out a capital increase, through capitalisation of all or part of the reserves, earnings, premiums or other sums for which capitalisation would be permitted. This transaction would not necessarily translate into the issue of new shares.

This delegation of authority would allow your Board of Directors to decide to perform one or more capital increases, up to a maximum nominal amount of €28.4 million (excluding adjustments to protect holders of transferable securities convertible to equity), representing approximately 10% of the share capital. This cap would be set independently and separately from the capital increase caps resulting from issues of shares or securities convertible into equity likely to be approved under Resolutions 25 to 29.

This delegation could not be used without your formal agreement during periods of public purchase or exchange offers on the company's shares.

This delegation, given for a period of 26 months as from the Combined General Meeting of 20 April 2023, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.2 Authorisation to the Board of Directors to reduce the company's share capital through the cancellation of shares (Resolution 24)

Concurrently with the authorisation given to the company to conduct transactions on treasury shares under Resolution 21, Resolution 24 proposes that you should authorise the Board of Directors, which may sub-delegate this authority, to cancel shares acquired by the company under the buyback programme authorisation submitted in Resolution 21, or in any resolution having the same purpose and the same legal basis.

As provided for under French law, shares may only be cancelled up to a limit of no more than 10% of the share capital per 24-month period.

Consequently, you will be asked to authorise the Board of Directors to reduce the share capital under the applicable legal conditions.

This authorisation, given for a period of 18 months as from the Combined General Meeting of 20 April 2023, would immediately terminate, for the unused portion, the authorisation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.3 Delegation of authority to be granted to the Board of Directors to issue shares and/or transferable securities convertible into equity, maintaining shareholders' preferential subscription rights (Resolution 25)

Resolution 25 proposes that you delegate to the Board of Directors, which may further delegate such authority, powers to issue shares in the company and/or other transferable securities (including warrants for new or existing shares), convertible by any means, immediately or in the future, into equity in the company, in a subsidiary in which the company holds more than 50% of the shares directly or indirectly, or in a company directly or indirectly holding more than 50% of the company's shares, issued free or against payment, maintaining shareholders' preferential subscription rights.

The Board of Directors may use this authority, in order to have the necessary funds available at the appropriate time to develop the company's business.

In proportion to the value of their shares, shareholders would have preferential subscription rights to the shares and securities issued under this delegation. In case of deferred access to shares of the company – *i.e.*, by transferable securities granting access to company shares by any means – your approval of this resolution would imply a waiver by the shareholders of their preferential right to subscribe for the shares to which these securities would be entitled.

The maximum nominal amount of the capital increases likely to be made immediately and/or in future would be set at €71 million, representing approximately 25% of the share capital. This amount would be set independently and separately from the capital increase caps resulting from share and/or security issues approved under Resolutions 23 and 26 to 29.

The nominal amount of the debt instruments convertible into equity (immediately and/or at a later date) that are likely to be issued may not exceed a total amount of €750 million. This amount would also constitute an overall nominal cap for transferable debt securities issues made under Resolutions 26 to 28, an overall cap for all of the issues of debt securities.

The issue price of the securities convertible to equity would be determined by the Board of Directors if and when it implements this delegation, complying with legal and regulatory provisions.

This delegation could not be used without your formal agreement during periods of public purchase or exchange offers on the company's shares.

This delegation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.4 Delegation of authority to the Board of Directors to issue, through public offering, company shares and/or transferable securities convertible into equity, with waiver of shareholders' preferential subscription rights and a mandatory priority period for share issues (Resolution 26)

The Board of Directors may, in the interest of the company and its shareholders, in order to seize the opportunities offered by the financial markets, be led to issue such securities without preferential subscription rights.

You are also asked, through Resolution 26, to grant the Board of Directors the power, which may further delegate such authority, to issue by means of a public offering (including the public offerings mentioned in paragraph 1 of Article L. 411-2 of the Monetary and Financial Code), without preferential subscription rights for shareholders, company shares and/or securities providing access to existing or new company shares, or shares in a subsidiary which is majority-held by the company, whether directly or indirectly, or a company which directly or indirectly holds more than 50% of the company's shares.

Your decision would imply a waiver of your preferential subscription right to the shares and/or securities that could be issued based on this delegation, in the understanding that this authorisation implies, in favour of the holders of such securities convertible into equity as may be issued under this delegation of authority automatic waiver by the shareholders of their preferential subscription right to shares in connection with such securities.

We would like to point out that the Board of Directors would be obliged to grant shareholders a priority subscription period of at least three (3) trading days, solely for issues of shares through public offering conducted by the Board of Directors, in accordance with Articles L. 22-10-51 and R. 225-131 of the French Commercial Code; this priority period is an option for the issue of transferable securities other than shares.

The maximum nominal value of increases in the company's share capital that might be made immediately or in the future, by virtue of the present delegation, may not exceed €28.4 million, on the understanding that (i) the maximum nominal value of the any capital increase that might be made immediately or in the future, by virtue of the present delegation with no priority period having been allocated to benefit shareholders, will be charged to the applicable cap amount for share capital increases as a result of shares and/or transferable securities issues authorised by Resolutions 27 and 28, and (ii) in all other cases, this amount is set independently and separately from the caps on share capital increases as a result of share and/or transferable securities issues authorised by Resolutions 23, 25 and 27 to 29.

The nominal amount of the debt securities convertible into equity likely to be issued may not exceed €750 million, the overall nominal cap for all debt instruments set by Resolution 25.

The issue price of the shares and/or securities convertible into equity would be determined by the Board of Directors if and when it implements this delegation, complying with legal and regulatory provisions.

This delegation could not be used without your formal agreement during periods of public purchase or exchange offers on the company's shares.

This delegation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.5 Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, with waiver of shareholders' preferential subscription rights, in the event of a public exchange offer initiated by the company (Resolution 27)

In Resolution 27, you are asked to approve the delegation of authority granted to the Board of Directors, which may further delegate such authority, to issue shares and/or transferable securities convertible, immediately or from a future date into equity, on one or more occasions, in the event of a public exchange offer initiated by the company, in France or abroad.

You will therefore be expressly asked to waive your preferential subscription rights to the shares and/or securities that could be issued based on this delegation, in the understanding this authorisation implies, for the holders of such securities convertible to the company's share capital as may be issued under this delegation of authority automatic waiver by the shareholders of their preferential subscription right to shares in connection with such securities.

The maximum nominal value of increases in the company's share capital that might be made immediately or in the future may not exceed 10% of the share capital of the company (corresponding to its amount on the date of use of this delegation by the Board of Directors), on the understanding that the overall maximum nominal value of the capital increases to be made under Resolutions 27 and 28 May not exceed 10% of the share capital of the company, the overall cap for all capital increases that might be made immediately or in the future under Resolutions 27 and 28, with regard to issues made without a priority period being conferred to benefit shareholders, in Resolution 26.

The nominal amount of the debt securities allowing immediate and/or future conversion into equity likely to be issued may not exceed €750 million, the overall nominal cap for all debt instruments set by Resolution 25.

For each individual offer, the Board of Directors would have to determine the nature and characteristics of the shares to be issued. The amount of the increase in share capital would depend on the result of the offer and the number of securities tendered under the exchange offer, taking into account the exchange ratio and the shares issued.

This delegation could not be used without your formal agreement during periods of public purchase or exchange offers on the company's shares.

It would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.6 Delegation of authority to the Board of Directors to issue shares and/or transferable securities convertible into equity, in order to pay for the contributions in kind granted to the company consisting of capital shares or transferable securities convertible into equity (Resolution 28)

In accordance with the option offered by Article L. 22-10-53 of the French Commercial Code, you are asked, under Resolution 28, to authorise the Board of Directors, which may further delegate such authority, to issue shares and/or transferable securities convertible into equity, in consideration for the contributions in kind made to the company consisting of shares or transferable securities convertible into equity, when Article L. 22-10-54 of the French Commercial Code is not applicable.

The maximum nominal value of increases in the company's share capital that might be made immediately or in the future under this delegation may not exceed 10% of the share capital of the company (corresponding to its amount on the date of use of this delegation by the Board of Directors), the overall cap for all capital increases that might be made immediately or in the future under Resolutions 27 and 28, with regard to issues made without a priority period being conferred to benefit shareholders, in Resolution 26.

The nominal amount of the debt securities convertible into equity likely to be issued may not exceed €750 million, the overall nominal cap for all debt instruments set by Resolution 25.

You will be asked to acknowledge the absence of your preferential subscription right to the shares and/or securities issued, as these are intended exclusively to remunerate contributions in kind, it being specified that this authorisation implies waiver *ipso jure* by the holders of any transferable securities convertible into equity of their preferential subscription rights to shares in connection with such transferable securities.

This delegation could not be used without your formal agreement during periods of public purchase or exchange offers on the company's shares.

The Board of Directors would specifically be required to approve the report of the contribution auditor(s) to be appointed, set the exchange ratio and, if applicable, the amount of the balance to be paid in cash, record the number of transferable securities to be issued in remuneration for contributions, determine the dates and conditions of issues of shares and/or transferable securities giving immediate or future access to the company's capital, and value the contributions.

This delegation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.1.7 Delegation of authority to the Board of Directors to undertake capital increases reserved for employees of the company and companies in the Covivio group that are members of a company savings plan, with waiver of shareholders' preferential subscription right (Resolution 29)

You will be asked, under Resolution 29, to authorise the Board of Directors, which may further delegate such authority, to decide to increase the share capital under the provisions of the French Commercial Code and French Labour Code relating to the issue of shares or transferable securities convertible to existing company shares or shares to be issued, for the benefit of employees covered by a company savings plan offered by the company and/or its affiliates under the conditions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code.

This delegation of authority would be granted for a maximum nominal amount of the capital increase, resulting from the issues made pursuant to this delegation (including the capitalisation of reserves, earnings or premiums), of €500 thousand, representing 0.18% of the share capital, set irrespective of the par value of the shares that may be issued as a result of adjustments made to protect the holders of transferable securities giving future access to shares. This cap would be independent of any other authorisation granted by the General Meeting.

You will be requested to expressly waive your shareholder's preferential subscription right to new shares and/or to securities convertible to equity in favour of the said employees.

The subscription price of the shares and the discount offered will be set by the Board of Directors under the conditions of Article L. 3332-19 of the French Labour Code on the understanding that the discount offered may not exceed 30% of the average share price for the twenty trading days preceding the date of the decision to open the subscription period, and 40% of this same average when the retention period stipulated in the plan is greater than or equal to ten years, provided that the Board of Directors may also replace all or part of said discount by the allocation of shares or other transferable securities.

The Board of Directors may likewise provide for the allocation of free shares or other securities convertible to equity, it being understood that the total benefit resulting from this allocation as a company contribution or, where applicable, the discount on the subscription price, may not exceed the legal and regulatory limits and that the shareholders would waive all rights to shares or other securities convertible to equity that may be issued by virtue of this resolution.

This delegation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 20 April 2023 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 21 April 2022.

5.2.2.2 Amendments to the Articles of Association (Resolution 30)

In the vote on Resolution 30, we propose modifying Article 8 of the Articles of Association on threshold crossing, particularly in order to explicity incorporate statutory thresholds into assimilation cases stipulated in Article L. 233-9 of the French Commercial Code applicable in terms of legal thresholds, and thus standardise the calculation methods for legal and statutory thresholds. It would therefore be planned, in order to determine the thresholds for capital and voting rights whose crossing is to be declared under the present Article, to unambiguously apply the assimilation cases and calculation methods stipulated in Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of articles 223–11 *et seq.* of the General Regulations of the French Financial Markets Authority.

5.2.2.3 Powers for formal recording requirements (Resolution 31)

Resolution 31 is a standard resolution concerning the granting of the powers required to make announcements and perform legal formalities related to holding the General Meeting.

We believe that these transactions, under these conditions, are a timely measure and we ask you to approve the resolutions to be presented to you.

The Board of Directors

5.3 Report from the Board of Directors on corporate governance

This report, drawn up by the Board of Directors pursuant to the provisions of Article L. 225-37, paragraph 6, of the French Commercial Code, provides an account to the shareholders in accordance with the provisions of Articles L. 22-10-8 to L. 22-10-11 and L. 225-37-4 of the French Commercial Code, on the composition of the Board, the conditions for preparing and organising its work as well as the limitations imposed by the Board on the powers of the Chief Executive Officer and the Deputy CEO. This report, which also provides information regarding the terms of office and functions of the corporate officers, sets out the remuneration policy applicable to them for the 2023 fiscal year, as well as the total and individual remuneration paid to each of the corporate officers for the 2022 fiscal year. It describes the diversity policy applicable to the members of the Board of Directors (its goals, its conditions of implementation and the results obtained) and describes the information on the manner the company implements a balanced gender representation within the management bodies of the company. Finally, it provides for the special terms and conditions of shareholder attendance at the General Meeting, the components likely to have an impact in the event of a public offer, the related-party agreements entered into between a corporate officer or a shareholder holding more than 10% of Covivio's voting rights and another company over which Covivio exercises its control within the meaning of Article L. 233-3 of the French Commercial Code, the procedure for assessment of the agreements relating to transactions entered in the ordinary course of business and on arm's-length terms, as well as the ongoing and effective financial delegations for a capital increase.

This report has been prepared on the basis of the deliberations of the Board of Directors, taken upon advice/recommendations from its Committees, and assistance has been provided by the Legal (Corporate and M&A) department and the Chief Operating Officer (COO), who relied in particular on the work carried out and reports produced by the High Committee on corporate governance (HCCG) and on the basis of the various recommendations made and reports produced by the French Financial Markets Authority (AMF).

It was approved by the Board of Directors on 21 February 2023 and was subject to a certification by the Statutory Auditors included in their report on the annual financial statements.

The report on corporate governance and the Statutory Auditors' report on the annual financial statements were made public when they were published on the company's website following the filing of the Universal Registration Document with the AMF.

Governance principles

1. Adherence to the Afep-Medef Code

Covivio uses the Afep-Medef Code as reference framework for corporate governance. This decision was the subject of a press release published on 29 December 2008. Today, the company refers to the Afep-Medef Code in the version that was updated and published on 20 January 2022 (the "Afep-Medef Code"), which can be consulted on the HCCG website at: https://hcge.fr/le-Code-Afep-Medef.

Covivio continuously analyses the best practices in corporate governance as consolidated in the Afep-Medef Code, and is committed to applying them, part of a relentless drive to consolidate an open, transparent, efficient and pragmatic governance, in order to serve the long-term interests of the company, its shareholders, clients, employees and all of its stakeholders.

The 2022 year was marked by a change in the leadership of the Board of Directors, with the smooth transition between the exiting and entering Chairmen being underscored by the Directors at the latest formal evaluation of the operations of the Board and its Committees, performed at the end of the fiscal year.

On the date of approval of the present report by the Board of Directors, Covivio complies with all principles and recommendations of the Afep-Medef Code and has never been investigated by the HCCG.

Covivio's corporate governance is also reflected by the company's Articles of Association, supplemented by the provisions of the Internal regulations of the Board of Directors adopted on 31 January 2011 (which also includes the provisions applicable to its Committees) and which the Board of Directors will have reviewed on a regular basis to ensure they are adapted to ongoing legal and regulatory developments in governance rules and practices.

Thus, in 2022 the Board of Directors continued to adapt its Internal regulations, in particular to:

- allocate additional remuneration for each Director who is not a French resident and who is not physically present at the meetings of the Board of Directors and its Committees (which cannot be combined into a single day), under the terms of the remuneration policy applicable to Directors approved by the General Meeting of 21 April 2022
- establish the terms and conditions for appointment and performance of the Honorary Chair, following the appointment of Jean Laurent on 21 July 2022;
- set the conditions for applying the duty of confidentiality by which the permanent representative of a Director who is a legal person is bound within the performance of its functions, following the update by the HCCG of the Afep-Medef Code Application Guide in June 2022, thus serving to clarify the conditions applicable to the permanent resident's transmission of information to the legal person and seeking to ensure the preservation of Directors' duty of confidentiality.

The full versions of the Articles of Association and of the Board of Directors' Internal regulations as updated, plus the guide on the prevention of insider dealing, are available *via* the company's website at the following address: https://www.Covivio.eu/en/strategy/management/.

2. Balance of powers

Separation of the duties of Chairman of the Board of Directors and Chief Executive Officer

Since 31 January 2011, Covivio has been organised according to a one-tier Board system, with a Board of Directors which, at its meeting on the same date, decided to separate the functions of Chairman and Chief Executive Officer.

This structure, which appears to be the mode of governance best suited to the company's activity, ensures a clear distinction between the Chairman's mission, consisting of ensuring the proper functioning of the Board of Directors, and the operational and executive functions which are the responsibility of General Management. This separation of functions makes it possible to strengthen governance and offers a better balance of powers between, on the one hand, the Board and, on the other hand, General Management. The appointment, in 2012, of the Chief Executive Officer as a Director has allowed him to be involved, in the same way as the other Directors, in defining and making decisions relating to company strategy, which he is responsible for implementing.

Limitation of the powers of General Management

To ensure a balance of powers and harmonious governance, the company has endeavoured to put in place limits on the powers of the Chief Executive Officer and the Deputy CEO as decided by the Board of Directors and the Strategy and Investment Committee, as defined in article 4.2 of the Internal regulations of the Board of Directors.

In addition, General Management is structured around three Management Committees set up in France, Germany and Italy, and an Executive Committee at European level, a body for reflection, consultation and decision-making on the Group's major policies.

Independence of the Board of Directors and effectiveness of the specialised Committees

The balance of powers within the Board of Directors is based mainly on its composition, which includes a high proportion of independent Directors in accordance with the Afep-Medef Code, a diversity of backgrounds, skills and experience among its members, and a staggering of the renewal of their terms of office, thus guaranteeing shareholders and the market that the Board's missions are performed with the necessary independence and objectivity.

The balance of powers is also ensured by the four specialised Committees deemed efficient by the Directors for taking the decisions of the Board of Directors. They are mainly composed of independent members of the Audit Committee, the Appointments and Remunerations Committee and the CSR Committee.

In order to guarantee the balance of powers bteween the company's governing bodies, the Internal regulations of the Board of Directors organise a meeting without the executive corporate officers being present at least once per year, in accordance with the recommendations of the Afep-Medef Code.

Procedure to prevent conflicts of interest

The Chief Operating Officer closely monitors the application of the system for the prevention of conflicts of interest, even potential ones, under the terms of which each Director has a formal obligation to declare potential conflicts of interest that may concern him or her and, in any event, refrain from participating in the corresponding discussions and deliberations.

5.3.1 Management bodies

5.3.1.1 Composition of General Management

Since 31 January 2011, the company has been under the management of Christophe Kullmann, Chief Executive Officer, with the assistance, since the same date, of Olivier Estève, Deputy CEO.

Members of the General Management	Title	Nationality	Date of first appointment	Term of office	Date of renewal	Date term expires
Christophe Kullmann	Chief Executive Officer (CEO)	French	31.01.2011	4 years	01.01.2015 01.01.2019 01.01.2023	31.12.2026
Olivier Estève	Deputy CEO	French	31.01.2011	4 years	01.01.2015 01.01.2019 01.01.2023	31.12.2026

Upon the recommendation of the Appointments and Remunerations Committee, the Board of Directors chose not to have the terms of office of the Chief Executive Officer and Deputy CEO end on the date of the General Meeting, so that the Appointments and Remunerations Committee and the Board of Directors can fully devote itself to the calm discussion of the renewal of their terms of office and the remuneration conditions of the executive corporate officers outside the time of the General Meeting.

Note that the term of Christophe Kullmann as a Director allows him to be even more directly aligned with the company's strategy, for which he is responsible at the same level as the other Directors.

The provisions relating to the appointment and dismissal of members of the Executive Board, as well as the powers granted to them, are defined in Article 19 of the company's Articles of Association, as set out in paragraph 6.5.2 below, and are supplemented by the provisions of the Rules of Procedure.

The list of Offices held and roles exercised by the company's executive corporate officers (information as at 31 December 2022)

The information is presented individually for each executive corporate officer in office at 31 December 2022 and includes in particular the information referred to in point 12.1 of Appendix 1 of delegated Regulation (EU) 2019/980 of 14 March 2019:

- experience and expertise in business management
- offices and positions held during the 2022 fiscal year
- terms of office expired within the last five years (not including Covivio's group subsidiaries).

Christophe Kullmann

Age: 57

Nationality: French

Business address: 30, avenue Kléber, 75116 Paris

Main functions exercised: Covivio's Chief Executive Officer

Biography

Christophe Kullmann has spent his whole career in the real estate industry. He was in charge of financial management at Immobilière Batibail, a publicly traded REIT, from 1992 until its merger in 1999 with Gecina, where he oversaw its financial management. At the helm of Covivio since its creation in 2001, Christophe Kullmann serves as Chief Executive Officer and is a member of the Board of Directors. Founding member of the Fondation Palladio with Covivio, he is also Chairman of its Bursary Awards Committee and Honorary Chairman of the Fédération des Entreprises Immobilières, (the Federation of Real Estate Companies, formerly the FSIF).

Offices held within Covivio:

Chief Executive Officer (CEO)

Date of appointment: 31 January 2011

Date of renewal: 1 January 2015 – 1 January 2019 – 1 January 2023

Expiry year of term of office: 31 December 2026

Director

Date of appointment: 25 April 2012

Date of renewal: 27 April 2016 – 22 April 2020

Expiry of term of office: General Meeting of 2024 approving the annual financial statements for the fiscal year ended 31 December 2023

Number of shares held as at 31 December 2022: 158,535 (plus beneficial ownership rights to 12,000 additional shares whose bare ownership was transferred)

Other Offices held within the Covivio group:

Chairman of the Supervisory Board: Covivio Hotels SCA (public company), Covivio Immobilien SE (European company incorporated under German law)

Legal representative of Covivio, Chairman: Technical SAS, 6 Rue Fructidor SAS

Legal representative of Covivio, General Manager: SCI Le Ponant 1986, SCI Latécoère, SCI Latécoère 2, SCI Lenovilla, SCI Meudon Saulnier, SCI du 15 rue des Cuirassiers, SCI du 9 rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny le 9e Art, Chartres Avenue de Sully SCCVV, SCI Meudon Juin (from 14.03.2022)

Legal representative of Covivio, Co-Manager: Fontenay-Sous-Bois Rabelais SCCV, SNC Cœur d'Orly Promotion

Other offices held outside the Covivio group:

Honorary Chairman: Fédération des Entreprises Immobilières (FEI - trade association)

Director: IEIF (Institut de l'Épargne Immobilière et Foncière - Association)

Representing Covivio, member of the Executive Committee: Palladio Foundation

Chairman of the Bursary Awards Committee: Palladio Foundation

Terms of office expired in the last 5 years:

Chairman of the Board of Directors: FSIF, now called the FEI (ended in 2019)

Director: EPRA (term ended in 2018)

Olivier Estève
Age: 58
Nationality: French
Business address: 30, avenue Kléber, 75116 Paris
Main function: Deputy CEO of Covivio

Biography

Olivier Estève is a graduate of École Spéciale des Travaux Publics (ESTP). After a 12-year career in the Bouygues Group (1990-2001), where in particular he served as Director of Development in the SCREG Bâtiment subsidiary, he joined Covivio in September 2002.

After having been Real Estate Manager, he now oversees all of Covivio's Development activities, Marketing, UX Design, and Wellio development.

Olivier Estève has been Deputy CEO of Covivio since 2011.

Offices held within Covivio:

Deputy CEO

Date of appointment: 31 January 2011

Date of renewal: 1 January 2015 – 1 January 2019 – 1 January 2023

Expiry year of term of office: 31 December 2026

Number of shares held on 31 December 2022: 92,320

Other Offices held within the Covivio group:

Chairman: Covivio 2 SAS, Société du Parc Trinité d'Estienne d'Orves SAS, Hotels N2 SASU

Chairman of the Board of Directors: Central Società Di Investimento Per Azioni A Capitale Fisso (company under Italian law)

Member of the Supervisory Board and of the Audit Committee: Covivio Hotels SCA (public company)

Vice-Chairman of the Supervisory Board: Covivio Immobilien SE (European company incorporated under German law)

General Manager: SNC Jean Jacques Bosc, SCI Terres Neuves, SCI Rue de la Louisiane, Covivio Ravinelle SARL, Euromarseille Invest EURL, Covivio 4 EURL, Covivio 7 EURL, BGA Transaction SARL, Foncière Margaux SARL, SARL du 106-110 rue des Troènes, Télimob Paris SARL, Imefa 127 SCI, SCI Atlantis, SCI Pompidou Metz, SNC Palmer Plage, SCI Dual Center, SCI Charenton, Latepromo SNC, Covivio Participations EURL, SCI Avenue de la Marne, Omega B SARL, SCI Rueil B2, Wellio SNC, SNC Bordeaux Lac, SNC Sucy Parc, SNC Gambetta Le Raincy, Orly Promo SNC, Silexpromo SNC, SCI du 21 rue Jean Goujon, SNC La Marina Fréjus, SNC Villouvette Saint Germain, SNC Normandie Niemen Bobigny, SCI Cité Numérique, SCI Danton Malakoff, SNC Meudon Bellevue, SNC Valence Victor Hugo, SNC Nantes Talensac, SNC Marignane St Pierre, Fructipromo SNC, SNC André Lavignolle, Covivio Alexanderplatz SARL (company under Luxembourg law), SNC Saint Germain Hennemont, SNC Antony Avenue de Gaulle, SNC Aix en Provence Cezanne, SCI Factor E (from 18.01.2022), SNC Boulogne Jean Bouveri (from 04.11.2022)

Co-Manager: Euromarseille 1, SCI Euromarseille 2

Legal representative of Télimob Paris SARL, General Manager: Télimob Nord SNC, Télimob Paca SNC, Télimob Paris SNC, Télimob Rhône-Alpes SNC, Télimob Sud-Ouest SNC

Legal representative of Foncière Margaux, General Manager: SCI du 1 rue de Châteaudun, SCI du 3 Place A. Chaussy, SCI du 10bis et 11 à 13 Allée des Tanneurs, SCI du 20 Avenue Victor Hugo, SCI du 32 Avenue P. Grenier, SCI du 40 rue Jean-Jacques Rousseau, SCI du 125 Avenue du Brancolar

Legal representative of SCI Euromarseille 1, General Manager: SCI Euromarseille BI

Legal representative of SCI Euromarseille 2, General Manager: SCI Euromarseille PK, SCI Euromarseille H

Legal representative of Covivio, General Manager: SCI Le Ponant 1986, SCI Latécoère, SCI Latécoère 2, SCI Lenovilla, SCI Meudon Saulnier, SCI du 15 rue des Cuirassiers, SCI du 9 rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny le 9e Art, Chartres Avenue de Sully SCCVV, SCI Meudon Juin (from 14.03.2022)

Legal representative of Covivio, Co-Manager: Fontenay-Sous-Bois Rabelais SCCV, SNC Cœur d'Orly Promotion

Legal representative of Covivio 2, General Manager: SCI Cœur d'Orly Bureaux

Legal representative of Covivio, Chairman: Technical SAS, 6 Rue Fructidor SAS

Member of the Committees: SCI Latécoère, SCI Lenovilla, SCI Latécoère 2, SCI du 9 rue des Cuirassiers, SCI du 15 rue des Cuirassiers, SCI N2 Batignolles, SNC N2 Promotion, SCI Euromarseille 1, SCI Euromarseille 2

Other offices held outside the Covivio group:

None

Terms of office expired in the last 5 years:

None

5.3.1.2 Powers of the Chief Executive Officer and the Deputy CEO and their limitations

The Chief Executive Officer is fully empowered to act in any situation on behalf of the company. He or she exercises these powers within the limits of the company object and subject to the powers granted expressly by law and the Articles of Association to General Meetings of shareholders and the Board of Directors. The Chief Executive Officer represents the company in its relationships with third parties.

In agreement with the Chief Executive Officer, the Board of Directors will determine the scope and duration of the powers granted to the Deputy CEO. With respect to third parties, the Deputy CEO has the same powers to represent and commit the company as the Chief Executive Officer.

The powers of the Chief Executive Officer and the Deputy CEO are limited by the provisions of Article 4.2 of the Internal regulations of the Board of Directors.

Each year, the Board of Directors sets an overall amount within which the Chief Executive Officer may guarantee commitments on behalf of the company made by a third party other than a controlled company in the form of sureties, endorsements or guarantees, and/or an amount beyond which each of the above commitments cannot be made. Any exceeding of the overall ceiling or the maximum amount set for a commitment must be subject to a special authorisation by the Board. In addition, the authorisations of guarantees of commitments in the name of the company taken on behalf of controlled companies within the meaning of Article L. 233-16, II of the French Commercial Code or granted to the tax and customs authorities are delegated by the Board of Directors to the Chief Executive Officer without limit of amount.

The following decisions cannot be made without approval from the Strategy and Investment Committee:

- any investment made directly by the company or through a fully consolidated subsidiary, when the total amount of the investment, plus any liabilities attached to the assets in question, is between €30 million and €100 million (Group share)
- any sale by the company or through a fully consolidated subsidiary, with the exception of companies whose shares are listed for trading on a regulated market, of any business division, any investment in any company or any assets, whenever the total amount of the corresponding disinvestment, plus any liabilities attached and transferred, is between €30 million and €100 million (Group share) inclusive, with the exception of intra-group transactions.

The prior authorisation of the Board of Directors is required after consulting the Strategy and Investment Committee concerning adoption of the following decisions:

- any investment made directly by the company or through a fully consolidated subsidiary, when the total amount of the investment, plus any liabilities attached to the assets in question, is equal to or greater than €100 million (Group share)
- any sale by the company or through a fully consolidated subsidiary, with the exception of companies whose shares are listed for trading on a regulated market, of any business division, any investment in any company or any assets, whenever the total amount of the corresponding disinvestment, plus any liabilities attached and transferred, is equal to or greater than €100 million (Group share) with the exception of intra-group transactions.

In addition, the prior authorisation of the Board of Directors is required for adoption of the following decisions:

- approval of the annual budget and the strategic business plan and any subsequent significant amendments to them
- incurrence of any debt (including bond issues) or the assumption of liabilities whenever, in each case, the total amount (Group share) exceeds €100 million (except for intra-group transactions), in the understanding that the Chief Executive Officer is authorised to conclude financing transactions for less than that amount and may also sign the related sureties
- signature of contracts for any merger, divestment or contribution of assets, except for intra-group transactions, or if the transactions have been approved by the said Committee and/or the Board
- acceptance by an executive corporate officer of the company of a new Directorship in a non-group company, listed on a French or foreign regulated.

The decisions described in this section are made by a simple majority vote of the Board.

In accordance with the relevant legal provisions, these limitations are not binding on third parties.

5.3.1.3 Investment in the equity by General Management

Transactions carried out by members of General Management in Covivio shares during the 2022 fiscal year

General Management members	Acquisitions of financial instruments	Price (in €)	Sale of financial instruments	Price (in €)	Number of shares held at 31.12.2022 (to the company's knowledge)
Christophe Kullmann	12,323 shares[1]	-	-	-	158,535[2]
People associated with Christophe Kullmann	5,000 shares	48,894	-	-	5,000
Olivier Estève	5,550 shares[1]	-	-	-	92,320
TOTAL					**255,855**

(1) Award of free shares that became available during the 2022 fiscal year.
(2) Fully owned shares to which 12,000 beneficially owned shares are added from a bare ownership transfer.

To the company's knowledge, the executive corporate officers held 0.27% of the share capital on 31 December 2022.

Subsequent to the end of the fiscal year:

- Christophe Kullmann wholly owns 177,245 shares after the final allocation of 16,370 performance shares and 2,340 free shares delivered in February 2023;
- Olivier Estève owns 100,710 shares after the final allocation of 7,041 performance shares and 1,349 free shares delivered in February 2023.

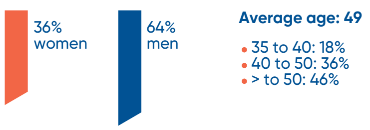
5.3.1.4 Role of the Executive Committee and Management Committees in General Management

The Committees, and especially the Executive Committee, are central to General Management, especially in Europe.

The Executive Committee, which is at the heart of the corporate governance system, is a forum for reflection, consultation and decision-making on the Group's major strategies. Composed of representatives of all of the Group's "country" and "product" activities, as well as various corporate functions, it is in charge of implementing the strategy defined by the Board of Directors, monitoring transnational and cross-functional projects, and coordinating European activities. It aims at ensuring coordination and consultation between its members whenever a transaction or an important decision affecting the general approach of the company or group must be considered or taken. In particular, it is consulted for each major decision or transaction of Foncière des Régions concerning asset rotation policy, monitoring of subsidiaries and holdings, and financial policies. It also deals with matters relating to organisation, tools, etc. It validates all investment and disposal files whose value exceeds €5 million. In addition, its members are in charge of implementing the CSR objectives of the Group determined by the Board of Directors within their particular area of responsibility in coordination with the Sustainable Development Department.

Executive Committee: 11 members

Christophe Kullmann Chief Executive Officer (CEO)	**Olivier Estève** Deputy CEO	**Tugdual Millet** Hotels CEO
Yves Marque General secretary	**Paul Arkwright** Financial Director	**Marjolaine Alquier de l'Epine** Risk, Compliance, Internal Audit and Control Department Director
Marielle Seegmuller Chief Operating France Officer	**Laurie Goudallier** Chief Transformation & IT Officer	**Alexei Dal Pastro** Italy CEO
	Daniel Frey Germany CEO	**Friederike Hoberg** Head of German Offices



The Executive Committee is supported by Management Committees set up in France, Germany and Italy, in charge of (i) monitoring operations, (ii) implementing the budget (finance, asset management, portfolio) and (iii) corporate matters.

The diversity of these bodies, in terms of gender, nationality, age, experience and skills, equips it to support the Group's strategic challenges in the different markets in which the Group operates.

5.3.1.5 Policy on diversity in management bodies

We are resolutely committed to countering discrimination and fostering diversity. We have a non-discrimination and diversity policy to promote balanced representation of women and men in the company's governing bodies.

Covivio was a signatory to the Diversity Charter in 2010 and the Global Compact in 2011. Its General Management is convinced that diversity, *i.e.*, the variety of human profiles, is a factor for innovation, performance and quality of life within the company. The Human Resources Department is determined to diversify the talent profiles that support the Group's growth. Covivio also wants to see more women in management positions and guarantees equivalent conditions of employment to men and women. We are committed to analysing the gender pay gap in the same business population, in cooperation with employee representative bodies.

The breakdown of the female headcount in France is stable: 54.7% at end 2022 compared with 57% at end 2021. The number of women in managerial roles had continued: 49.3% of managers were women at 31 December 2022, compared to 53.4% at the end of 2021.

At end 2022, the proportion of women on Covivio's Executive Committee remained stable at 36%. That within the France Management Committee remained stable at 50%. In Italy, it rose to 50% and in Germany, it reached 38% at the end of 2022. The percentage of women in the top 10% most senior positions is 48%.

Covivio's General Management promotes an environment conducive to gender parity at all levels of the Group, notably through the following methods:

- strengthen gender balance in recruitment
- ensure equal opportunities in career paths, in particular through mentoring programmes for women
- guarantee equal pay for men and women in the same job, for the same level of skills, responsibilities and results
- guarantee equality in terms of professional development and salary in the event of a career break in the context of parental, maternity or adoption leave.
- In 2017, Covivio launched the ex aequo programme with the objective of fostering the promotion of women within the Group. It consists of two main components:
- raising employee awareness about gender equality through surveys and information meetings
- a mentoring programme designed to support and guide women who wish to receive guidance on their professional career and benefit from the support of a mentor who is a member of the European Management team.

In November 2022, the Board of Directors approved a proposal by the Appointments and Remunerations Committee that some performance objectives resulting in the allocation of free performance shares to executive corporate officers should be linked to the number of women in management positions every other year, alternating with the criterion of employee engagement. As such, the Board set a target based on an index incorporating:

- the proportion of women on the Executive Committee
- the proportion of women on the Management Committee
- the proportion of women who are managers
- the equality index published annually.

In addition, on the proposal of General Management, and after review by the Appointments and Remunerations Committee, the Board of Directors of Covivio set, at its meeting of 16 December 2020, the objective of gradually increasing the number of women on the Executive Committee (36% to date). The objective set by the Board is to increase it to 40% or more by 2023. Similarly, the Board has set the objective of increasing the average number of women in the three national Management Committees (France, Germany and Italy), to 40% by 2023. It reached 46% at end 2022.

Lastly, in order to promote the balanced representation of women and men within the General Management and pursuant to the provisions of Article L. 225-53 of the French Commercial Code, the Internal regulations of the Board of Directors ensure that at least one person of each gender is among the candidates throughout the selection process for the Deputy CEOs.

5.3.1.6 Succession plans

The Appointments and Remunerations Committee is responsible for overseeing the establishment of succession plans for executive corporate officers and current or future members of the Executive Committee. To this end, it conducts regular reviews of the management team and, for several years, has ensured, through specific free performance share plans, the retention of potential candidates identified for access to management positions.

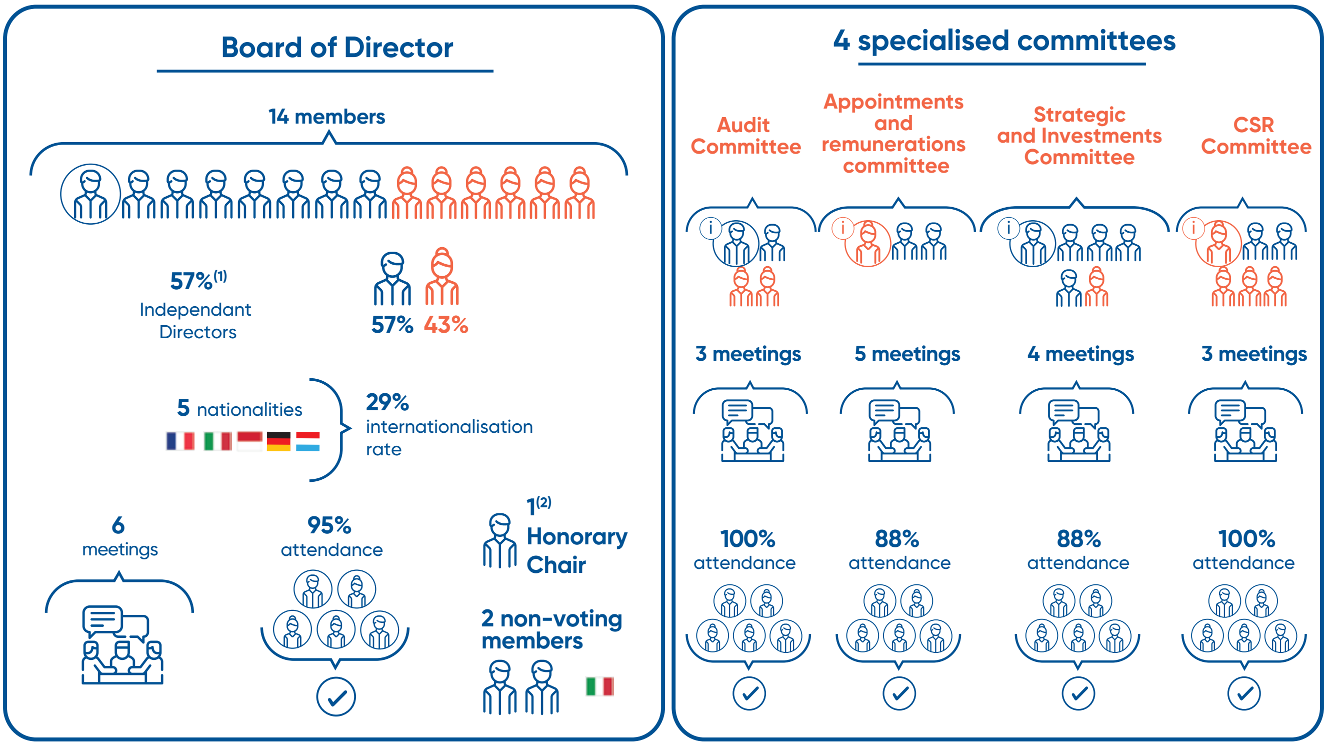
Succession plans pertaining to short- or medium-term end dates (unexpected succession in the event of resignation, inability, death) and long-term end dates (planned succession in the event of retirement, expiry of term of office). They were reviewed twice in 2022, in June and October.

Following Jean Laurent's resignation from his term of office as Chairman of the Board, the Board of Directors proceeded to appoint his replacement, Jean-Luc Biamonti, in accordance with the provisions of succession plans for non-executive corporate officers, the relevance of which could be measured during the latest formal evaluation of the operations of the Board and its Committees, performed at end 2022.

5.3.2 Board of Directors

5.3.2.1 Composition of the Board of Directors in 2022

Summary of the composition of the Board of Directors in 2022



(1)As Jean-Luc Biamonti was appointed Director of Covivio by the General Meeting of 31 January 2011, he reached the threshold of Directorship seniority of 12 years on 31 January 2023, resulting in him no longer qualifying as an Independent Director on the Board, within the meaning of Article 10.5.6 of the Afep-Medef Code. As of 31 January 2023, the Board of Directors' independence rate is 50%.
(2) Jean Laurent held this position until 12 January 2023.

A diverse Board of Directors comprising complementary areas of skill and expertise and deemed efficient for the relevant administration of the company

	2011	2015	2019	2020	2021	2022
TOTAL NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS	10	14	15	15	15	**14**
INDEPENDENCE [2]	40%	57%	60%	60%	60%	**57%**
FEMALE COMPOSITION	10%	36%	40%	40%	40%	**43%**
AVERAGE AGE	57	56	60	58	59	**57**
NATIONALITIES REPRESENTED	3	4	4	4	4	**5**
AVERAGE ATTENDANCE RATE	91%	82%	92%	90%	100%	**95%**

(1) Within the meaning of the Afep-Medef Code on corporate governance to which Covivio refers.

The table below summarises the composition of the Board of Directors and of the Committees as of 31 December 2022.

	Personal information						
	Title	Age	Gender	Nationality	Number of shares held at 31 December 2022		Main position held
Jean-Luc Biamonti	Chairman of the Board of Directors and Director	69			506		Chairman of the Strategy Committee of Calcium Capital
Romolo Bardin	Director	44			18,308		Chief Executive Officer of Delfin SARL
ACM Vie					Legal Entity	Physical person	
represented by Stephanie de Kerdrel	Director	47			8,114,538[3]	0	Deputy Chief Investment Officer of ACM
Covéa Coopérations					Legal Entity	Physical person	
represented by Olivier Le Borgne	Director	56			581[4]	0	Chief Investment Officer at Covéa
Christian Delaire	Director	55			741		Senior Advisor at Foncière Atland
Delfin SARL					Legal entity	Physical person	
represented by Giovanni Giallombardo	Director	67			0[5]	8,500	Chairman and member of the Board of Directors of Luxair SA
Christophe Kullmann	Chief Executive Officer and Director	57			158,535[6]		Chief Executive Officer of Covivio
Alix d'Ocagne	Director	53			200		Chairwoman of DOCK75
Sylvie Ouziel	Director	52			2,449		CEO of shared platforms at Publicis Group
Olivier Piani	Director	69			701		Chairman of ODP Conseils
Predica					Legal Entity	Physical person	
represented by Jérôme Grivet	Director	60			7,352,435[7]	0	Deputy CEO of Crédit Agricole SA, in charge of the Steering and Control Division
Patricia Savin	Director	56			205		Partner at DS Avocats
Daniela Schwarzer	Director	49			0		Executive Director of the Open Society Foundation for Europe and Eurasia
Catherine Soubie	Director	57			686		Chief Executive Officer of Arfilia
Jean Laurent	Honorary Chairman	78					
Sergio Erede	Non-Voting member	82					
Ariberto Fassati	Non-Voting member	76					

(1) The data is expressed in number of years and months from the date of 1st appointment of physical persons.
(2) This duration takes into account seniority within the company.
(3) It being specified that ACM Vie sold 258,727 shares after the end of the 2022 financial year.
(4) It being specified that the Covéa Group holds 6,797,240 shares.
(5) It being specified that the Delfin Group holds 25,765,290 shares.
(6) To which 12,000 beneficially-owned shares are added following a bare ownership transfer.
(7) It being specified that the Crédit Agricole Assurances Group holds 7,750,975 shares, and that Predica sold 49,170 shares after the end of the 2022 financial year.
(8) Jean Laurent's ceased to be Honorary Chairman on 12 January 2023 following his death.

Experience	Position on the Board					Participation in Board Committees					Remuneration
						Number of Board of Directors meetings	Number of Audit Committee meetings	Number of meetings of Appointments and Remunerations Committee	Number of meetings of the Strategy and Investment Committee	Number of meetings of the CSR Committee	
						5	3	3	5	1	
Number of Directorships in public companies outside the Covivio group	Independence	Date of first appointment to the Board of Directors	Date of renewal	Year term of office ends	Seniority on the Board at the end of the fiscal year[1]	Attendance at meetings of the Board of Directors	Attendance at Audit Committee meetings	Attendance at Appointments and Remunerations Committee meetings	Attendance at Strategy and Investment Committee meetings	Attendance at the CSR Committee	Gross amount of attendance fees (in €)
1	✓ (until 31.01.2023)	31.01.2011	17.04.2015 26.04.2017 20.04.2021	2023	11.11	100%	100% (until 21.07.2022)	100% (until 21.07.2022)	100%	100%	43,970
1	X	17.04.2015	19.04.2018 21.04.2022	2026	14.7[2]	100%	100%	/	100%	/	63,000
0	X	31.01.2011	17.04.2015 19.04.2018 21.04.2022	2026	2.1	83%	/	/	75%	100%	44,000
0	X	17.02.2016	17.04.2019	2023	2,1	100%	/	/	100%	/	41,000
2	✓	17.04.2019	/	2023	3.8	100%	100%	/	/	100%	60,290
0	X	21.07.2022	/	2023	0.5	100%	/	/	/	/	18,696
0	X	25.04.2012	27.04.2016 22.04.2020	2024	10.8	100%	/	/	/	/	/
0	✓	13.02.2020	21.04.2022	2026	2.1	100%	/	/	/	100%	40,348
0	✓	24.04.2013	26.04.2017 20.04.2021	2025	9.8	100%	100%	/	/	/	42,000
1	✓	17.04.2019	/	2023	3.8	100%	/	100%	100%	/	55,348
1	X	31.01.2011	17.04.2015 26.04.2017 20.04.2021	2025	11.11	83%	/	60%	75%	/	44,000
0	✓	27.04.2016	22.04.2020	2024	6.8	83%	/	/	/	100%	35,000
1	✓	21.04.2022	/	2026	0.8	100%	/	/	/	100%	36,288
2	✓	27.04.2016	22.04.2020	2024	6.8	100%	100%	100%	/	/	54,348
		21.07.2022	/	2023[8]	12.1[2]	/	/	/	/	/	/
		17.04.2015	17.04.2019	2023	14.7[2]	100%	/	100%	100%	/	54,000
		17.04.2019	/	2023	3.8	100%	/	/	100%	/	47,000
						Average attendance rate: 95%	Average attendance rate: 100%	Average attendance rate: 88%	Average attendance rate: 88%	Average attendance rate: 100%	Total amount: €679,288

5.3.2.1.1 Changes in the composition of the Board of Directors and of Committees during 2022

The General Meeting of 21 April 2022 approved the appointment of Daniela Schwarzer as a new independent Director for a duration of four years, to replace Sigrid Duhamel who, at the request of BNP Paribas Real Estate, did not request the renewal of her term of office for reasons of potential conflict of interest.

Following the resignation of Jean Laurent on 21 July 2022 from all of his terms of office due to health issues, the Board of Directors, on the recommendation of the Appointments and Remunerations Committee, appointed Jean-Luc Biamonti as the new Chairman of the Board of Directors for the duration of his term of office as a Director, that being until the end of the General Meeting called in 2023 to approve the financial statements for the fiscal year ended on 31 December 2022. In particular, the Board of Directors determined that his extensive knowledge of the company and its sectors of activity, as well as his solid professional experience, would be an asset to the company and would allow for a balanced transition in the changing of the Chairman of the Board. In order to thank him for his contribution to the company's development, the Board also decided to name Jean Laurent as its Honorary Chair, a role whose terms and conditions have been described in the Internal regulations of the company and presented below in section 5.3.2.2.4.1.

Following the death of Leonardo Del Vecchio on 27 June 2022, the Board of Directors decided to co-opt the company Delfin SARL on 21 July 2022, represented by Giovanni Giallombardo, as a Director, for the remainder of Leonardo Del Vecchio's term of office expiring at the end of the General Meeting of shareholders called in 2023 to approve the financial statements for the fiscal year ended 31 December 2022. This cooptation will be submitted for the approval of the General Meeting on 20 April 2023.

According to these modifications, the composition of the Board of Directors has been reduced to fourteen members.

The changes to the composition of all governance bodies are summarised below.

Governance body	Date	Departure	Appointment/Coopting	Renewal
Board of Directors	21.04.2022	Sigrid Duhamel	Daniela Schwarzer	Romolo Bardin Alix d'Ocagne ACM Vie(1)
	27.06.2022	Leonardo Del Vecchio		
	21.07.2022	Jean Laurent	Jean-Luc Biamonti (Chairman) Jean Laurent (Honorary Chair) Delfin SARL(2)	
Audit Committee	21.04.2022	Sigrid Duhamel		Romolo Bardin
	21.07.2022	Jean-Luc Biamonti	Christian Delaire (Chairman) Catherine Soubie	
Appointments and Remunerations Committee	21.07.2022	Jean-Luc Biamonti		
Strategy and Investment Committee	21.04.2022			Romolo Bardin Stéphanie de Kerdrel
	27.06.2022	Leonardo Del Vecchio		
	21.07.2022	Jean Laurent	Olivier Piani (Chairman) Jean-Luc Biamonti	
Comité RSE	21.04.2022		Daniela Schwarzer	Alix d'Ocagne Stéphanie de Kerdrel
	21.07.2022	Jean Laurent Christian Delaire(3) (Chairman)	Alix d'Ocagne (Chairwoman) Jean-Luc Biamonti	

(1) Stéphanie de Kerdrel is the permanent representative of ACM Vie.

(2) Giovanni Giallombardo is the permanent representative of Delfin SARL.

(3) Christian Delaire, however, remains a member of the CSR Committee.

Impact of the 2022 changes to the governance bodies in terms of diversification

	Number of members			Independence rate			Percentage of women			Percentage of internationalisation			Average age		
	2021		2022	2021		2022	2021		2022	2021		2022	2021		2022
Board of Directors	15	↘	14	60%	↘	57%	40%	↗	43%	27%	↗	29%	59 years	↘	57 years
Audit Committee	5	↘	4	80%	↘	75%	40%	↗	50%	60%	↘	25%	54 years	↘	53 years
Appointments and Remunerations Committee	4	↘	3	75%	↘	67%	25%	↗	33%	25%	↘	0%	63 years	↘	62 years
Strategy and Investment Committee	7	↘	6	29%	↗	33%	14%	↗	17%	29%	↗	33%	62 years	↘	58 years
CSR Committee	5	↗	6	80%	↗	83%	60%	↗	67%	0%	↗	33%	57 years	↘	55 years

5.3.2.1.2 Changes in the proposed composition of the Board of Directors for the 2023 fiscal year

As Jean-Luc Biamonti was appointed Director of Covivio by the General Meeting of 31 January 2011, he reached the threshold of Directorship seniority of 12 years on 31 January 2023, resulting in him no longer qualifying as an independent Director on the Board within the meaning of Article 10.5.6 of the Afep-Medef Code, thus bringing the proportion of independent Directors to 50%.

Jean Laurent stopped exercising his role as Honorary Chair on 12 January 2023, following his death.

The expiry in April 2023 of the terms of office of Jean-Luc Biamonti and the companies Delfin SARL and Covéa Coopérations, as well as the terms of office of Christian Delaire and Olivier Piani, led the Appointments and Remunerations Committee to review changes in the composition of the Board of Directors.

In accordance with the recommendation of Article 7.2 of the Afep-Medef Code, after considering the desired balance of its composition and of that of its Committees, the Board of Administration, in its meeting on 21 February 2023 and on the advice of the Appointments and Remunerations Committee, decided to submit for the approval of the Combined General Meeting called on 20 April 2023, the renewal for a duration of four years, expiring at the end of the General Meeting called in 2027 to approve the financial statements for the fiscal year ended on 31 December 2026:

- of the Directorship of Jean-Luc Biamonti, who will continue to bring his real estate, hospitality, strategic and banking expertise as well as his solid experience with listed companies to the Board of Directors
- of the Directorships of the companies Delfin SARL and Covéa Coopérations, represented within the Board of Directors by Giovanni Giallombardo and Olivier Le Borgne, respectively. Giovanni Giallombardo will continue actively contributing to the Board of Directors, particularly thanks to his expertise in the financial sector and his solid experience in corporate governance. Olivier Le Borgne will continue his invaluable contribution to the Board of Directors and its work, particularly thanks to his financial and real estate expertise and his experience in management roles
- of the independent Directorships of Christian Delaire and Olivier Piani. Christian Delaire will continue to bring his wealth of real estate and financial experience, as well as his experience with foreign listed companies, to the Board of Directors. Olivier Piani will also continue to bring his wealth of real estate experience, as well as his experience with foreign listed companies, to the Board of Directors.

The Board of Directors also decided, in agreement with the non-voting members of the Board, not to renew their terms of office at the end of the General Meeting of 20 April 2023.

Impacts of changes in the composition of the Board of Directors subject to approval by the Combined General Meeting of 20 April 2023 of the renewal of the aforementioned terms of office as Director.

14 members	43% women	50% independence of members	57 year-old Average age	29% Percentage of international

Jean-Luc Biamonti
Chairman of the Board of Directors

Christophe Kullmann
Chief Executive Officer and Director

Romolo Bardin
Director

Christian Delaire
Independent Director

Giovanni Giallombardo
Permanent representative of Delfin S.à.rl
Director

Jérôme Grivet
Permanent representative of Predica, Director

Stéphanie de Kerdrel
Permanent representative of ACM Vie
Director

Olivier Le Borgne
Permanent representative of Covéa Coopérations
Director

Alix d'Ocagne
Independent Director

Sylvie Ouziel
Independent Director

Olivier Piani
Independent Director

Patricia Savin
Independent Director

Daniela Schwarzer
Independent Director

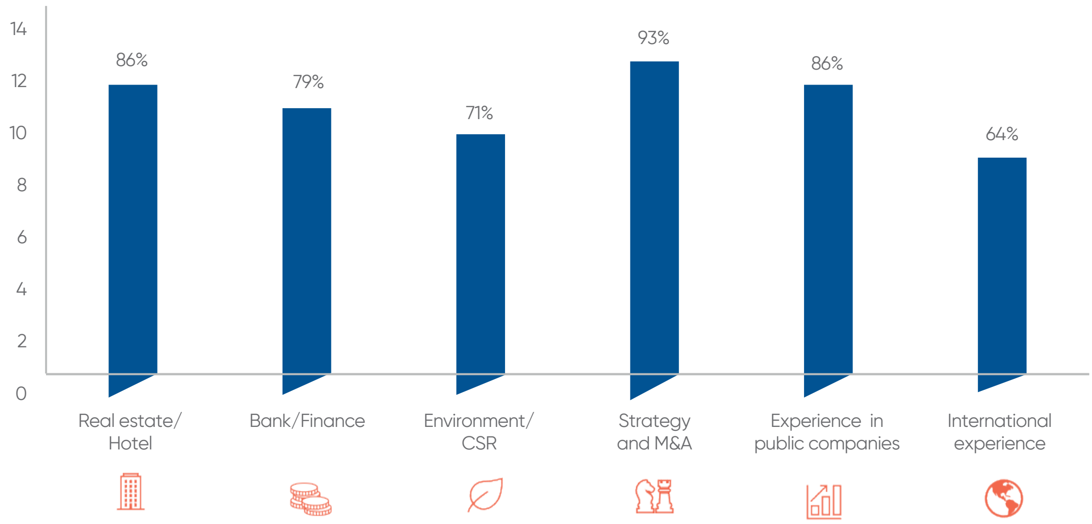
Catherine Soubie
Independent Director

5.3.2.1.3 Backgrounds, experience and expertise of non-executive corporate officers (informationas at 31 December 2022)

The Appointments and Remunerations Committee regularly considers the needs of the Board of Directors in terms of skills and expertise.

In response to Directors' desire, expressed following the formal evaluation of the functioning of the Board and its Committees performed in end 2019, to further increase international representation on the Board of Directors, particularly in view of the geographic orientation of the company's activities, the Appointments and Remunerations Committee proposed to the Board, when the Directorship of Sigrid Duhamel was not renewed, that Daniela Schwarzer be nominated in light of her experience, and particularly of her keen knowledge of the German economic and social environment, and her skills in terms of CSR.

Changes in governance occurring during the 2022 fiscal year provided the skills and expertise deemed necessary for proper administration of the company. The Directors are complementary due to their different professional experiences. Their individual skills and expertise cover the following areas related to Covivio's strategy:



Presentation of the individual skills and expertise of the Directors

	Real Estate/ Hotels	Banking/Finance	Environment/CSR	Strategy and M&A	Experience in public companies	International experience
Jean-Luc Biamonti	✓	✓	✓	✓	✓	✓
Romolo Bardin	✓	✓		✓	✓	✓
Christian Delaire	✓	✓	✓	✓	✓	✓
Giovanni Giallombardo	✓	✓	✓	✓	✓	✓
Jérôme Grivet	✓	✓		✓	✓	✓
Stéphanie de Kerdrel	✓	✓	✓		✓	
Christophe Kullmann	✓	✓	✓	✓	✓	✓
Olivier Le Borgne	✓	✓		✓	✓	
Alix d'Ocagne	✓	✓	✓	✓		
Sylvie Ouziel			✓	✓	✓	✓
Olivier Piani	✓		✓	✓	✓	✓
Patricia Savin	✓		✓	✓		
Daniela Schwarzer		✓	✓	✓	✓	✓
Catherine Soubie	✓	✓		✓	✓	

The information is presented individually for each Director in office at 31 December 2022[1] and includes in particular those referred to in point 12.1 of Annex 1 to delegated Regulation (EU) 2019/980 of 14 March 2019:

- experience and expertise in business management
- offices and positions held during the 2022 fiscal year
- terms of office expired within the last five years.

(1) 2 It being specified that those relating to Christophe Kullmann, Chief Executive Officer and Director of Covivio, are set out in paragraph 5.3.1.1 above.

Jean-Luc Biamonti, whose renewal of his term of office as Director is subject to the approval of the General Meeting of 20 April 2023

Age: 69

Nationality: Monegasque

Professional address: 18, avenue de Grande Bretagne, MC 98000 Monaco, Principality of Monaco

Main function exercised: Chairman of the Strategy Committee of Calcium Capital

Biography

Holder of an MBA from Columbia University and a graduate of ESSEC, Jean-Luc Biamonti joined Goldman Sachs as an investment banker and held various Offices there for 16 years. As a partner in the firm, he was responsible for banking business in France and for coverage of the distribution and mass-market consumer goods industry in Europe. After having left the bank in 2008, he founded Calcium Capital and developed an SME investment business *via* this group.

Until January 2023, he was Deputy Chairman of Société des Bains de Mer Monaco, where he was a Director since 1985 and Chairman of the Board of Directors since 1995.

Jean-Luc Biamonti is Chairman of the Audit and Risk Committee of EssilorLuxottica and Lead Director since 22 February 2023.

Offices held within Covivio:

Chairman of the Board of Directors (since 21 July 2022)

Director

Member of the Strategy and Investments Committee (since 21 July 2022)

Member of the CSR Committee (since 21 July 2022)

Date of appointment: 31 January 2011

Date of renewal: 17 April 2015 – 26 April 2017 – 20 April 2021

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December **2022**

Number of shares held on 31 December 2022: 506

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Chairman of the Strategy Committee: Calcium Capital SAS

Lead Director (since 22.02.2023) and Chairman of the **Audit and Risk Committee:** EssilorLuxottica SA (public company)

Terms of office expiring after the end of the 2022 fiscal year:

Director, Chairman of the Board of Directors and Deputy Chairman: Société of Bains de Mer Monaco SA (S. B. M. – foreign public company - until 24/01/2023)

Director: MC Financial Company (until 24/01/2023)

Chairman: S.B. M. USA Inc. (until 24/01/2023)

Permanent representative of S.B. M., Director and Deputy Chairman: S.H.L (until 24/01/2023)

Manager: MC SBM International S.à.r.l. (until 24/01/2023)

Terms of office expired in the last 5 years:

Chairman of the Appointments and Remunerations Committee: Covivio (public company - until 21/07/2022)

Chairman of the Board Committee: Betclic Everest Group (term ended in 2022)

Chairman of the Appointments and Remuenrations Committee: Covivio (public company – until 17.04.2019)

ACM Vie

Strasbourg Trade and Companies Register 332 377 597

4, rue Frédéric-Guillaume Raiffeisen, 67000 Strasbourg

Offices held within Covivio:

Director

Date of appointment: 31 January 2011

Date of renewal: 17 April 2015 – 19 April 2018-21 April 2022

Expiry of term of office: General Meeting of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Number of shares held on 31 December 2022: 8,114,538 (it being specified that ACM Vie sold 258,727 shares after the end of the 2022 fiscal year)

Other Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels SCA (public company)

Other offices held outside the Covivio group:

Director: Sérénis Assurances SA, ACM Services SA, Foncière Massena SA, Agrupacio AMCI de Seguros y Reaseguros SA, GACM Seguros Generales, Compañia de Seguros y Reaseguros SAU (formerly AMGEN seguros Generales SAU), GACM Espagne SA, Valinvest Gestion

Member of the Supervisory Board: SCPI CMCIC Pierre Investissement, SCPI Crédit Mutuel Pierre 1, SCPI Selectpierre 1, SCPI Logipierre 1, SCPI Logipierre 3

Terms of office expired in the last 5 years:

None

Biography

Stephanie de Kerdrel holds a Master's degree in Banking-Finance-Insurance and a Master's Degree in International Economics and Finance from the University of Paris-Dauphine.

She began her career in fixed income management at Assurances du Crédit Mutuel. In 2007, she chose to focus on teaching and training for around ten years. Her main achievement is the management of the creation of a new higher education school in the digital professions (EEMI), founded in 2011 by Xavier Niel, Marc Simoncini and Jacques-Antoine Granjon, of which she was then the General Manager.

After achieving the objectives of this project, she decided to return to the field of finance and joined Assurances du Crédit Mutuel in 2018 as Deputy Investment Director for fixed income and real estate asset management.

Stéphanie de Kerdrel

Age: 47

Nationality: French

Professional address: 94/96, boulevard Haussmann, 75008 Paris

Main function exercised: Deputy Chief Investment Officer of ACM

Offices held within Covivio:

Permanent representative of ACM Vie, Director

Member of the Strategy and Investment Committee

Member of the CSR Committee

Date of appointment: 1 December 2020

Date of renewal: 21 April 2022

Expiry of term of office: General Meeting of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Number of shares held as at 31 December 2022: None

Other Offices held within the Covivio group:

Member of the Strategy Committee: SCI du 9 rue des Cuirassiers, SCI du 15 rue des Cuirassiers

Representative of ACM Vie SA representative on the Steering Committee: SCI N2 Batignolles

Other offices held outside the Covivio group:

Permanent representative of ACM Vie SA on the Board: SAS Immobilière ACM

Chief Executive Officer: Foncière Massena SA

Manager: SCI ACM 14 rue de Londres, SCI ACM Cotentin, SCI ACM Provence La Fayette, SCI ACM Saint Augustin, SCI ACM Tombe Issoire

Permanent representative of ACM Vie SA on the Board: Foncière Massena SA

Permanent representative of ACM Vie SA: OPCI ACM Tour First

Members of the Board of Directors: OPCI EDJ

Alternate member of the Strategy Committee: SCI Pleyel R 2

Terms of office expired in the last 5 years:

None

Biography

Romolo Bardin is a graduate of Business Management at Ca'Foscari University in Venice.

He is Manager of Delfin S.à.r.l.. Prior to that he held positions at Sunglass Hut Europe in London and Luxottica Group in Italy.

Romolo Bardin

Age: 44

Nationality: Italian

Professional address: 7, rue de la Chapelle, L-1325 Luxembourg

Main function exercised: Manager of Delfin S.à.r.l.

Offices held within Covivio:

Director

Member of the Strategy and Investment Committee

Member of the Audit Committee

Date of appointment: 17 April 2015 (it being specified that Romolo Bardin had been the permanent representative of Aterno, Director since 31 January 2011)

Date of renewal: 19 April 2018 – 21 April 2022

Expiry of term of office: General Meeting of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Number of shares held on 31 December 2022: 18,308

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Manager: Delfin SARL (foreign company)

Member of the Board of Directors, member of the Risk and Oversight Committee and Member of the Appointments and Remunerations Committee: EssilorLuxottica SA (public company)

Member of the Board of Directors and Chairman and Chief Executive Officer of foreign companies: Aterno SARL, DFR Investment SARL, Immochapelle SA, Vast Gain Group Ltd SARL

Member of the Board of Directors of foreign companies: Fondazione Leonardo Del Vecchio (foundation), Luxair SA

Terms of office expired in the last 5 years:

Member of the Board of Directors, member of the Strategy and Investment Committee, member of the Appointments Committee and member of the Regulated Agreements Committee: Assicurazioni Generali SPA (foreign public company) (term ended 17.01.2022)

Member of the Board of Directors and Chairman and Chief Executive Officer: Delfin Finance SA (foreign company - term ended in 2019)

Member of the Risks and Audit Committee: Assicurazioni Generali SPA (foreign public company – term ended in 2019)

Chairman and Chief Executive Officer: Delfin H SRL (term ended in 2018)

Covéa Coopérations, whose reappointment as Director is subject to the approval of the General Meeting of 20 April 2023

Le Mans Trade and Companies Register 439 881 137

14, boulevard Marie-et-Alexandre-Oyon, 72030 Le Mans

Offices held within Covivio:

Director

Date of appointment: 17 February 2016

Date of renewal: 17 April 2019

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held on 31 December 2022: 581 (it being specified that the Covéa Group holds 6,797,240 shares)

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Director: Assurland.com SA, AZ Plus SA, Carma SA, Covéa Lux, Covéa Agora, Covéa Protection Juridique SA, GMF Assurances SA, MAAF Assurances SA, MAAF Vie SA, MMA IARD SA, MMA Vie SA.

Member of the Audit and Compliance Risk Committee and the Remuneration Committee: Carma SA

Member of the Supervisory Committee: Covéa Finance

Chairman of the Strategy Committee: CAT. SA SAS

Chairman: CAT. SA SAS, Cesvi France SAS, Coparex SAS

Member of the Partners' Committee: Darva

Terms of office expired in the last 5 years:

Director: Gespré Europe SA (term ended in 2022), Caja de Seguros Reunidos – Compania de Seguros y Reaseguros SA (CASER – foreign company – term ended in 2020), Lybernet Assurances SA (term ended in 2018)

Member: Covéa Immobilier Support GIE (term ended in 2019)

Biography

Olivier Le Borgne, a graduate of the Institut Supérieur de Gestion de Paris, began his career as a Management Controller. In 1992, he joined the administrative and Technical Department of GMF Vie. In 1998, he joined the Finance Department of Azur-GMF until 2006, where he held various positions. Firstly, as a management controller in charge of monitoring the companies, then as head of earnings forecasts and finally as head of financial control. From 2006 to 2015, he was Director of Financial Strategy of GMF and then from 2015 to 2020 he was Head of Investments and Assets-Liabilities at Covéa.

Since December 2020, Olivier Le Borgne is Chief Investment Officer of Covéa.

Olivier Le Borgne

Age: 56

Nationality: French

Business address: 86, rue Saint-Lazare, 75009 Paris

Main function exercised: Chief Investment Officer at Covéa

Offices held within Covivio:

Permanent representative of Covéa Coopérations, Director

Member of the Strategy and Investment Committee

Date of appointment: 1 December 2020

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held as at 31 December 2022: None

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Deputy CEO: GMF Assurances SA, GMF Vie SA, MAAF Assurances SA, MAAF Vie SA, MMA Iard SA, MMA Vie SA

Member of the Reinsurance Investment Committee: Coparex SAS

Member of the Funds Investment Committee: Coparex SAS

Member of the Supervisory Board: Covéa Finance SAS, Covéa Immobilier SAS

Member of the Remuneration and Appointments Committee: Covéa Finance SAS

Chairman of the Supervisory Committee: Covéa Finance SAS, Covéa Immobilier SAS

Representative of Covéa Coopérations, Chairman: Coparex SAS

Representative of Covéa, member of the Investment Committee: France **Assureurs**

Logistic Representative, Director: GIE Cibail SA

Terms of office expired in the last 5 years:

Manager: SCI Covéa Real Estate Développement (term ended in 2021)

Representative of MAAF Assurance SA, Chairman: CORED II SASU (term ended in 2021)

Member of the Supervisory Board: Covéa Salariés FCPE (term ended in 2021)

Representative of Covéa Protection Juridique, member of the Supervisory Committee: Covéa Finance SAS (term ended in 2020)

Member of the Strategic Committee: Lagune SAS (ended in 2020), ALMA LMB LUX SAS (ended in 2020), Lagune International SAS (ended in 2020), Orestate SPPICAV SAS (ended in 2020), Oricore SPPICAV SAS (ended in 2020)

Representative of Orestate OPCI, member of the Strategic Committee: Batipart Régions 1 SAS (ended in 2020)

Representative of Assistance Protection Juridique, member of the Supervisory Committee: Covéa Finance SAS (term ended in 2019)

Christian Delaire, whose reappointment as Director is subject to the approval of the General Meeting of 20 April 2023

Age: 55

Nationality: French

Business address: 40 avenue George V, 75008 Paris

Main function exercised: Senior Advisor at Foncière Atland

Biography

Christian Delaire is a graduate of ESSEC. He built his career around finance and real estate.

After having occupied several positions at AXA Real Estate, he was appointed Chief Investment Officer of AXA Real Estate in 2006. He then undertook the following positions: Chief Executive Officer at AEW Europe from 2009 to 2014 and Chief Executive Officer at Generali Real Estate from 2014 to 2016.

His ambition to evolve toward the non-executive part of the business led him to leave Generali in order to join Foncière Atland (public company of the Atland group dedicated to investments and asset management) as a senior counsel.

He is also independent Director of CEREIT since 2017 and Atenor since 2018.

Offices held within Covivio:

Independent Director

Member of the CSR Committee

Chairman of the Audit Committee (since 21 July 2022)

Date of appointment: 17 April 2019

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held on 31 December 2022: 741

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Managing Director: CDE Advisors SARL

Director: CEREIT SA (listed foreign company), Atenor SA (listed foreign company), NODI SA (since December 2022)

Terms of office expired in the last 5 years:

Chairman of the CSR Committee: Covivio (public company - until 21/07/2022)

Delfin S.à.r.l., whose ratification of the co-option and renewal of the term of office as Director are subject to the approval of the General Meeting of 20 April 2023

Luxembourg Trade and Companies Register B 117 420

7, rue de la Chapelle, L-1325 Luxembourg

Offices held within Covivio:

Director

Date of appointment: 21 July 2022

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held on 31 December 2022: None (it being specified that the Delfin group holds 25,765,290 shares)

Other offices held within the Covivio group:

None

Other offices held outside the Covivio group:

None

Terms of office expired in the last 5 years:

None

Giovanni Giallombardo

Age: 67

Nationality: Italian and Luxembourg

Professional address: 47, rue de la Chapelle, L-1325 Luxembourg

Main function exercised: Chairman and member of the Board of Directors of Luxair SA

Biography

After studying Economics at the European School of Luxembourg and obtaining a degree in Economics and Business from the University of Florence, Giallombardo has spent most of his career in the finance sector.

In particular, he joined the Luxembourg branch of UniCredit in 2001, where he most recently held the positions of General Manager and Senior Vice-President.

Today, Giovanni Giallombardo is a Director of the holding company Delfin S.à.r.l. and Chairman of the Board of Directors of LuxairGroup.

Offices held within Covivio:

Permanent representative of Delfin S.à.r.l., Director

Date of appointment: 21 July 2022

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held on 31 December 2022: 8,500

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Chairman and member of the Board of Directors: Luxair SA (foreign company)

Member of the Board of Directors of foreign companies: Delfin S.à.r.l., CargoLux Airlines International SA, EssilorLuxottica RE, Immochapelle SA, Special Packaging Solutions Investments Sàrl, Lux-Pension SICAV, Lux-Portfolio SICAV

Terms of office expired in the last 5 years:

Vice Chairman and Chief Executive Officer: UniCredit Luxembourg SA (foreign company)

Member of the Board of Directors and the CSR Committee: EssilorLuxottica SA (public company - term ended in 2021)

Member of the Board of Directors: UniCredit Luxembourg SA (foreign company), Mudam Foundation (foreign company)

Alix d'Ocagne

Age: 53

Nationality: French

Business address: 4, rue Saint-Florentin, 75001 Paris

Main function exercised: Chairwoman of DOCK75

Biography

Alix d'Ocagne has a law degree from the University of Paris 1 Panthéon-Sorbonne and an Executive MBA from HEC. She has spent her entire career in the notary profession, specialising in real estate transactions for major accounts.

She worked for 25 years at the Cheuvreux law firm as an associate, partner, managing partner and president. She actively participated in the development of this law firm.

She left Cheuvreux at the end of 2019 to embark on a social entrepreneurship project.

In 2021, she founded Bring The Way, which supports companies in their societal commitments and creates links with associations.

Offices held within Covivio:

Independent Director

Chairwoman of the CSR Committee (since 21 July 2022)

Date of appointment: 13 February 2020

Date of renewal: 21 April 2022

Expiry of term of office: General Meeting of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Number of shares held on 31 December 2022: 200

Other Offices held within the Covivio group:

Chairwoman: Covivio Foundation

Other Offices held outside the Covivio group:

Chairwoman: DOCK75 SAS, SEGC SAS, Bring the Way Corporate and Association

Member of the Supervisory Board: Eukratos SAS

Terms of office expired in the last 5 years:

Chairwoman: Cheuvreux SAS (term ended in 2019)

Director: Association B2X (term ended 2022), Association Habitat et Humanisme Ile de France

Sylvie Ouziel

Age: 52

Nationality: French

Business address: 133, avenue des Champs Elysées, 75008 Paris

Main position held: CEO of shared Platforms at Publicis Group

biography

A graduate of École Centrale Paris and holder of an Executive MBA from Northwestern University, Sylvie Ouziel held the position of Global Deputy CEO of Accenture Management Consulting (previously Andersen Consulting), a company where she held several positions, bringing it strong international exposure.

She then spent eight years at Allianz where she held the position of Global CEO Allianz Assistance and CEO Asia Pacific Allianz Partners.

After spending a year at Envision Digital as International President, she is now Managing Director of shared Platforms at Publicis.

Offices held within Covivio:

Independent Director

Member of the Audit Committee

Date of appointment: 24 April 2013

Date of renewal: 26 April 2017 – 20 April 2021

Expiry of term of office: General Meeting of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Number of shares held on 31 December 2022: 2,449

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Director: Lion Re:Sources, Inc. Lion Re:Sources UK Limited

Terms of office expired in the last 5 years:

Director: Envision Digital International Pte. Ltd – Singapore, Bazefield AS – Norway, Envision Digital (Netherlands) B.V. – Netherland, Envision Digital (Germany) Gmbh – Germany, Envision Digital U.K. Limited - UK

Global CEO Assistance and CEO Asie Pacific: Allianz Worldwide Partners

Member of the Board of Directors: AWP Health & Life, AWP P&C

Member of the Supervisory Board: M6 Métropole TV (public company)

Olivier Piani, whose reappointment as Director is subject to the approval of the General Meeting of 20 April 2023

Age: 69

Nationality: French

Business address: 91 bis, rue du Cherche-Midi, 75006 Paris

Main functions exercised: Chairman of OP Conseils

Biography

Olivier Piani is a graduate of the European business school, ESCP and holds an MBA from Stanford University. He has more than 30 years of experience in real estate. After 13 years at Groupe Paribas, he joined UIC-Sofal as Chief Executive Officer to restructure and sell the company.

He joined GE Capital Real Estate in 1998, where he held the position of Chairman and Chief Executive Officer of GE Real Estate Europe from 2002 to 2008 and successfully grew the company and its pan-European real estate portfolio. He was also Chairman and Chief Executive Officer of Allianz Real Estate from 2008 to 2015.

In 2016, he decided to found OP Conseils, a real estate and finance consulting firm.

Offices held within Covivio:

Independent Director

Member of the Appointments and Remunerations Committee

Chairman of the Strategy and Investment Committee (since 21 July 2022)

Date of appointment: 17 April 2019

Expiry of term of office: General Meeting of 2023 approving the annual financial statements for the fiscal year ended 31 December 2022

Number of shares held on 31 December 2022: 701

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Director: Prologis (foreign public company), Grosvenor Europe (foreign company), Yam Invest (foreign company)

Terms of office expired in the last 5 years:

Main Advisor and Chairman of the Investment Committee: Ardian Real Estate (term ended in 2021)

Predica

Paris Trade and Companies Register 334 028 123

16/18 boulevard de Vaugirard, 75015 Paris

Offices held within Covivio:

Director

Date of appointment: 31 January 2011

Date of renewal: 17 April 2015 – 26 April 2017 – 20 April 2021

Expiry of term of office: General Meeting of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Number of shares held at 31 December 2022: 7,352,435 (it being specified that Predica sold 49,170 shares after the end of the 2022 fiscal year)

Other Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels SCA (public company)

Director: B2 Hotel Invest OPPCI

Other offices held outside the Covivio group:

Director: AEW Immocommercial OPCI, Fonds Nouvel Investissement 1 SICAV, Fonds Nouvel Investissement 2 SICAV, Aéroport de Paris SA (public company), Gecina SA (public company), Messidor OPCI, Frey SA (public company), Korian SA (public company), CAA Commerces 2 OPCI, Patrimoine et Commerce SCA (public company), Carmila (public company), Previseo Obsèques SA, Lesica, Semmaris, Fonds Stratégique de Participations SICAV, Argan (public company), Française des Jeux (public company)

Member of the Supervisory Board: Altarea SCA (public company), Effi-Invest II SCA, SCA, CA Grands Crus SAS, Sopresa SA, Interfimo SA, Preim Healthcare

Non-voting member of the Board of Directors: Siparex Associés SA, Tivana France Holding SAS

Co-General Manager: Predicare SARL

Chairman: Prédi Rungis, Predica Bureaux OPCI

Terms of office expired in the last 5 years:

Member of the Supervisory Board: Effi Invest I SCA (term ended in 2018)

Director: La Médicale de France (term ended in 2022), CAAM Mone Cash SICAV (term ended in 2022), River Ouest OPCI (term ended in 2019), Sanef (public company – term ended in 2018), Ramsay Générale de Santé SA (public company – term ended in 2018), Eurosic SA (term ended in 2017), Louvresses Development I SAS (term ended in 2018), CA Life Greece SA (foreign company – term ended in 2018)

Non-voting member of the Board of Directors: Tivana France Holding SAS (term ended in 2022)

Jérôme Grivet

Age: 60

Nationality: French

French Professional address: 12, place des États-Unis, 92120 Montrouge

Main function: Deputy Chief Executive Officer in charge of Steering and Control

Biography

Jérôme Grivet is a graduate of ESSEC, the Paris Institute of Political Sciences (Sciences Po), and of ENA. He spent his early career in administration (general inspection of finances, advisor to the Prime Minister for European Affairs) and went on to join Crédit Lyonnais in 1998, first as Chief Financial Officer of the retail banking business in France, and then as Director of Strategy.

He was Deputy CEO of Calyon from 2007 to 2010.

From 2010 to 2015, he served as Chief Executive Officer of Crédit Agricole Assurances and Chief Executive Officer of Predica. A member of the Executive Committee of Crédit Agricole SA, he became Assistant General Manager in charge of the Group Finance Division in 2015, then in 2021, in charge of the Steering Division.

He was appointed Deputy Chief Executive Officer in charge of Steering and Control in September 2022.

Offices held within Covivio:

Permanent representative of Predica, Director

Member of the Strategy and Investment Committee

Member of the Appointments and Remunerations Committee

Date of appointment: 31 January 2011

Date of renewal: 17 April 2015 – 26 April 2017 – 20 April 2021

Expiry of term of office: General Meeting of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Number of shares held as at 31 December 2022: None

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Deputy Chief Executive Officer and member of the Executive Committee and of the Management Committee: Crédit Agricole SA (public company)

Chairman of the Board of Directors and Director: Crédit Agricole Capital Investissement & Finance SA (CACIF - since 08/06/2022)

Director: Crédit Agricole Assurances SA, CACEIS SA, CACEIS Bank France SA,

Permanent representative of Crédit Agricole Assurances SA, Director: CA Immobilier

Vice-Chairman of the Supervisory Board and member of the Audit and Accounts Committee: Fonds de Garantie des Dépôts et Résolution (FGDR)

Director, member of the Audit and Accounts Committee and member of the Investment Committee: Nexity SA (public company)

Permanent representative of Casa, Chairman: Evergreen Montrouge SAS

Permanent representative of Crédit Agricole SA, Manager: Quentyvel SCI

Treasurer: Crédit Agricole Solidarity and Development Foundation

Terms of office expired in the last 5 years:

Deputy Chief Executive Officer responsible for the Steering Division: Crédit Agricole SA (public company – term ended in 2020)

Director: Korian (public company – term ended in 2020)

Patricia Savin

Age: 56
Nationality: French
Professional address: 6, rue Duret, 75116 Paris
Main function exercised: Partner at DS Avocats

Biography

A graduate of Institut de Droit Public des Affaires (IDPA), and a lawyer registered with the Paris Bar, Patricia Savin holds a Ph.D. in private law from IHEDN (Economic Intelligence Session). A Partner at DS Avocats, she co-manages the Environment and Sustainable Development Department where she is specifically tasked with cases involving waste, polluted soils, biodiversity, the circular economy and sustainable urban environments. Patricia Savin is a member of the Council on Biodiversity and COPIL on circular economy in the French Ministry on the Environment.

As Chairwoman of the Orée association and the Environment and Sustainable Development Commission of the French Bar Association (Ordre des Avocats de Paris), she is regularly consulted by the Ministries of Ecology and Justice on the draft texts under discussion.

Before joining DS Avocats, Patricia practised law with the firms Moquet Borde (which has since become Paul Hastings) and then Pardieu Brocas, before acting as co-head of the law firm Savin Martinet Associés between 2001 and 2015.

She was elected member of the French National Bar Council, of which she was Secretary General for the 2010–2013 period.

Offices held within Covivio:

Independent Director

Member of the CSR Committee

Date of appointment: 27 April 2016

Date of renewal: 22 April 2020

Expiry of term of office: General Meeting of 2024 approving the annual financial statements for the fiscal year ended 31 December 2023

Number of shares held on 31 December 2022: 205

Other Offices held within the Covivio group:

Member of the Stakeholders' Committee: Covivio

Other offices held outside the Covivio group:

Chairwoman: OREE (association)

Terms of office expired in the last 5 years:

Member of the Audit Committee: Covivio (public company – until 21 July 2021)

Daniela Schwarzer

Age: 49

Nationality: German

Professional address: Jägerstrasse 54, 10117 Berlin, Germany

Main function exercised: executive Director of Open Society Foundations for Europe and Eurasia

Biography:

Daniela Schwarzer holds a PhD in Political Economy from the Free University of Berlin and a Master's degree in Political Science and Linguistics from the University of Tübingen. She has devoted a large part of her professional life to European economic, financial and political issues. She is an acknowledged expert and advisor on European issues and Franco-German relations. Daniela Schwarzer is the executive Director of the Open Society Foundations in Europe and Asia, the world's largest private donor to NGOs and associations working for human rights, justice and democracy.

From 2016 to 2021, she led the German Council on Foreign Relations, where she is now a non-executive member of the Board. She is also a non-executive member of the Board of Directors of BNP Paribas. She is an honorary professor at the Freie Universität Berlin, where she teaches European integration and international affairs.

Offices held within Covivio:

Independent Director

Member of the CSR Committee

Date of appointment: 21 April 2022Expiry of term of office: General Meeting of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Number of shares held on 31 December 2022: None

Other offices held within the Covivo group:

None

Offices held outside the Covivio group:

Director, member of the Governance and Ethics Committee, the Appointments Committee, and the CSR Committee: BNP Paribas (public company)

Director: Association Notre Europe - Institut Jacques Delors, Fondation United Europe (Hambourg), Deutsche Gesellschaft für Auswärtige Politik, Fondation Jean Monnet

Terms of offices expired in the last 5 years:

None

Catherine Soubie

Age: 57

Nationality: French

Professional address: 137, rue de l'Université, 75007 Paris

Main function exercised: Chief Executive Officer of Arfilia

Biography

A graduate of ESCP Europe, Catherine Soubie started her career in 1989 at Lazard in London, then in Paris. She subsequently held various posts at Morgan Stanley in Paris before becoming Assistant General Manager of Rallye, from 2005 to 2010. In 2010, Catherine Soubie joined Barclays where she was, until 2016, Managing Director in charge of Investment Banking France-Belgium-Luxembourg.

She is today the Chief Executive Officer of Arfilia and also independent Director on the Boards of Directors of Korian and Sofina.

Offices held within Covivio:

Independent Director

Chairman of the Appointments and Remunerations Committee

Member of the Audit Committee (since 21 July 2022)

Date of appointment: 27 April 2016

Date of renewal: 22 April 2020

Expiry of term of office: General Meeting of 2024 approving the annual financial statements for the fiscal year ended 31 December 2023

Number of shares held on 31 December 2022: 686

Other Offices held within the Covivio group:

None

Other offices held outside the Covivio group:

Chief Executive Officer: Arfilia

Director, Chairwoman of the Audit Committee and member of the Appointments and Remunerations Committee: Korian SA (public company)

Director and Chair of the Remuneration Committee and member of the Appointments Committee: Sofina SA (public company)

Chair: Financière Verbateam

Terms of office expired in the last 5 years:

Chief Executive Officer: Alixio (ended 2021), Taddeo (ended 2021)

5.3.2.1.4 Investment in the capital by members of the Board of Directors

Trading in Covivio shares by members of the Board of Directors and related persons in the 2022 fiscal year

Members of the Board of Directors[1]	Acquisitions of financial instruments	Value average (in €)	Sale of financial instruments	Value average (in €)	Number of shares at 31.12.2022 (to the company's knowledge)
Jean-Luc Biamonti	–	–	–	–	506
ACM Vie	–	–	–	–	8,114,538
Stéphanie de Kerdrel	–	–	–	–	0
Romolo Bardin	3,200 shares	61.831	–	–	18,308
Covéa Coopérations	–	–	–	–	581
(persons related to Covéa Coopérations)	–	–	–	–	6,796,659
Olivier Le Borgne	–	–	–	–	0
Christian Delaire	500 shares	56.95	–	–	741
DELFIN SARL	–	–	–	–	0
(persons related to Delfin SARL)	–	–	–	–	25,765,290
Giovanni Giallombardo	4,500 shares	53.365	–	–	8,500
Alix d'Ocagne	200 shares	76.01	–	–	200
Sylvie Ouziel	–	–	–	–	2,449
Olivier Piani	–	–	–	–	701
Predica	–	–	–	–	7,352,435
(persons related to Predica)	–	–	–	–	398,540
Jérôme Grivet	–	–	–	–	0
Patricia Savin	–	–	–	–	205
Daniela Schwarzer	–	–	–	–	0
Catherine Soubie	–	–	–	–	686
TOTAL					**48,460,339**

(1) It being specified that the information relating to Christophe Kullmann, Chief Executive Officer and Director of Covivio, is set out in paragraph 5.3.1.1 above.

To the company's knowledge, the non-executive corporate officers (and persons related to them) held 51.13% of the share capital at 31 December 2022.

Subsequent to the end of the fiscal year:

- ACM Vie sold 258,727 shares and holds 7,855,811 shares
- Predica sold 49,170 shares and holds 7,303,265 shares.

5.3.2.2 Terms and conditions of the organisation and operation of the Board of Directors

5.3.2.2.1 Role of the Chairman of the Board of Directors

At the General Meeting of 31 January 2011, Covivio adopted the form of a *société anonyme* (public limited company) with a Board of Directors, separating the duties of Chairman and Chief Executive Officer. Following the appointment on 21 July 2022 of Jean-Luc Biamonti as the new Chairman of the Board of Directors for the duration of his Directorship, the Board of Directos confirmed the choice of a separation of the duties of Chairman and Chief Executive Officer, which is part of a permanent objective of sustainable and balanced governance.

He represents the Board of Directors, working in close coordination with the Chief Executive Officer. He acts and speaks on its behalf and oversees the organisation of the Board of Directors and its Committees, as well as ensures that they are working smoothly. The development of quality dialogue with the Chief Executive Officer and Deputy CEO prior to Board meetings help to improve the operations of the Board and the efficiency of its meetings. He ensures that all Directors are always kept fully notified of any information complete and relevant to the implementation of the strategy. He leads the Board's discussions and helps to summarise its views. In close coordination with the actions taken in these matters by General Management, the Chairman ensures that the quality of the Board's relationships with the company's shareholders, major partners and customers of the Group as well as with public authorities, institutional and regulatory authorities, the media and all stakeholders in the company are maintained. The Chairman may, further to a delegation from the Board of Directors, be responsible for shareholders' relations with the Board, notably on subjects of corporate governance, and, if applicable, give an account thereto of his assignment. He also presides over the company's General Meetings and participates in the oversight of the governance of the company's subsidiaries. Moreover, he oversees the proper functioning of the audit and risk management bodies.

The Chairman provides the Chief Executive Officer and the Deputy CEO with help and advice on designing and implementing the strategy, whilst not infringing on the latters' executive responsibilities. At the request of the Chief Executive Officer and/or of the Deputy CEO, he can attend internal meetings with the company's primary executives and teams to provide clarifications on strategic issues. He also helps to promote the image and values of Covivio, both within and outside the Group.

As non-executive Chairman, he attends meetings of the Appointments and Remunerations Committee as a guest and participates in the process of recruiting new Directors. He also provides his vision and knowledge of the in-house teams when succession plans are being established.

During his term of office until 21 July 2022, Jean Laurent chaired all the meetings of the Board of Directors and attended all the meetings of the Strategy and Investment Committee (with the exception of that of 21 July 2022) and that of the CSR Committee, Committees of which he was a member as well as those of the Audit Committee and the Appointments and Remuneration Committee to which he was invited.

Jean-Luc Biamonti also chaired all the meetings of the Board of Directors that were held from 21 July 2022, it being specified that he participated in his capacity as a Director in all Board meetings as well as all sessions of the Committees of which he is (was) a Chairman, member or guest. In the 2022 fiscal year, Jean-Luc Biamonti's attendance was 100% for all corporate governance meetings.

As did Jean Laurent; he also met with individual Directors on an *ad hoc* basis during the year and met numerous times with the members of the company's Executive Committee.

5.3.2.2.2 Main Missions of the Board of Directors

The Board of Directors gives its opinion on all decisions relating to major strategic, economic, social and financial issues for the company and oversees their implementation by General Management. The Board focuses on the creation of value over the long term, in consideration of the social and environmental impacts in accordance with its corporate purpose adopted by the Board of Directors on 21 November 2019 and the statement published at the same time. To this end, it serves as guarantor of the CSR of the company and determines, upon the recommendations of the CSR Committee, the multi-year strategic directions in these areas, particularly with regard to the climate. The Board of Directors thus defined a carbon trajectory for the company in line with objectives to reduce greenhouse gas emissions by 2030.

Subject to the powers expressly reserved for General Meetings of shareholders and within the limits of the corporate purpose defined by the articles of association, the Board of Directors may seize any question affecting the operation of the company and govern its business through its deliberations. It carries out the checks and verifications that it considers necessary.

If a material investment or disposal is being considered, the Board and General Management assess the strategic interest of the transaction, including its social, societal and environmental dimension, and ensure that the process is conducted in accordance with the best interests of the company. The company may, on this basis, set up an *ad hoc* Committee. Moreover, in addition to the operations listed in the Internal regulations that specifically require the Board's prior authorisation, any material operation requires prior authorisation by the Board of Directors. Further details are given in section 5.3.1.2 below on the limitations to the powers of the Chief Executive Officer and Deputy CEO.

The Board thus studies the investment plans and all transactions, notably relating to a sale or disposal, whose value exceeds €100 million.

In connection with the strategy it has designed, it regularly examines the financial, legal, operational, social and environmental risks and opportunities as well as the measures adopted accordingly. If necessary, it guarantees the implementation of a range of measures for preventing and detecting corruption and trafficking in influence. It is also responsible for ensuring that all executive corporate officers are implementing a non-discrimination and diversity policy, notably with regard to the gender balance within governing bodies. To this end, it determines, on the proposal of the General Management, the gender equality objectives within these governing bodies, and is informed of the methods of implementation of the objectives, with an action plan and the time horizon within which one these actions will be carried out, as well as the results obtained annually.

The Board is also kept informed of changes in the market and competitive environment and of any significant events in the domain of corporate, social and environmental responsibility for the company. Furthermore, it receives regular updates on the financial situation, cash flow situation and commitments of the company. It is the Board's responsibility to approve the company's financial communication policy and to oversee its relevance and quality.

The Board also defines whether the General Management of the company is assumed by the Chairman or by another physical person who may or may not be a Director, appointed by the Board and with the title of Chief Executive Officer, and provides the reasons for its decision. As such, it appoints the executive corporate officers responsible for managing the company for this purpose, and determines a selection process that guarantees the presence of at least one person of each gender among the candidates as Deputy CEO. The Board sets the limits on the powers of the Chief Executive Officer and the Deputy CEO. The Board of Directors may also appoint one or more Non-voting members and a Vice-Chairman.

The Board implements the authorisations and delegations of powers and/or authority granted to it by the General Meeting and may, if necessary, sub-delegate them, under the conditions provided for by legal and regulatory provisions.

It rules on the authorisation of signature in relation to regulated agreements submitted to it and implements a procedure to regularly assess whether the agreements relating to current transactions completed under normal conditions continue to meet these conditions.

The Board of Directors defines the remuneration policy of the corporate officers upon recommendation of the Appointments and Remunerations Committee: in this respect, the Board sets the terms of allocation of the remuneration granted to the Directors, and it sets the amount and the methods used for the calculation and payment of the Chairman's remuneration, if applicable, and determines and sets out the reasons underlying its decisions in relation to the remuneration paid to the Chief Executive Officer and the Deputy CEO, which are set out in section 5.3.4.2 below.

The Board approves the annual and half-year financial statements and the forward-looking management documents and convenes General Meetings.

Each year, prior to publication of the Universal Registration Document, the Board examines on a case-by-case basis the situation of each of the Directors and then discloses to the shareholders the results of this examination in order for the independent Directors to be identified.

Finally, it ensures that shareholders and investors receive relevant, balanced and instructive information on the company's strategy, development model, consideration of significant non-financial concerns as well as its long-term outlook.

5.3.2.2.3 Agreements submitted to the Board of Directors

5.3.2.2.3.1 Agreements referred to in Article L. 225-37-4, 2° of the French Commercial Code

In accordance with the provisions of Article L. 225-37-4, 2° of the French Commercial Code, we draw your attention to the following agreements occurring in the 2022 fiscal year, either directly or through intermediaries, between one of the corporate officers or shareholders with more than 10% of voting rights, on the one hand, and, on the other, a company controlled by the company under the definition of Article L. 233-3 of the French Commercial Code, with the exception of standard transactions and transactions carried out under normal conditions:

- Amendment no. 1 and Amendment no. 2 to the shareholders' agreement of 8 December 2021 concluded respectively on 29 July 2022 and 14 October 2022 between Covivio, MMA IARD and Generali Vie in the presence of Covivio Alexanderplatz SARL.

5.3.2.2.3.2 Procedure for evaluating standard agreements entered into under normal conditions

Pursuant to Article L. 22-10-12 of the French Commercial Code, at its meeting on 21 November 2019, the Board of Directors introduced a procedure for an annual review of standard agreements entered into under normal conditions[1] by an established Committee within the company.

The procedure involves setting up an internal Committee which meets annually and the remit of which is:

- to review criteria for determining standard agreements entered into under normal conditions defined in the internal charter of the Covivio group on related-party agreements in order to ensure they are appropriate and in line with market practices
- to analyse in more detail the extent to which financial conditions are normal; and
- to submit the agreements that meet these criteria to the Board for approval.

The list of all agreements reviewed by the Committee as well as the results of the evaluation and any proposed amendments to the criteria of these agreements are presented to the Board of Directors each year when it meets to discuss the annual financial statements.

Thus:

- should the Evaluation Committee consider that an agreement signed by two companies within the Covivio group constitutes a related-party agreement, it is then subject to the procedure for auditing related-party agreements referred to under Article L. 225-38 of the French Commercial Code
- if the Evaluation Committee is uncertain of the characterisation of an agreement, it shall submit it for the evaluation of the Board of Directors. Anyone with a direct or indirect interest in the agreement does not take part in its evaluation.

Following the implementation of this procedure, the Board of Directors updated the Covivio group's internal charter on regulated agreements published on the company's website to incorporate these provisions, it being specified that Proposal no. 4.6 of AMF Recommendation no. 2012-05 of 2 July 2012, amended on 29 April 2021, to appoint an independent expert when the signing of a regulated agreement is likely to have a significant impact on the balance sheet or the company and/or group results.

In accordance with the procedure, at a meeting on 21 February 2023, the Board of Directors was provided with a list of all standard agreements entered into under normal conditions within the Group having been reviewed by the Committee, as well as the results of its evaluation on the characterisation of all of these agreements as standard and entered into under normal conditions.

5.3.2.2.4 Rules on the composition of the Board of Directors

5.3.2.2.4.1 General rules on the composition of the Board of Directors and the appointment of Directors

The rules governing the appointment and dismissal of members of the Board of Directors are the legal and statutory rules set out in Articles 12 *et seq.* of the company's Articles of Association and included in paragraph 6.5.1, complemented by certain provisions of the Rules of Procedure. They are described below, it being stipulated that:

- the Board of Directors is comprised of between three and eighteen Directors, subject to statutory exemptions, and appointed by the Ordinary General Meeting of shareholders
- Directors may be dismissed at any time by the General Meeting, without indemnity or prior notice.

Chairman and Vice-Chairman

The Board elects as Chairman one of its members, who must be a physical person. In addition to the Chairman, the Board of Directors may elect one or more Vice-Chairmen from among its members. The Vice-Chairman acts on the Chairman's behalf in the event of incapacity or absence. In a case of temporary incapacity, this delegation is given for a limited period and may be renewed. If the Chairman dies, this delegation is valid until the appointment of a new Chairman of the Board.

The Board sets the term of office for the Chairman and the Vice-Chairman which may not exceed the term of their appointment as Director. In case of absence from the Board of Directors, the Chairman and the Vice-Chairman are replaced by one of the Directors present, appointed during the meeting. The Chairman and the Vice-Chairman may be re-elected and may be dismissed by the Board at any time.

The office of Vice-Chairman was held until 27 June 2022 by Leonardo Del Vecchio, appointed by the Board of Directors on 31 January 2011 and then re-appointed on 17 April 2015 and 17 April 2019 for a term of four years. The Board did not wish to replace Leonardo Del Vecchio following his death.

(1) 3 Excluding agreements entered into with companies directly or indirectly wholly owned by Covivio.

Honorary Chair

The Board of Directors may appoint as Honorary Chair a natural person who is the former Chairman of the Board of Directors on an honorary basis. This appointment lasts for an indefinite duration, taking into account their importance as well as their contribution to the company's development.

The Honorary Chair is invited to participate in sessions of the Board of Directors dedicated to the major strategic directions of the company, without having a casting vote. In this manner, they can be seen to communicate the same information as the Directors and are subject to the same duties of loyalty, diligence, confidentiality and abstention obligation as the Directors.

The Honorary Chair does not receive remuneration in respect of the fiscal year that they hold this office and does not benefit from specific means in this respect.

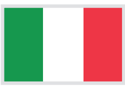
Following the resignation of Jean Laurent from all of his terms of office in governance, the Board of Directors decided, on 21 July 2022, to appoint him as the Honorary Chairman for an indefinite duration. In respect of this office, he did not participate in any of the Board of Directors meetings in 2022. His term of office ended on 12 January 2023 following his death, and he has not been replaced.

Non-voting members

The Board of Directors may appoint one or more Non-voting members (physical persons or legal entities). It defines their term of office and any remuneration if they are assigned a particular mission. The Non-voting members of the Board of Directors attend meetings of the Board as non-voting observers and may be consulted by the Board. They must be called to every meeting of the Board of Directors. They receive a portion of the remuneration allocated by the General Meeting to the Board of Directors, according to the same conditions for distribution as those defined for the Directors.

The Non-voting members may also be invited to attend meetings of the Committees created within the Board of Directors. The Non-voting members are bound by the same general confidentiality obligation the Directors are bound to, as well as the same duties of loyalty and diligence and abstention obligation on the shares.

Based on recommendations from the Appointments and Remunerations Committee, the Board of Directors has appointed two Non-voting members:

Sergio Erede 82 years 		At the end of his Directorship expiring on 17 April 2015, the Board of Directors appointed Sergio Erede as Non-voting Board member and reconfirmed him in the role on 17 April 2019 for a term of four years expiring at the end of the General Meeting convened in 2023 to approve the financial statements for the fiscal year ending 31 December 2022. As a Non-voting member, Sergio Erede provides the Board with his legal expertise as a recognised Italian business lawyer.
Ariberto Fassati 76 years 		On 20 February 2019, the Board of Directors also appointed a second Non-voting member for a period of four years, Ariberto Fassati, who previously chaired the Board of Directors of Beni Stabili, in order to bring his expertise of the Italian finance at Sergio Erede's side.

After perfectly fulfilling their mission with the Board in recent years, the Board of Directors of 21 February 2023 decided, in complete agreement with them, not to renew their term of office at the end of the General Meeting of 20 April 2023.

Lead Director

Given the separation of the functions of the Chairman and Chief Executive Officer, the Board of Directors decided that there is no need to appoint a lead Director.

Secretary of the Board

The Board of Directors also appoints a Secretary, who may be a Board member or an external appointee. It defines the Secretary's duties, which it may terminate at any time. The Secretary ensures that procedures relating to the operation of the Board and its Committees are followed and pays particular attention to the application of the mechanism to prevent conflicts of interest, even if they are only potential. He records the minutes at the meetings of the Board and the Committees where he acts as Secretary.

Yves Marque 55 years 		These functions are currently held by Yves Marque, the General secretary of Covivio, who was appointed by the Board of Directors on 31 January 2011, and reappointed on 17 April 2015 and 17 April 2019 for a term of four years expiring at the end of the General Meeting convened in 2023 to approve the financial statements for the fiscal year ending 31 December 2022.

Employee representatives

The Board of Directors does not include any Director representing employees. This lack of representation on the Board is due to the fact that Covivio's number of employees and that of its subsidiaries are below the thresholds set by legal provisions.

Employee shareholder representatives

Since employee shareholder investment in Covivio is below the threshold of 3% of the capital set by the provisions of Article L. 225-23, paragraph 1, of the French Commercial Code, the Board of Directors does not include any Director representing employee shareholders.

However, two employees sitting on the Social and Economic Committee are invited to each meeting, and attend with access to the same information as the Directors.

5.3.2.2.4.2 Duration and staggering of terms of office

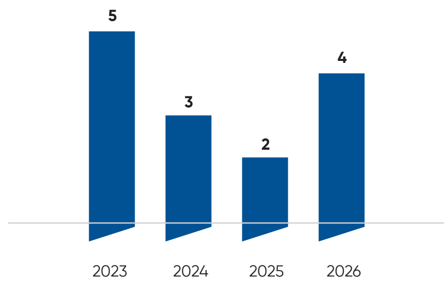
The term of office of Directors is, with some exceptions, four years. Given the company's desire to have a high proportion of independent Directors sitting on its Board, and pursuant to the rule set forth in article 10.5.6 of the Afep-Medef Code, as revised, on the loss of an independent Director's capacity after holding office for more than twelve years, the term of office of Directors may exceptionally be reduced so that their renewal is proposed within the limit of their independence.

The term of a Director expires at the end of the Ordinary General Meeting called to approve the financial statements for the previous year, held in the year in which the term of the said Director expires.

To promote the Board's harmonious renewal, the Directors' terms of office have been staggered over time since 2015.

The shareholders' regular renewal of Directors has thus been facilitated, both due to the limitation of their terms of office to four years, and to the staggering of expiration dates for the various tenures, allowing the General Meeting to vote on several Directorships every year.

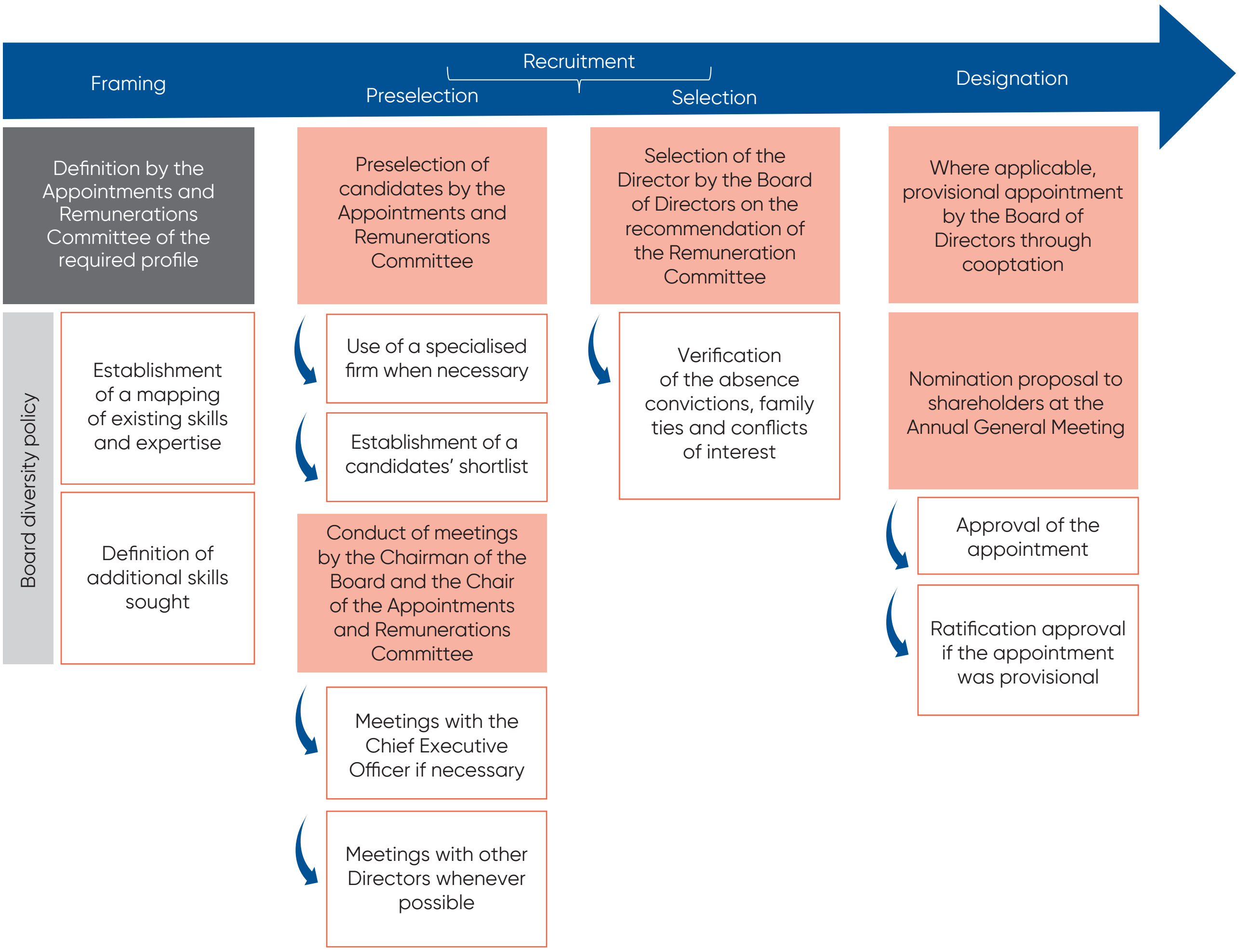
Status of the staggered expiration of terms of office



5.3.2.2.4.3 Recruitment procedure and the lack of any convictions, family ties and conflicts of interest

When new independent Directors are recruited, the Board requests that the Appointments and Remunerations Committee put forward candidates. The Committee draws up a map of the skills in place and defines the additional skills sought in the future Director with regard to the Board of Directors' diversity policy. It ensures that there are no convictions, no family ties with a corporate officer of the company and no conflicts of interest. In addition to the technical expertise sought, candidates should have solid experience as active Management or Executive Committee members, be willing and able both to contribute constructive opinions to discussions and to help summarise views and take part in decision-making. The candidates, who may in certain cases be pre-selected by a specialised firm, meet with the Chairman of the Board, the Chairman of the Appointments and Remunerations Committee and the Chief Executive Officer and, wherever possible, with other Directors. Finally, following a presentation of the profiles made by the Chair of the Appointments and Remunerations Committee and on the latter's proposal/recommendation, the Board chooses the candidate who will be put to the vote of the General Meeting of the shareholders.

The Board of Directors and the Appointments and Remunerations Committee regularly work on the changing composition of the Boards and Committees, particularly when terms of office are coming to an end within the year, in order to strengthen the diversity and balance of skills and experience required, and to take into account the major aims of the company.



As part of the review of the annual returns filed by the corporate officers in response to a request made by the company while preparing this Universal Registration Document, the company's corporate officers have declared to the company, pursuant to Articles 12.1 and 12.2 of the EC delegated Regulation 2019/980 of 14 March 2019:

- that they have not been convicted of fraud during at least the last five years
- that they have not been involved in bankruptcy, receivership or liquidation proceedings during at least the last five years
- that they have not been subject to any official public incrimination or sanction by a statutory or regulatory authority (including appointed professional bodies) at least the last five years
- that they have not been forbidden by a court to serve as a member of an administrative, management or supervisory body, or from being involved in managing or leading a company's business during at least the last five years
- that they have no close family ties with a corporate officer of the company
- not be aware of potential conflicts of interest between his or her duties towards the company, and his or her private interests and/or other duties.

5.3.2.2.5 Diversity policy of the Board of Directors

5.3.2.2.5.1 Principles

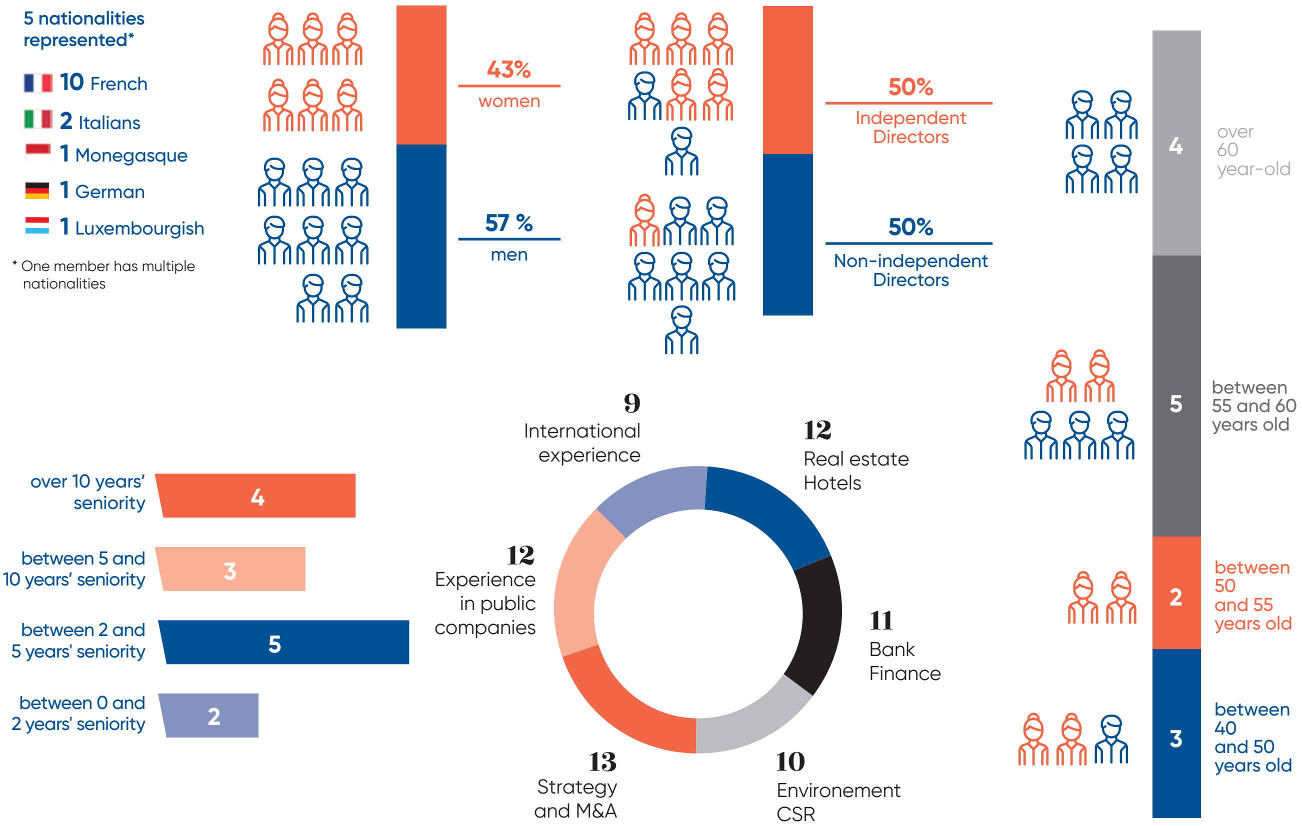
Each year, in the context of the review of its composition and of the renewal and/or appointment proposals submitted for approval to the annual General Meeting, the Board of Directors questions the desired balance of its composition and of the governance Committees set up, notably in terms of diversity. Its aim at all times is to improve gender balance, the independence of its members, the range of skills, expertise, international experience, ages and geographical origins among members in order to provide shareholders with a guarantee that all assignments are being performed with the necessary independence and objectiveness.

This diversity, which is a source of dynamism and high performance, provides a guarantee of the quality of the debates and decisions of the Board and contributes to the efficiency of the work carried out by the Committees.

To achieve this, the Board of Directors has put in place a policy regarding diversity in the composition of the governance bodies:

Criteria	Targeted objectives	Implementation and results achieved during the 2022 fiscal year
Representation of women and men	❑ Seeking a balanced representation of women and men on the Board and Committees: → the proportion of women changed appreciably since the end of 2013 to gradually reach 40% at the end of the Combined General Meeting of 27 April 2016.	❑ The Board of Directors considers that the percentage of female Directors corresponds to a balanced representation of men and women: - 43% women on the Board - 50% women within the Audit Committee - 67% women within the CSR Committee - 33% within the Appointments and Remunerations Committee, which, of course, can still improve with future changes. ❑ The Appointments and Remunerations Committee is chaired by a woman.
Duration and staggering of terms of office	❑ Securing continuity within the Board via the regular renewal of appointments limited to 4 years on an overlapping basis.	❑ The term of office of Directors is set to four years by the Articles of Association, allowing shareholders to vote with sufficient frequency. ❑ The terms of office have been staggered since 2015, allowing shareholders to vote on several terms of office each year.
Independence of members	❑ Having a high proportion of independent members, guaranteeing an independence of judgement.	❑ After Jean-Luc Biamonti's loss of independence on 31 January 2023, the independence rate was reduced from 57% to 50%. ❑ The Board of Directors considers that the proportion of independent directors of 50% is balanced with regard to the composition of the shareholder structure.
Skills and experience	❑ Promote a diversity of complementary skills, expertise and experience, both in terms of the various positions held and the different business sectors. ❑ Combine the skills required to implement the company's strategy and its growth objectives.	❑ In particular, the Board of Directors, supported by the Appointments and Remunerations Committee, ensures that its members have a wide range of varied, complementary and balanced skills, thereby enabling an in-depth understanding of the development challenges facing the Company and a decision-making process which is informed, independent, and high-quality. ❑ These skills are described in detail in section 5.3.2.1.3. together with the Directors' biographies.
Age and seniority	❑ Seeking a balance between ages. ❑ Seeking a balanced distribution in terms of seniority on the Board.	❑ The Directors are aged between 44 and 69. ❑ The average age is 57. ❑ The Board believes that its composition is balanced with, on the one hand, Directors who have already served for several years and have an in-depth knowledge of the Group and, on the other hand, Directors who bring new experience that can serve the interests of the Group and in particular its growth.
Nationality	❑ Favour the recruitment of profiles with a diversity of geographical origins and knowledge of the main markets of the company (Directors of foreign nationality or international culture and/or with international experience in the Company's strategic markets).	❑ The Board of Directors boosted its international creedentials in 2022 with the appointment of Daniela Schwarzer and the cooptation of Delfin S.à.rl, represented by Giovanni Giallombardo, following the death of Leonardo Del Vecchio. The Board now has five different nationalities (French, Italian, German, Monegasque and Luxembourgish). ❑ The majority of Directors have international experience. ❑ 4 Directors are based abroad. ❑ The Board of Directors is supported by two non-voting members of foreign nationality.

The Board of Directors oversees all changes in its composition and, to the extent possible, in the composition of its Committees to ensure compliance with this policy.



Given the aspects mentioned above, and in view of the diversity policy implemented by the company, the Board of Directors believes that its composition in the 2022 fiscal year is appropriate in view of the backgrounds and skills of the Directors, which it deems balanced and suitable for the aims of the company and the structure of its equity.

As such, the renewals that will be proposed to the General Meeting of 20 April 2023 (as presented in section 5.3.2.1.2) with regard to terms of office that are set to expire will maintain the desired balances in the diversity of the Board's composition and the complementary nature of the required skills.

5.3.2.2.5.2 Independence

The Internal regulations of the company stipulate that the Board of Directors must include a significant proportion of independent Directors and specify in Article 6 that an independent Director is one who has no relationships of any kind with the company, its group or its Management that might compromise his or her independent judgement.

Each year, based on the recommendations of the Appointments and Remunerations Committee, the Board of Directors devotes one item on its agenda to assessing the independence of its members in terms of the independence criteria implemented by the company.

In assessing the independence of each Director, the Board of Directors initially draws on the criteria set out in the Afep-Medef Code as a reference, which states that an independent Director must meet all of the following independence criteria:

Criterion 1	**Employee or corporate officer within the previous five years** He or she is not and has not been within the previous five years: ● an employee or executive corporate officer of the company; ● an employee, executive corporate officer or Director of a company consolidated by the company; ● an employee, executive corporate officer or Director of the parent company of the company or of a company consolidated by that parent company.
Criterion 2	**Cross appointments** He or she is not an executive corporate officer of a company in which the company directly or indirectly holds the office of Director, or in which an employee designated as such or an executive corporate officer of the company (currently or within the last five years) holds a position as Director.
Criterion 3	**Significant business relationships** He or she is not a significant client, supplier, commercial banker, financier, consultant: ● of the company or its Group ● or for which the company or its Group represents a significant share of its business. Determining whether the relationship with the company or its Group is significant or not is a debated by the Board and the quantitative and qualitative criteria having led to this assessment (continuity, commercial dependence, exclusivity, etc.) are set out in the annual report.
Criterion 4	**Family ties** He or she has no close family ties to a corporate officer.
Criterion 5	Statutory Auditors He or she has not served as a Statutory Auditor for the company during the past five years.
Criterion 6	**Term of office of more than 12 years** He or she has not been a Director of the company for more than 12 years. A Director ceases to be an independent Director on the twelfth anniversary of his or her appointment.
Criterion 7	**Status of non-executive corporate officer** A non-executive corporate officer cannot be considered to be independent if he or she receives variable remuneration in cash or shares or any remuneration connected to the performance of the company or the Group.
Criterion 8	**Significant shareholder status** Directors representing significant shareholders of the company or of its parent company may be considered as independent if not involved in the oversight of the company. However, above a threshold of 10% of the share capital or voting rights, the Board, further to a report by the Appointments Committee, must systematically question the independent status of a Director by taking into account the composition of the company's share capital and the existence of potential conflicts of interest.

As a second step, and in accordance with Article 10.4 of the Afep-Medef Code, beyond the mere observation of compliance or non-compliance with these criteria, the Board seeks, in particular, to establish whether a Director, who could be presumed independent in terms of the Afep-Medef Code, has no other important ties (frequent or materially significant professional or personal ties in relation to Covivio's operating costs) which may restrict his or her freedom of analysis and of decision-making. Conversely, the Board also seeks to establish whether a Director, who may be presumed non-independent according to one of the criteria set out in the Code, is not considered as free of constraints, if the criterion in itself does not lead to any loss of independence with respect to the company's particular situation.

Taking into account the recommendations of the AMF and the HCCG, the Board also assesses, where appropriate, the material or non-material nature of the business relationships between the Directors and the company or its group, particularly with regard to the type of relationship and amounts involved therein.

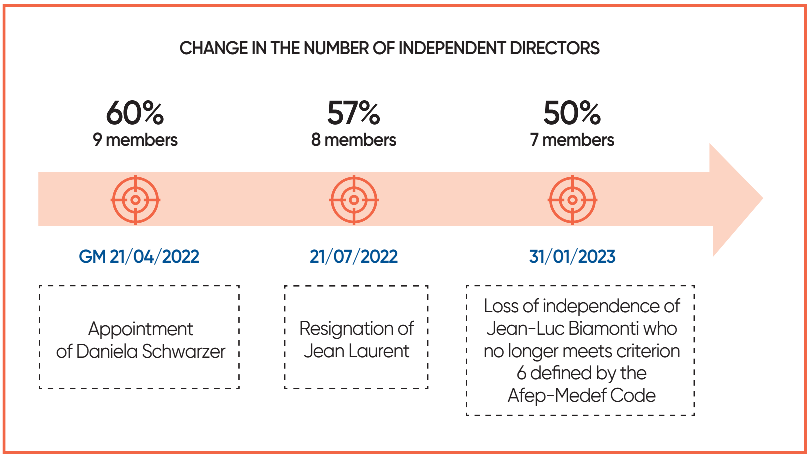
The Board has adopted a multi-criteria approach to the material nature of a business relationship, with a focus on qualitative analysis. To this end, it took into account all of the following criteria:

Qualitative criterion	• Significance of the business relationship for the Director and the company (potential economic dependence, exclusivity or influence of the business relationship within the sector, etc.). • Structure of the relationship, including the position of the Director concerned in the contracting company (seniority of the mandate as Director, existence of an operational function within the entity concerned, direct decision-making power over the contracts constituting the business relationship, direct interest for the Director or contract-related remuneration paid to the Director, etc.). • Term and continuity of the business relationship.
Quantitative criterion	• Share of the company's turnover in the business relationship with the entities to which the Director is related.

On 22 February 2022, the Board of Directors evaluated the independence of its members and decided, on the proposal of the Appointments and Remunerations Committee:

- to maintain the independent status of Jean-Luc Biamonti, Christian Delaire, Sigrid Duhamel (until the expiry of her Directorship at the end of the Combined General Meeting of 21 April 2022), Jean Laurent, Alix d'Ocagne, Sylvie Ouziel, Olivier Piani, Patricia Savin and Catherine Soubie
- to consider Daniela Schwarzer an independent Director, subject to her nomination submitted for the approval of the General Meeting of 21 April 2022.

On this date and until 21 July 2022, the percentage of independence was 60%. Following the change of Chair and the correlating reduction of the number of Board members, the percentage of independence was decreased to 57%, then to 50%, given that the term of office of Jean-Luc Biamonti reached twelve years on 31 January 2023.



Following the assessment of the independence of the Directors on 21 February 2023, the Board of Directors decided, upon the proposal of the Appointments and Remunerations Committee and in view of the following observations, to maintain the independent status of Christian Delaire, Alix d'Ocagne, Sylvie Ouziel, Olivier Piani, Patricia Savin, Daniela Schwarzer and Catherine Soubie. Subject to approval by the General Meeting of 20 April 2023 of the resolutions on renewing the Directorships that are due to expire, the proportion of independent Directors would be maintained at 50%.

Christian Delaire	Christian Delaire has been a member of the Board of Directors in a personal capacity since 17 April 2019. He meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a direct or indirect business relationship and has never held any executive position within Covivio or a company of its group or under its management. He has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Christian Delaire as an independent Director.
Alix d'Ocagne	Alix d'Ocagne has been a member of the Board of Directors in a personal capacity since 13 February 2020. She meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a significant direct or indirect business relationship and has never held any executive function within Covivio or a company in its group or under its management. She has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Alix d'Ocagne to be an independent Director.
Sylvie Ouziel	Sylvie Ouziel has been a member of the Board of Directors in a personal capacity since 24 April 2013. She meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a direct or indirect business relationship and has never held any executive function within Covivio or a company in its group or under its management. She has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Sylvie Ouziel to be an independent Director.
Olivier Piani	Olivier Piani has been a member of the Board of Directors in a personal capacity since 17 April 2019. He meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a direct or indirect business relationship and has never held any executive position within Covivio or a company of its group or under its management. He has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Olivier Piani as an independent Director.
Patricia Savin	Patricia Savin has been a member of the Board of Directors in a personal capacity since 27 April 2016. She meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a significant direct or indirect business relationship and has never held any executive function within Covivio or a company in its group or under its management. She has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Patricia Savin to be an independent Director.
Daniela Schwarzer	Daniela Schwarzer has been a member of the Board of Directors in a personal capacity since 21 April 2022. She meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a direct or indirect business relationship and has never held any executive function within Covivio or a company in its group or under its management. She has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Daniela Schwarzer to be an independent Director.
Catherine Soubie	Catherine Soubie has been a member of the Board of Directors in a personal capacity since 27 April 2016. She meets all of the aforementioned Afep-Medef criteria and, in particular, is not in a direct or indirect business relationship and has never held any executive function within Covivio or a company in its group or under its management. She has no dealings with members of the Board of Directors, Executive Managers or majority shareholders that may call into question the criteria-based analysis. The Board of Directors therefore considers Catherine Soubie to be an independent Director.

In line with AMF Recommendation no. 2012-02, as revised on 5 January 2022, the table below shows the situation of the independent members of the Board of Directors in light of the independence criteria defined by the Afep-Medef Code, it being stipulated that √ represents an independence criterion that has been met and X represents an independence criterion that has not been met.

Criteria maintained by Afep-Medef Code	Criterion 1: Employee or corporate officer during the 5 previous years	Criterion 2: Cross mandates	Criterion 3: Significant business relation-ships	Criterion 4: Family link	Criterion 5: Statutory Auditors	Criterion 6: Mandate length exceeding 12 years	Criterion 7: Status of the non-executive corporate officer	Criterion 8: Significant shareholder status	Qualification adopted by the Board of Directors
Jean-Luc Biamonti	√	√	√	√	√	X	√	√	Non-independent
Romolo Bardin	√	√	√	√	√	√	N/A	X	Non-independent
Christian Delaire	√	√	√	√	√	√	N/A	√	Independent
Delfin SARL, represented by Giovanni Giallombardo	√	√	√	√	√	√	N/A	X	Non-independent
Predica, represented by Jérôme Grivet	X	√	X	√	√	√	N/A	√	Non-independent
ACM Vie, represented by Stéphanie de Kerdrel	X	√	X	√	√	√	N/A	√	Non-independent
Christophe Kullmann	X	X	√	√	√	√	N/A	√	Non-independent
Covéa Coopérations, represented by Olivier Le Borgne	√	√	X	√	√	√	N/A	√	Non-independent
Alix d'Ocagne	√	√	√	√	√	√	N/A	√	Independent
Sylvie Ouziel	√	√	√	√	√	√	N/A	√	Independent
Olivier Piani	√	√	√	√	√	√	N/A	√	Independent
Patricia Savin	√	√	√	√	√	√	N/A	√	Independent
Daniela Schwarzer	√	√	√	√	√	√	N/A	√	Independent
Catherine Soubie	√	√	√	√	√	√	N/A	√	Independent

With 50% of the Board being independent Directors, the company has met the recommended threshold of the Afep-Medef Code in terms of independent Directors.

5.3.2.2.5.3 Gender parity

Occupational gender equality and diversity are key to effectiveness and economic and social performance and have been among Covivio's core concerns over recent years. With 43% of the Board of Directors being women, the company has fulfilled its legal obligations.

5.3.2.2.5.4 Nationalities

Of the Directors on the Board, 29% are non-French: two Italians (including one holding dual citizenship with Luxembourg), one person from Monaco and one German. This diversity provides a guarantee of the quality of the debates and broadens the analytical perspective on the subjects examined during sessions.

5.3.2.2.5.5 Training

The company ensures that new Directors complete an induction programme, adapted to their individual skillsets, experience and expertise to enable them to gain a better understanding of Covivio and its business sector. As such, the Directors who were unfamiliar with the markets and business sectors have several meetings with the Chief Executive Officer (CEO), Deputy CEO, Chief Operating Officer, Risk, Compliance, Internal Audit and Control department Director and the Chief Financial Officer, and can also benefit, if they deem it necessary, from additional training on the specificities of the company, its business lines and its sector, and the range of social, societal and environmental challenges that the company faces, in particular with regard to the climate and CSR. Considering the growing challenges in terms of CSR, especially the climate, the CSR Committee organises workshops dedicated to specific subjects in order to further explore them: some examples from 2022 include the Group's carbon trajectory, making real estate greener, bringing properties into compliance with the new regulations in force (tertiary decree), the carbon offset market, European Green Taxonomy and the professional equality and diversity policy. The Chairwoman of the CSR Committee provides a detailed report on this work to the Board, and regularly distributes records of the Committee's work to all Directors. Furthermore, each edition of the Board's strategic seminar, which takes place every two years for two days, also helps further the economic and financial environment in which the company evolves, as well as its various real estate markets.

5.3.2.2.5.6 Presence of the Chief Executive Officer (CEO) on the Board

The appointment in 2012 of Christophe Kullmann (who is also the company's Chief Executive Officer) as a Director has enabled him to be even more directly involved in the company's strategy, for which he is responsible at the same level as the other Directors.

5.3.2.2.6 Rules of the operation and organisation of the Board of Directors

5.3.2.2.6.1 Procedure to prevent conflicts of interest

Article 9 of the Internal regulations of the Board of Directors establishes a procedure to prevent conflicts of interests, even potential ones, in the presentation of investment projects submitted to the Board and/or to the Strategy and Investment Committee.

Prior to sending the investment files, and if there are serious reasons to believe that a member of the Board or the Strategy and Investment Committee is in a situation presenting a conflict of interest, the company's Chief Operating Officer ensures the prevention of any conflict of interest for the latter, by providing the member with information on each of the investment files submitted, thus allowing the member to determine in good faith the existence or absence of a conflict of interest. It is further hereby stated that each member of the Board or the Strategy and Investment Committee is under an obligation to notify the company's Chief Operating Officer, at all times, of any intention to take a position, directly or indirectly, on any investment file that he or she believes, in good faith, is likely to interest and be considered by the company.

Any member of the Board or Strategy and Investment Committee who fails to confirm the absence of a conflict of interest will not receive the presentation of the investment projects in question and will not be able to participate in the Board or Strategy and Investment Committee meeting during the discussion of the corresponding agenda items.

In the event that, despite these precautions, the members of the Board or the Strategy and Investment Committee would be privy to the investment files and would believe, on reading the latter, that they are in a situation of conflict of interest, they must notify it to the Chief Operating Officer as soon as possible prior to the governance meeting. As such, they will not be able to attend the Board or Strategy and Investment Committee meeting during the discussion of the agenda items subject to the conflict of interest. This fact will also be reported to the Chairman of the Board and/or to the Chairman of the Strategy and Investment Committee.

If a conflict of interest situation arises during the review of the investment project, the member concerned must, as soon as he or she is aware of the conflict, notify the Chairman and the Chairman of the Strategy and Investment Committee. He or she will no longer attend the Board or Strategy and Investment Committee meetings devoted to a discussion of the agenda items relating to this investment project, and more generally, shall be under strict duty of confidentiality.

If a conflict of interest situation ceases to exist, the Board or Strategy and Investment Committee member may once again participate in the deliberations of the Board or the Strategy and Investment Committee as of receipt, by the Chairman of the Strategy and Investment Committee and the Chairman of the Board, of notification of the conflict of interest's disappearance from the member concerned.

Any decision by the Board regarding conflicts of interest will be recorded in the Board minutes of the Board of Directors and of the Strategy and Investment Committee.

This system for the prevention of conflicts of interest may also be implemented when files are submitted to the Audit Committee.

In 2022, as part of the presentation and review of investment and disposal files submitted to the Strategy and Investment Committee and the Board, the company was made aware of identified conflicts of interest. They were managed in accordance with the provisions set out above.

5.3.2.2.6.2 Ethical guidelines for the members of the Board of Directors

The rules of ethics and duties of the members of the Board of Directors are defined in Article 5 of the company's Internal regulations.

Skills	Before taking up their duties, Board members must be familiar with the legal or regulatory texts governing their duties, the company's Articles of Association and the Board's Internal regulations. All Board members must ensure that they fully comply with legal requirements related to the holding of multiple terms of office (no more than four other terms of office in public companies outside of the Group, including foreign companies), and must inform the Board of terms of office as Director held in other companies, including their participation in the Board Committees of any French or foreign companies. Whenever a Board member also holds an executive position, he or she must, in addition to seeking authorisation from the Board prior to accepting any other new term of office in a public company outside the Group, refrain from accepting more than two other terms of office in public companies, including foreign companies, outside the Group.
Shareholding	The company shares held by each member of the Board at the time he or she takes office must be recorded in registered form (pure or administered). The same will be true of any shares acquired subsequently. As an internal guideline and as a way to reflect their involvement in the company's management, the members of the Board must hold a number of company shares equivalent to around a year's worth of remuneration in consideration of their activity.
Transparency	In accordance with the provisions of Article L. 621-18-2 of the French Monetary and Financial Code and the applicable provisions of the General Regulations of the AMF, each member of the Board is required to declare to the company and to the AMF any transaction, in particular any purchase, sale, subscription, conversion, borrowing, lending or exchange transactions, that he or she has completed involving company shares or debt securities, as well as any derivatives or other related financial instruments. This declaration must be made within three trading days after the execution of such transactions, when the total amount of transactions executed during the calendar year is greater than €20 thousand. Furthermore, any agreement referred to in the provisions of Articles L. 225-38 *et seq.* of the French Commercial Code is subject to the formalities regarding communication, authorisation and control stipulated by Articles L. 225-38 to L. 225-42 of the same Code.
Duty of loyalty	Each person participating in the work of the Board, whether Board members or permanent representatives of a legal-entity Board member, must make their best efforts to determine in good faith whether a conflict of interest, even potential ones, exists. Such person is bound to inform the Chairman of the Board thereof as soon as he or she learns of any situation that could constitute a conflict of interest between (i) him or herself or the company for which he or she is the permanent representative, or any company of which he or she is an employee or executive corporate officer, or any company of the same group and (ii) the company or any company in its Group. In the event of a permanent conflict of interest, the Board member concerned (or the permanent representative of the legal entity concerned that is a member of the Board) must tender their resignation. Moreover, each member of the Board is required to make a sworn statement on the existence of any conflict of interest, even potential, at the time of his or her appointment, and each year in response to a request in this regard by the company during preparation of the Universal Registration Document.
Duty of diligence	Each member of the Board is required to devote the time and attention necessary to the performance of his or her duties. He or she must be diligent and, to the extent possible, attend all of the meetings of the Board and, as the case may be, the Committees of which he or she is a member as well as the General Meetings of shareholders.
Duty of confidentiality	In the case of non-public information acquired in connection with his or her duties and deemed to be confidential, each Director (it being noted for all intents and purposes that there is no distinction between a Director who is a natural person and the permanent representative acting as an agent of the legal entity Director), as well as any person attending the Board and Committee meetings will be bound to professional secrecy, beyond the simple obligation of discretion provided for by Article L. 225-37 of the French Commercial Code, and must strictly preserve its confidentiality, even after the completion of their office. Each permanent representative is nevertheless authorised to communicate to the legal entity that has named them, through their executive corporate officer, information that they have gathered and that is strictly necessary to the completion of their duties as a Director. The latter is then authorised to communicate this information, in a limited capacity, to other people within the Director that is a legal entity, on the condition that they take all suitable measures to ensure these persons strictly preserve its confidentiality and comply with the rules governing the communication and use of privileged information, as specified hereinafter in the guide on the prevention of insider dealing. This strict obligation of confidentiality, which applies in principle, whether or not the Chairman has explicitly stated the confidentiality of the information, covers the content of debates and deliberations of the Board and the Committees as well as all information and documents presented therein, or that are sent to them in preparation for their work, or of which they may have gained knowledge within the scope of their duties.
Duty of abstention on securities	Each member of the Board must refrain from trading company securities pursuant to the rules on insider dealing and from trading securities of companies on which he or she has privileged information due to his or her duties, pursuant to the principles stipulated by the Guide on the Prevention of Insider Trading attached to the Board's Internal regulations.

5.3.2.2.6.3 Evaluation of the work of the Board of Directors

The Board assesses its ability to meet the expectations of shareholders who have entrusted it with the mandate of managing the company, periodically reviewing its composition, organisation and working methods, as well as those of its Committees.

In accordance with the provisions of the Afep-Medef Code and its Internal regulations, the Board holds an annual discussion on its working methods and that of its Committees and carries out a formal evaluation at least every three years, with the help of an external consultant.

The assessment of the Board's work aims to review the Board of Directors' working methods (and where appropriate, the relevance of the governance procedures implemented by the company), verify that important matters are correctly prepared and discussed, and may also allow for an opinion on the measure of each Director's actual contribution to the Board's work. At this time, non-executive Directors may also evaluate the performance of the Chairman, the Chief Executive Officer and the Deputy CEO.

In accordance with the recommendations of the Afep-Medef Code, at the end of the 2013 fiscal year, the company carried out a first independent assessment carried out by the Egon Zehnder consultancy, and then three other internal assessments carried out in 2016, 2019 and end 2022. The latest internal evaluation consisted of an anonymous and exhaustive questionnaire prepared on the basis of the template created by Afep and adapted to the specificities of Covivio, sent by the Legal Officer to all Directors and Non-voting members, reviewing its composition and organisation, the operating procedures of the Board and the Committees during the 2022 year and offering Directors the option to express their opinion on the actual individual contribution of each of the Directors. During this assessment, no Director requested an individual interview with the Chief Operating Officer. To guarantee impartiality, the Chairman of the Board of Directors and the Chief Executive Officer (CEO) decided to abstain, and the results given to the members during the session of 21 February 2023 excludes them from the calculations.

The overall analysis of this fourth evaluation underscores the quality of the debates and relationships within the Board of Directors, particularly with regard to freedom of expression, the atmosphere of trust (given the quality of the relationships within the Board and with the Chief Executive Officer, and the successful management of potential conflicts of interest), and the smooth transition between departing and entering Chairmen of the Board.

This confirmed that the Board of Directors is deemed well-balanced, efficient, with a positive momentum, and with all the required tools to perform its duties.

	MAIN STRENGTHS IDENTIFIED BY DIRECTORS AND NON-VOTING MEMBERS	RECOMMENDATIONS/AREAS FOR IMPROVEMENT IDENTIFIED BY DIRECTORS AND NON-VOTING MEMBERS
1 PROFILES AND REMUNERATION	❑ Balanced director profiles and skills adapted to the challenges facing society ► We now have one German member on the Board ❑ Increase in Directors' compensation (noted by 71% of respondents) ► Including incentives for in-person attendance	❑ Incorporate profiles with knowledge of other Group locations within the Board (e.g. UK market) ❑ Suggest new profiles when directorships are close to expiry: digital, hotel/tourism, user, etc. ❑ Improve the amount and methods for distributing remuneration (including the variable portion) ❑ Reduce the number of Directors
2 ORGANISATION OF THE BOARD AND THE STRATEGIC SEMINAR	❑ Agendas adapted to the Company's challenges, including Directors' suggestions ❑ High frequency of meetings to which key executives are invited to discuss their activities/objectives/results ❑ Good format of last strategic seminar (Bordeaux June 2021) which allows for an in-depth reflection on the challenges and major strategic orientations	❑ Improve the Board's knowledge of Covivio's competitors, their strategy and market developments ❑ 70% of respondents would like Board meetings to be outsourced ❑ Organise a half day dedicated to strategy in the year without a seminar
3 BOARD INFORMATION	❑ Good access to information before and between each Board meeting, to enable effective participation ❑ Quality of files and minutes ❑ Quality and usefulness of the Committees' work for the Board's decision-making ► 100% of respondents noted the progress made in the running of the CSR Committee (duration of meetings ► The CRN's involvement in the preparation of executive succession plans is assessed	❑ Use a CSR grid to assess investments ❑ Give all Directors access to the CSR Committee's files ❑ Occasionally gain access to external perspectives (analysts, sectors, clients) ❑ Organise building visits to improve knowledge of internal know-how ❑ Risk of duplication between the Strategy and Investment Committee and the Board

5.3.2.2.6.4 Organisation of the Board of Directors

Governance timetable

The provisional governance timetable for the year N+1 is sent to members, to Non-voting members, to representatives of the Social and Economic Committee, as well as to the Statutory Auditors during the meeting of the Board of Directors called to review and approve the half-year financial statements. The final governance timetable is sent to them in September.

Meetings

The Board of Directors meets as often as required by the interests of the company and whenever the Chairman deems necessary, upon notice from the Chairman.

A simultaneous French/Italian interpretation system may be used during meetings, upon request by certain members.

In addition, since 2015, the Board meets every two years for two full days for a strategic seminar, which is also an opportunity to visit some of the Group's real estate holdings and assess their environmental performance.

Deliberation of the Board of Directors excluding the presence of executive corporate officers

The Internal regulations of the Board provide for the possibility for the Directors to meet at least once per year, during a dedicated meeting or before, or after a meeting, without the executive corporate officers being present.

In 2022, these sessions took place at the end of the meeting of 22 February and 24 November, after the report on the work of the Appointments and Remunerations Committee and the review – deliberations and votes – of the decisions concerning the components of executive remuneration, allowing them to continue their discussions on other matters.

Form of notice of the meeting

Notices of meeting, to Directors and the other attendees, are made by any written method at least five days in advance. This five-day period may be reduced if one third of the Directors agree to a shorter notification period. Meetings are held at the company's registered office or any other location indicated in the notice of meeting.

Other attendees

The Deputy CEO, as well as certain members of the Group's Executive Committee and its Legal Director and the CEO's management representative attend as guests at Board meetings.

The Non-voting members, appointed by the Board of Directors, attend Board of Directors meetings on an advisory basis.

In accordance with the provisions of Article L. 2312-72 of the French Labour Code, two representatives of the Social and Economic Council, designated by said Council, attend Board meetings on an advisory basis. These representatives have the same documents at their disposal as those provided to Board members.

The Statutory Auditors are called to attend meetings during which the annual and half-yearly corporate or consolidated financial statements are examined or prepared.

The Secretary of the Board also attends the meetings but has no vote.

Depending on the items on the agenda, the Chairman may deem it useful to invite employees or outside consultants to attend.

Information for the members of the Board

The company provides the Directors and the Non-voting members with the information they need to effectively participate in the Board's work in order to enable them to perform their role in appropriate conditions. This ongoing information includes all relevant items concerning the company, including press articles and financial analysis reports.

At each Board meeting, the Chairman informs the members of the main facts and significant events affecting the Group's business since the previous Board meeting. In addition, the files to be sent to the Directors, and to any Non-voting members of the Board of Directors and employee representatives attending Board meetings, and, if relevant, to the Statutory Auditors, which contain the information and documents required to perform their mission (including all documents relating to transactions that the Board is required to review in order to enable the Board to assess the impact), are prepared before each Board meeting and made available to attendees in a timely manner, with a reasonable notification period before the date of the meeting.

Since 2015, the company has been using a digital platform wherein all governance files are made available in a secure digital format along with a historical electronic management of the documentation of the Board and Committees (files, minutes, Internal regulations, etc.) with complete confidentiality. Since 2018, electronic tablets have also been provided at Board meetings in order to avoid printing paper copies of files.

Board deliberations

The Board of Directors validly deliberates only if at least one half of its members are present. Subject to the applicable laws and regulations, the meetings of the Board of Directors may be held *via* videoconference or telecommunications or any other method allowed under the law and the regulations under the conditions defined by the Internal regulations adopted by the Board of Directors.

Decisions are adopted by a majority of the members present or represented. In the event of a tied vote, the meeting's Chairman does not have the casting vote.

The deliberations of the Board of Directors are recorded in minutes prepared by the Secretary of the Board at the end of each meeting. After approval, they are transcribed in the register of minutes of Board meetings.

5.3.2.3 Activity of the Board of Directors in 2022

During the 2022 fiscal year, the Board of Directors met six times, convened by its Chairman. The average duration of the meetings of the Board of Directors was two hours.

5.3.2.3.1 Attendance of the members of the Board of Directors

In 2022, the average attendance of Directors at Board meetings was 95%. It was 94% for all Committee meetings.

5.3.2.3.2 Main work of the Board of Directors

In addition to matters falling within its legal or regulatory powers, the Board of Directors, in its main areas of activity, discussed and decided on the following points, with a focus on taking its decisions in consideration of social issues and the environmental impact of the company's activities. Thus, during a real estate investment, the environmental performance of the asset is always presented to the members of the Board of Directors. Following adoption of the company's *raison d'être*, the Board regularly analyses its decisions in light of it.

During the two-day strategic seminar in Bordeaux in June 2021, the Directors and non-voting members had the opportunity to discuss the strategic choices defined in November 2020 with the members of the Executive Committee and defined a medium-term action plan linked to the strategic orientations, including raising the Group's carbon emission reduction targets by 2030.

Members of the Board have been systematically informed about the work, advice/recommendations and decisions of the Strategy and Investment Committee, the Appointments and Remunerations Committee, the Audit Committee and the CSR Committee, as well as the work and opinions of the Statutory Auditors. The Chief Executive Officer regularly reported to the Board of the delegations that had been granted to them by the latter.

In accordance with the recommendations of the Afep-Medef Code, the Board of Directors deliberated on matters concerning the remuneration paid to executive corporate officers in their absence during the presentation of the proposals made by the Appointments and Remunerations Committee.

During the 2022 fiscal year, the Board's work notably focused on the following areas:

Monitoring of the Group's strategies and activities	● Review of the strategic directions of the Group, particularly in light of the economic and financial environment and the evolution of the real estate markets ● Regular updates on the economic, financial and real estate environment and approval of Covivio's environmental adaptation plan ● Approval of investment, development, asset sharing and disposal and legal restructuring transactions ● Regular progress reports on the various projects previously authorised ● Regular briefings on the progress of business ● Regular information on the change in the Group's activity, its portfolio, its financial position, its financial indicators, its environment, its stock market performance and valuation and its cash and cash equivalents
Corporate governance	● Review of changes in the composition of the Board of Directors and Committees with regard to the terms of office expiring in April 2022 ● Decision on proposals to renew the Directorships expiring in April 2022 (with the exception of the term of office of Sigrid Duhamel) and on the nomination of a new independent Director ● Review of the independence of the Directors with regard to the criteria defined by the Afep-Medef Code ● Debate on the operations of the Board of Directors within the scope of the recommendations issued after the internal evaluation of the Board performed in 2019 ● Appointment of Jean-Luc Biamonti as the new Chairman of the Board of Directors, naming of Jean Laurent as Honorary Chair and coopting of the company Delfin SARL as a Director ● Review and decision on the composition of the Board of Directors' Committees ● Approval of updates to the Board's Internal regulations ● Evaluation of Daniela Schwarzer's possession of requirements of honorability, integrity, professionalism and anti–money laundering ● Approval of the renewal of the terms of office of the Chief Executive Officer (CEO) and the Deputy CEO from 1 January 2023 ● Communication of the governance agenda for 2022 and 2023, including financial communication and related abstention periods
General Meeting	● Convening of the General Meeting on 21 April 2022: approval of its agenda, draft resolutions and terms of the various reports made available to shareholders ● Appointment of Christophe Kullmann as Deputy Director in order to chair the General Meeting in the absence of the Chairman and Vice-Chairman of the Board ● Delegation of authority granted to the Chief Executive Officer to determine the arrangements for the organisation, meetings and participation of shareholders at the General Meeting, and to appoint scrutineers for the General Meeting in the event of a General Meeting behind closed doors ● Delegation granted to the Chief Executive Officer to answer written questions from shareholders at the Annual General Meeting
Remuneration	● Approval of the remuneration elements and criteria for executive corporate officers submitted for approval of the General Meeting of 21 April 2022 ● Approval of the remuneration policy for corporate executive officers submitted for approval to the General Meeting of 21 April 2022 ● Approval of the change to the remuneration methods for members of the Board of Directors and Committees ● Approval of the elements of remuneration for the exiting and entering Chairmen ● Approval of the remuneration conditions and elements for executive corporate officers on the renewal of their term of office ● Approval of the CSR criteria and objectives for long-term incentive schemes for executive corporate officers ● Approval of the remuneration policy for corporate officers submitted for approval to the General Meeting of 20 April 2023 ● Approval of the free share plans allocated to corporate officers and Group employees, and approval of the attribution terms and conditions

Financial management	• Examination and approval of the Covivio group's consolidated financial statements and the parent company's financial statements for the fiscal year ended 31 December 2021 • Review of the company's financial position and cash position • Determination of the allocation of the 2021 income proposed to the Annual General Meeting of 21 April 2022 and the amount of the dividend • Approval of the 2022 guidance • Update on liquidity and financing • Approved the financial statements and management planning documents and related reports • Making debt green • Authorisation to update the EMTN (Euro medium-term notes) programme • Examination and approval of the consolidated financial statements for the first half of 2022 • Regular updates on the progress of the 2022 budget • Monitoring the landing of the 2022 budget and adoption of the budget for the year 2023 • Approval of financial press releases • Implementation of the share buyback programme and report of transactions on treasury shares allocated to the various objectives of the programme • Report on the use of the authorisation of sureties, endorsements and guarantees granted during the year and renewal of the annual authorisations granted to the Chief Executive Officer to issue sureties, endorsements and guarantees • Approval of (re)financing transactions • Report of capital increases resulting from the definitive allocation of free shares • Report of the results of the investment by ESU Covivio employees of the profit-sharing scheme for fiscal year 2021 (plus the matching contribution) in company shares
Risk management	• Review of the organisation of Risk, Compliance, Audit and Internal Control activities • Monitoring of the measures for preventing and detecting corruption and insider trading • Validation of the risk management policy through the review of the mapping of the financial, legal, operational, social and environmental risks associated with the company's activity. • Review of the action plans implemented for the major risks identified • Validation of the 2022/2023 audit plan • Selection of the primary Statutory Auditor proposed to the General Meeting called in 2024 to approve the financial statements for the fiscal year ended on 31 December 2023 • Examination of the results of the internal assessment of the review of agreements relating to current transactions concluded under normal conditions • Monitoring of permanent establishment control activities in Italy Information for Directors and Non-voting members concerning their personal data • Reminder to Directors and Non-voting members of the obligations incumbent on anyone holding an executive office (and any persons closely associated with them) under the regulations on market abuse, especially including rules on refraining from (i) disclosing inside information and (ii) trading in securities when in possession of inside information
Corporate and social responsibility	• Approval of the Consolidated Statement of Non-Financial Performance • Approval of the ESG policy • Setting of objectives to reduce greenhouse gas emissions • Approval of the diversity policy applied to members of the Board and Committees, its implementation methods and the results obtained • Approval of the non-discrimination and diversity policy, particularly concerning gender balance on management bodies • Approval of the company's policy on gender equality and equal pay • Monitoring the actions of the Covivio Foundation • Examined the list of social and environmental risks inherent to Covivio, as highlighted by an analysis of the risk mapping, and approved the action plans to be implemented • Report on the work of the Stakeholders Committee • Report on the work of the Covivio Foundation
Related-party agreements	• Review of all related-party agreements signed and/or authorised in 2021 • Voted on the continuing application of the related-party agreements signed and authorised during previous fiscal years, the performance of which continued into 2022 • Examination and authorisation to enter into new related-party agreements with regard to their interest for the company

5.3.2.3.3 Support of the Stakeholders' Committee in the work of the Board of Directors

In order to monitor, challenge and renew the commitments associated with expressing its corporate purpose in 2019 and to lead a long-term reflection on the company's future challenges, Covivio created a Stakeholders' Committee in 2020. Chaired by Bertrand de Feydeau, former independent Director of Covivio, Chairman of the Fondation Palladio and the Fondation des Bernardins, it currently brings together the following persons:

- Stephan de Faÿ, former Chief Executive Officer of EPA Bordeaux Euratlantique, now Chief Executive Officer of Grand Paris Aménagement
- Siegrid Henry, Advisor to the French High Commissioner for Employment and Business Engagement, at the French Ministry of Labour (formerly *Chargée de mission* to the French Digital Ambassador)
- Sonia Lavadinho, Founding Director of Bfluid, Institute for forward-looking research and expertise in mobility and territorial development

- Patricia Savin, Partner at DS Avocats, Chairwoman of Orée, independent Director, Covivio
- Jean Paul Viguier, Architect, Chairman of Viguier architecture urbanisme paysage [Architecture, Urban Planning and Landscaping].

These well-known personalities in the fields of environment, sociology and anthropology, digital technology, urban construction and regional planning are responsible, alongside Jean-Luc Biamonti, Chairman of the Board of Directors, Christophe Kullmann, Chief Executive Officer, Olivier Estève, Deputy CEO and Yves Marque, Chief Operating Officer, to help Covivio anticipate the ongoing social, societal and environmental changes in order to integrate them into its strategy, its products and its services.

The Committee met twice in 2022. In the post-Covid environment, the Stakeholders Committee has chosen to conduct a forward-looking reflection on ongoing disruptions that may affect Covivio's strategy and products. This work was carried out through a constant back and forth between long-term forward-looking thinking and practical cases on Covivio's past, current and future projects.

The Stakeholders Committee's forward-looking thinking, particularly on nature in the city and biodiversity, the reversibility of buildings, mixed uses, urban mobility and the relationship with oneself and others, make it possible to inspire or reinforce the real estate bias on Covivio's development projects, and incorporate the changes underway into strategic choices.

A report on the work of the Stakeholders Committee was provided to Covivio's Board of Directors on 20 October 2022.

At the end of the meeting, the Board of Directors approved the Stakeholders Committee's proposals for changes, aimed at:

- refocusing the Committee's mission on the exploration and analysis of major trends and weak signals directly or indirectly impacting Covivio's scope of intervention
- reviewing the distribution of roles between Stakeholders Committee and CSR Committee
- continuing to move back and forth between forward-looking thinking and its application to real estate projects, by exploring the issue of reversibility and by extending the review horizon of projects to other buildings than those of Covivio
- reviewing its composition in order to integrate new profiles.

5.3.3 Specialist Committees of the Board of Directors

To improve the quality of its work, and in line with corporate governance principles, the Board of Directors relies on specialised Committees tasked with researching and preparing for certain Board decisions by submitting their opinions, proposals or recommendations.

Following in particular the redefining of the role of the Board of Directors, which, under the impetus of the Pacte law, acts not only in the pursuit of the company's corporate interest but also by taking into consideration social and environmental issues related to its activity, the Board of Directors decided on 21 July 2021 to create a new Committee to assist it in the conduct of its work in terms of environmental, societal and social responsibility and to ensure that CSR issues are taken into account in the Group's strategy and its implementation.

The Board of Directors now relies on the work of four specialised Committees set up within it: the Audit Committee, the Appointments and Remunerations Committee, the Strategy and Investment Committee and the CSR Committee.

The Board of Directors' Rules of Procedure, available in full on the company's website, determine the powers and operating procedures of each of these Committees. The work of these Committees is outlined below.

The composition of the specialised Committees shows the company's desire to promote the presence of independent Directors on these Committees.

The operations of the Audit Committee, the Appointments and Remunerations Committee and the Strategy and Investment Committee are overseen by Yves Marque in his capacity as Secretary of the Board, and that of the CSR Committee by Joséphine Lelong-Chaussier in her capacity as Legal Officer.

Summary of the composition of Committees

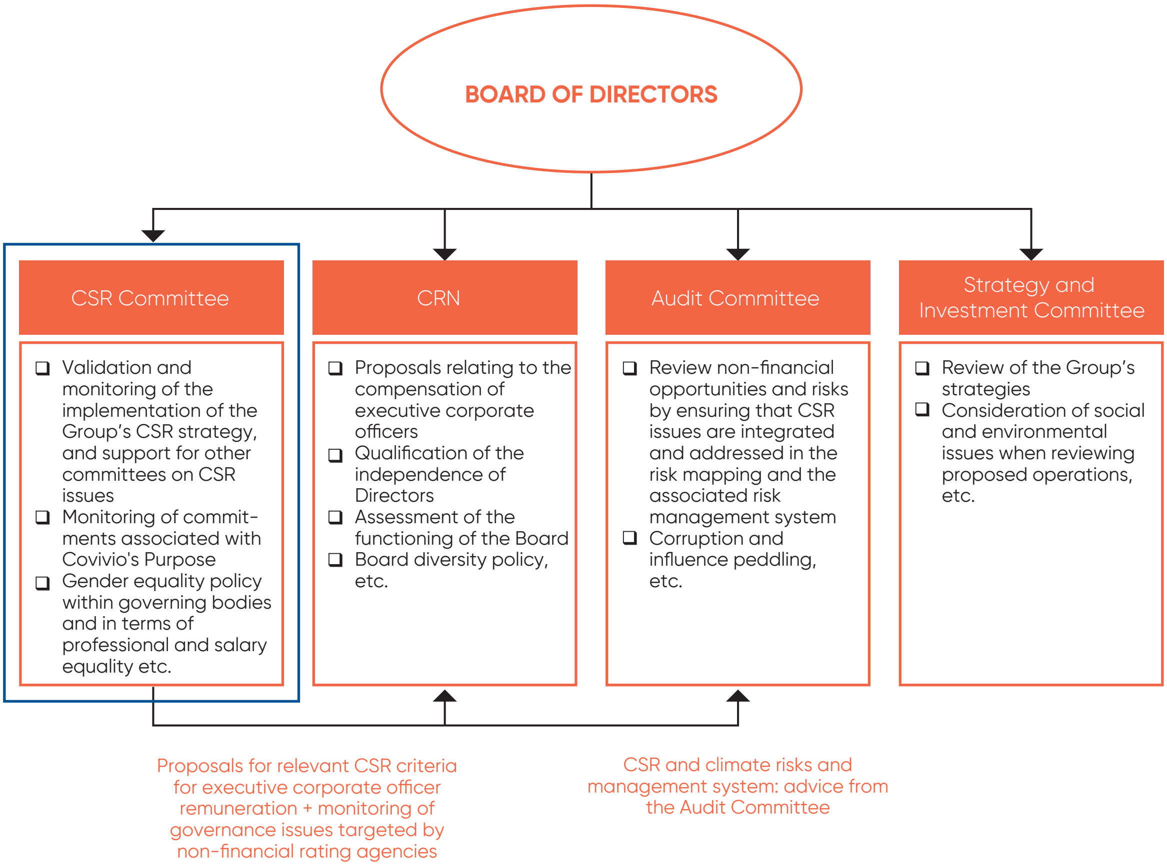
Audit Committee	Appointments and Remunerations Committee	Strategy and Investment Committee	CSR Committee
4 members	3 members	6 members	6 members
3 meetings	5 meetings	4 meetings	3 meetings
75% independent members	67% independent members	17% independent members	67% independent members
100% attendance	88% attendance	88% attendance	100% attendance
Christian Delaire*, Chairman Romolo Bardin Sylvie Ouziel* Catherine Soubie*	Catherine Soubie*, Chairwoman Jérôme Grivet Olivier Piani*	Olivier Piani*, Chairman Romolo Bardin Jean-Luc Biamonti Jérôme Grivet Stéphanie de Kerdrel Olivier Le Borgne	Alix d'Ocagne*, Chairwoman Jean-Luc Biamonti Christian Delaire* Stéphanie de Kerdrel Patricia Savin* Daniela Schwarzer*
Jean-Luc Biamonti (guest)	Jean-Luc Biamonti (guest) Sergio Erede (guest)	Sergio Erede (guest) Ariberto Fassati (guest)	

* Independent members at the closing date of the Board of Directors' report on corporate governance

Subject to approval by the Combined General Meeting of 20 April 2023 of the renewal of the Directorships of Jean-Luc Biamonti and the companies Delfin SARL and Covéa Coopérations, represented on the Board by Giovanni Giallombardo and Olivier Le Borgne, respectively, as well as the independent Directorships of Christian Delaire and Olivier Plani, the Board of Directors, on the proposal of the Appointments and Remunerations Committee, does not intend to change the composition of the Governance Committees as presented above in the short term.

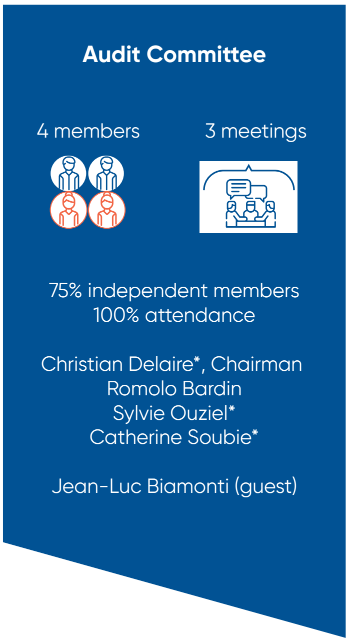
Structuring between the missions of the Committees

The cross-functionality of the CSR, through the range of areas that it covers, requires interaction between the CSR Committee and the other Committees, which is indispensable when it comes to the Board of Directors taking decisions.



5.3.3.1 The Audit Committee

Its missions, composition and organisation are governed by Articles L. 823-19 *et seq.* of the French Commercial Code. The company's Internal regulations comply with the provisions on the Audit Committee stipulated by the aforementioned articles.



*Independent members at the date of closing of the report from the Board of Directors on corporate governance. 5.3.3.1.1 Composition

5.3.3.1.1 Composition

Sigrid Duhamel was a member of the Audit Committee until 21 April 2022, the expiry date of her Directorship. Following the renewal of his Directorship, the Board of Directors, at its meeting of 21 April 2022, reappointed Romolo Bardin as a member of the Audit Committee. The composition of the Audit Committee was also updated on 21 July 2022 with the appointments of Christian Delaire as Chairman (replacing the departing Jean-Luc Biamonti) and of Catherine Soubie as a member.

The Audit Committee now has four members, three of whom are independent (75%): Christian Delaire (Chairman), Catherine Soubie and Sylvie Ouziel.

The Audit Committee is chaired by an independent Director. Furthermore, Jean-Luc Biamonti, in his capacity as Chairman of the Board of Directors since 21 July 2022, takes part in all Audit Committee meetings, but has no vote.

The Committee includes one member of Italian nationality.

The Audit Committee members are chosen for their financial or accounting expertise, appraised in light of their educational backgrounds and professional experience mentioned in their professional careers. Christian Delaire, Chairman of the Audit Committee, has built his career around finance and real estate. Romolo Bardin has a high level of expertise in terms of management and finance. Sylvie Ouziel has acquired financial skills through her different leadership roles, which have provided her with knowledge of the operations of large global groups. The diverse and multidisciplinary background of Catherine Soubie provides her with a wealth of financial and banking experience.

No member of the Audit Committee is also an executive corporate officer.

5.3.3.1.2 Operation

The Audit Committee meets at the initiative of its Chairman or at the request of the Chairman of the Board of Directors. It meets at least twice a year to review the half-yearly and annual financial statements and, in principle, before Board meetings when the agenda includes a decision that the Board deems within the jurisdiction of the Audit Committee as determined by the Board.

The Chairman of the Audit Committee sets the agenda for the Committee's meetings, directs the discussions and organises the vote on motions submitted to the Committee.

The Committee members are notified of meetings by any written method at least five days in advance (unless the matter is urgent) and the Committee's documentation is forwarded at least two days prior to the Committee meeting.

The Audit Committee has an average of three to four days to review the financial statements before they are reviewed by the Board.

The presence of at least half of the members of the Audit Committee is required for meetings to be valid. The meetings are also attended by the Chief Financial Officer, the Accounts Director and the Risk, Compliance, Audit and Internal Control Director. Members who are represented are included in the calculation of the *quorum*.

The opinions of the Audit Committee are adopted by simple majority vote of the members present or represented, and the Committee reports on its work at the next Board meeting.

5.3.3.1.3 Missions

Under the terms of Article 23 of the Internal regulations, the Audit Committee must monitor matters related to the preparation and control of accounting and financial information. In particular, it is responsible for:

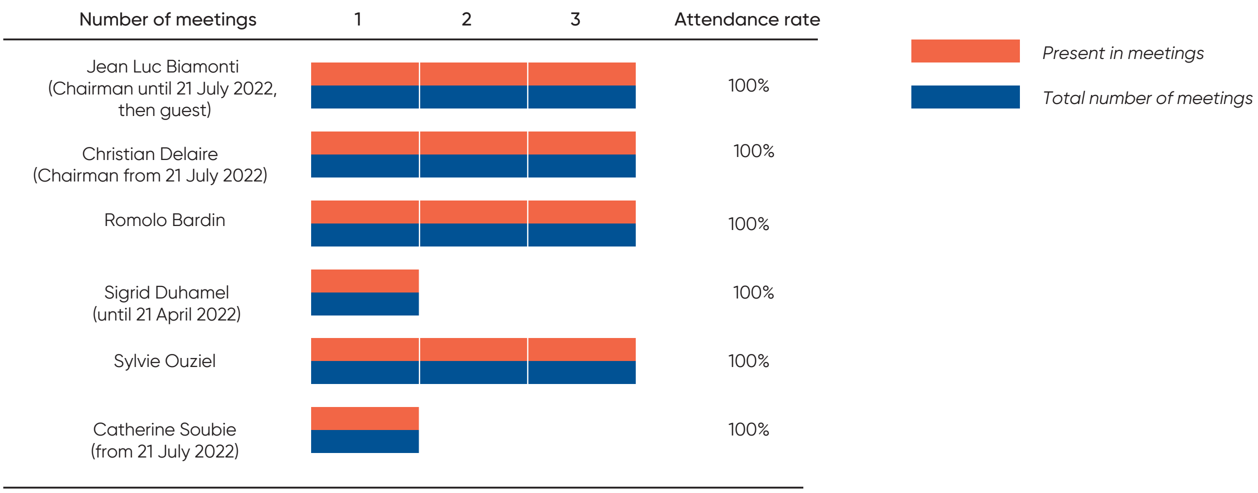
- monitoring the process of preparing financial information and, where applicable, making recommendations to ensure its integrity
- reviewing the accounting methods and conditions for valuing the assets of the Covivio group
- reviewing the preliminary consolidated and parent company financial statements prepared by the company before they are presented to the Board
- preparing Board decisions on the monitoring of internal audits
- monitoring the effectiveness of internal control and risk management systems, as well as internal audits involving procedures relating to the creation and processing of accounting, financial and extra-financial information; to do this, it reviews the information in the Board of Directors' management report on the internal control and risk management mechanisms and, where applicable, makes comments, giving its opinion on the organisation of the Internal Audit and Risk Management department
- monitoring the statutory audit of the annual and consolidated financial statements by the Statutory Auditors
- ensuring the independence of the Statutory Auditors
- reviewing the agreements executed between the company and those who hold a direct or indirect investment in the company

- reviewing appointment proposals involving the Statutory Auditors and issuing recommendations on the Statutory Auditors to be proposed for approval by the General Meeting
- ensuring oversight of the management of the information to be provided to the shareholders and the markets and verification of its clarity
- reviewing press releases on financial results
- reviewing significant risks and off-balance sheet commitments
- giving their approval for services other than the certification of the financial statements provided by the Statutory Auditors to the company before such services are completed; and
- examining the additional report of the Statutory Auditors drawn up pursuant to the provisions of Article 11 of regulation (EU) no. 537/2014.

The Audit Committee reports to the Board of Directors on its work, expresses any opinions or suggestions it deems advisable, and informs the Board of any points that require a Board decision. In performing its tasks, the Audit Committee may examine the scope of the consolidated companies and, where applicable, the reasons for which companies are not included. It may use the services of external experts as required, ensuring the objective nature of the advice given. However, the Audit Committee did not deem it necessary to do so in 2022.

5.3.3.1.4 Work of the Audit Committee in 2022

The Audit Committee met three times, with a 100% attendance rate by its members.



During these meetings, the members of the Audit Committee were addressed by the Statutory Auditors, as well as the Chief Financial Officer and the Director of Risk, Compliance, Audit and Internal Control, who attend all meetings.

Several specific meetings were also held between the Statutory Auditors and these Directors which were not attended by General Management.

The review of the financial statements by the Audit Committee included a presentation by the Statutory Auditors who stressed the essential points, not only concerning the results but also the accounting options used, and a presentation from the Risk, Compliance, Audit and Internal Control Director describing the company's risk exposure, including social and environmental risk, and significant off-balance sheet commitments. The Audit Committee works in consultation with the Risk, Compliance, Audit and Internal Control Director, with regular ongoing dialogue on how risks and risk developments are perceived operationally.

At its meetings in 2022, the Audit Committee examined the following issues in particular:

Meeting of 17 February 2022	• Review of the highlights of the 2021 fiscal year and the summary of financial indicators • Property valuation report • Summary of portfolio rotation in 2021 • Overseeing pipeline developments and the amount of committed funds at risk • Update on debt and covenants • Examination of the parent company and consolidated financial statements for the fiscal year ended 31 December 2021 • Review of the planned press release on the financial income • Presentation of fees relating to services other than the certification of financial statements (SACC)
Meeting of 18 July 2022	• Review of key events of the first half-year of 2022 and the summary of indicators as at 30 June 2022 • Property valuation report • Summary of portfolio turnover for the first half-year 2022 • Overseeing pipeline developments and the amount of committed funds at risk • Update on debt and covenants • Review of the consolidated financial statements as at 30 June 2022 • Review of the planned press release on the financial income • Informational update on the expiry of term of office of the Statutory Auditors
Meeting of 21 September 2022	• Update on the organisation and activity of Risk, Compliance, Audit and Internal Control Management • Review of internal control tools and systems in place within the Group • Focus on the incident database and major incidents • Presentation of the update of the risk mapping and associated action plans • Monitoring of the 2022 audit plan • Approval of the 2023 audit plan • Update on financial indicators and the new EPRA LTV indicator • Examination of candidates for the selection of Statutory Auditors

Following the meeting of 21 September 2022, a meeting was held between the Statutory Auditors and the members of the Audit Committee, at which the company's management was not present.

At that time, the Statutory Auditors underscored the quality of the relationship with the Financial department and Risk, Compliance, Audit and Internal Control Management.

5.3.3.2 The Appointments and Remunerations Committee

The role of the Appointments and Remunerations Committee is to ensure that the Board of Directors is in the best possible position to determine remuneration policy and all remuneration and benefits for the executive officers. Its scope also includes making recommendations to the Board on the composition of the executive bodies, the appointment of new Directors, the renewal of the terms of office due to expire and succession plans for the executive corporate officers.

Appointments and Remunerations Committee

3 members

5 meetings

67% independent members
88% attendance

Catherine Soubie*, Chairwoman
Jérôme Grivet
Olivier Piani*

Jean-Luc Biamonti (guest)
Sergio Erede (guest)

*Independent members at the date of closing of the report from the Board of Directors on corporate governance.

5.3.3.2.1 Composition

Following his appointment as Chairman of the Board of Directors of 21 July 2022, Jean-Luc Biamonti is no longer a member of the Appointments and Remunerations Committee.

At the end of the 2022 fiscal year, the Appointments and Remunerations Committee has three members and invites the Chairman of the Board of Directors and the non-voting member, Sergio Erede, to attend meetings. Independent Directors account for 67% of members: Catherine Soubie (Chairwoman) and Olivier Piani.

No member of the Appointments and Remunerations Committee is also an executive corporate officer. However, the Chief Executive Officer is consulted by the Appointments and Remunerations Committee on the subjects of appointments and succession.

The composition of this Committee, chaired by an independent Director, and the discussions that take place between this independent Director and the other independent members of the Board of Directors, ensure the adequate representation of the interests of the various shareholders of the company. In addition, pursuant to the provisions of the Afep-Medef Code, the Chairman of the Board of Directors is involved in the work of the Committee on succession planning for executive corporate officers.

Considering the absence of Directors representing both employees and employee shareholders (as specified in section 5.3.2.2.4.1 hereinabove), no member of the Appointments and Remunerations Committee is an employee Director.

5.3.3.2.2 Operation

The Appointments and Remunerations Committee meets at the initiative of its Chairwoman or at the request of the Chairman of the Board of Directors. It meets at least twice a year and, in principle, before Board meetings when the agenda involves making a decision within the scope of the duties assigned to the Appointments and Remunerations Committee by the Board.

The Chairwoman of the Appointments and Remunerations Committee or, in her absence, the Chairman of the Board of Directors sets the agenda for the Committee's meetings. She presides over the discussions and organises the vote on the matters submitted to the Appointments and Remunerations Committee.

The Appointments and Remunerations Committee members are notified of meetings by any written method at least five days in advance (unless the matter is urgent), and the Committee's documentation is forwarded at least two days prior to the Committee meeting.

The presence of at least half of the members of the Appointments and Remunerations Committee is required for meetings to be valid, in the understanding that members who are represented are included in the calculation of the *quorum*.

The opinions of the Appointments and Remunerations Committee are adopted by simple majority vote of the members present or represented, and the Committee reports on its work at the next Board meeting.

5.3.3.2.3 Missions

Under Article 19 of the Internal regulations, the Appointments and Remunerations Committee is responsible for:

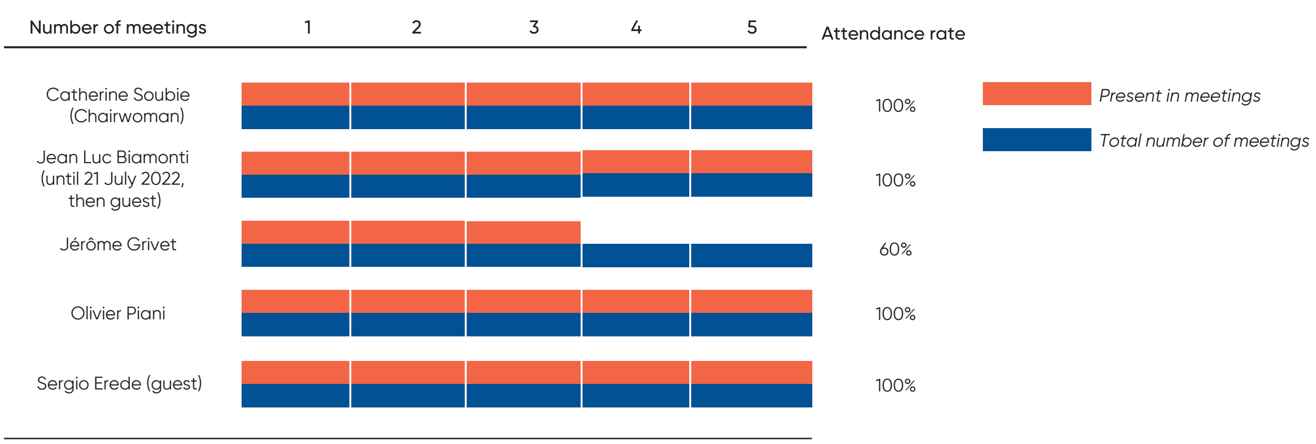
- evaluating any candidate for appointment to the Board or to the position of Chief Executive Officer or Deputy CEO, searching for or assessing possible candidates and expressing an opinion and/or recommendation to the Board, taking into consideration the desirable balance among Board members based on the composition of and changes in the company's shareholders
- assessing the advisability of reappointments, in particular, in the case of Directors, based on their regular attendance at governance meetings and their actual contribution to the work of the Board and Committees
- supervising the establishment of succession plans for the executive corporate officers
- proposing the appointment or renewal of the term of the Chairman of the Audit Committee
- proposing the total budget and terms for the remuneration awarded to each Board member, which will be submitted for the approval of the General Meeting
- formulating proposals for the remuneration of all corporate officers (including Board members) the Chairman, Chief Executive Officer and Deputy CEOs (the amount of fixed remuneration and definition of the rules for variable remuneration, ensuring that these rules are consistent with the annual assessment of the performance of the corporate officers and with the company's medium-term strategy, as well as monitoring the annual application of these rules)
- issuing a preliminary opinion on any proposal for exceptional remuneration proposed by the Board to remunerate one of its members to whom it has assigned a mission or task pursuant to Article L. 225-46 of the French Commercial Code
- making proposals to the Board, as necessary, on stock-option programmes and the allotment and award of free shares
- giving the Board an opinion on the qualifications of Board members based on the company's independence criteria
- making recommendations on the financial conditions for termination of corporate Offices.

The Committee also looks into retirement schemes for the company's management and employees, the tax arrangements for different remuneration methods, as well as changes to such arrangements, and the potential succession of various executive corporate officers. It may call on external consultants, while ensuring the objectivity of the Board concerned. In 2022, the Appointments and Remunerations Committee called upon an independent consulting firm to conduct a study on the supplementary retirement systems and a benchmark for the remunerations of executive corporate officers for the major French and European real estate companies.

The Appointments and Remunerations Committee works closely with the Chief Operating Officer, who is the head of the company's Human Resources Department. He attends Committee meetings as a guest and Secretary.

5.3.3.2.4 Work of the Appointments and Remunerations Committee in 2022

The Appointments and Remunerations Committee met five times, with 88% attendance rate by its members.

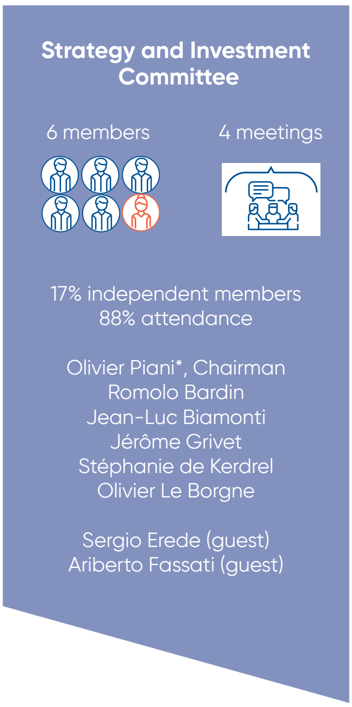


In its 2022 meetings, the Appointments and Remunerations Committee examined the following subjects in particular:

Meeting of 17 February 2022	• Review of the composition of the Board of Directors: proposals to renew the Directorships (with the exception of the term of office of Sigrid Duhamel) and on the nomination of a new Director • Proposal to change the remuneration methods for members of the Board of Directors and Committees • Review of the independence of Directors • Remuneration of executive corporate officers: review of the amount of the 2021 bonus, the 2021 long-term incentive, the criteria for the allocation of the 2022 bonus, the amount paid in respect of the 2018 long-term incentive plan performance conditions • Proposal of free share plans for executive corporate officers and Group employees
Meeting of 15 June 2022	• Succession plan for the Chairman of the Board of Directors
Meeting of 19 July 2022	• Proposal to nominate the new Chairman of the Board of Directors • Proposal to nominate the Honorary Chair and set the terms and conditions for the fiscal year • Review of the financial conditions relating to the departure of Jean Laurent • Recommendation of the elements of remuneration for the new Chairman of the Board of Directors • Proposal to coopt a new Director • Proposal to change the composition of the Committees
Meeting of 19 October 2022	• Proposal to change the remuneration methods for members of the Board of Directors and Committees • Approval of renew the terms of office of the Chief Executive Officer and the Deputy CEO from 1 January 2023 • Review of the change to elements of remuneration for the Chief Executive Officer and the Deputy CEO at the time of their renewal
Meeting of 24 November 2022	• Composition of the elements of remuneration for the Chief Executive Officer and Deputy CEO • Proposal to change the CSR criteria and objectives for long-term incentive schemes for executive corporate officers, in collaboration with the CSR Committee • Proposal of free share plans for Group employees

5.3.3.3 The Strategy and Investment Committee

The Strategy and Investment Committee is in charge of studying and preparing for the Board's deliberations on strategy, investments and sales. All Directors are informed of its meetings and agenda and receive the documents sent to members.



*Independent members at the date of closing of the report from the Board of Directors on corporate governance.

5.3.3.3.1 Composition

Following the renewal of their Directorship, the Board of Directors, at its meeting of 21 April 2022, renewed Romolo Bardin and Stéphanie de Kerdrel, permanent representative of ACM Vie, as members of the Strategy and Investment Committee. Following the death of Leonardo Del Vecchio and the resignation of Jean Laurent, the Board of Directors decided, on 21 July 2022, to appoint Olivier Piani as the Chairman and Jean-Luc Biamotti as a member.

At the close of the fiscal year, the Strategy and Investment Committee was composed of six members, including two independent members (33%): Olivier Piani (Chairman) and Jean-Luc Biamonti, independent member until 31 January 2023 (thus bringing the independence rate to 17% from this date). The Strategy and Investment Committee invites Non-voting members and all Directors to its meetings, which they are free to attend if they desire and are available to do so.

The Committee is chaired by an Independent member, Olivier Piani, and includes a member of Italian nationality and a member of Monegasque nationality.

5.3.3.3.2 Operation

The Strategy and Investment Committee meets at the initiative of its Chairman or at the request of the Chairman of the Board of Directors and, in principle, before Board meetings when the agenda includes a decision that falls within the scope of the duties assigned to the Committee by the Board.

The Chairman of the Strategy and Investment Committee or, in his absence, the Chairman of the Board of Directors sets the agenda for the Committee's meetings. He presides over the discussions and organises the vote on the issues submitted to the Strategy and Investment Committee.

The Strategy and Investment Committee members are notified of meetings by any written method at least five days in advance (unless the matter is urgent), and the Committee's documentation is forwarded at least two days prior to the Committee meeting.

Any Director who is not a member of the Strategy and Investment Committee may attend Committee meetings without voting rights.

The presence of at least half of the members of the Strategy and Investment Committee is required for meetings to be valid, in the understanding that members who are represented are included in the calculation of the *quorum*.

The opinions of the Strategy and Investment Committee are adopted by simple majority vote of the members present or represented, and the Committee reports on its work at the next Board meeting. On this occasion, a wide-ranging report on its work is presented to the Board, so that the Directors can make an informed decision on the company's strategy, based on the preparatory work of the Committee.

5.3.3.3.3 Missions

Under the terms of Article 15 of the Internal regulations, the Strategy and Investment Committee is in charge of reviewing and issuing an opinion on the following transactions prior to any decision by the Board:

- investment made directly by the company or through a fully consolidated subsidiary, when the total amount of the investment, plus any liabilities attached to the assets in question, is greater than €100 million (Group share)
- the sale by the company or through a fully consolidated subsidiary, with the exception of companies whose shares are listed for trading on a regulated market, of any business division, any investment in any company or any assets, whenever the total amount of the corresponding disinvestment, plus any liabilities attached and transferred, is greater than €100 million (with the exception of intra-group transactions).

In addition, the Strategy and Investment Committee is in charge of reviewing and authorising the following transactions prior to any decision by the Chief Executive Officer:

- investment made directly by the company or through a fully consolidated subsidiary, when the total amount of the investment, plus any liabilities attached to the assets in question, is greater than €30 million (Group share)
- the sale by the company or through a fully consolidated subsidiary, with the exception of companies whose shares are listed for trading on a regulated market, of any business division, any investment in any company or any assets, whenever the total amount of the corresponding disinvestment, plus any liabilities attached and transferred, is greater than €30 million (with the exception of intra-group transactions).

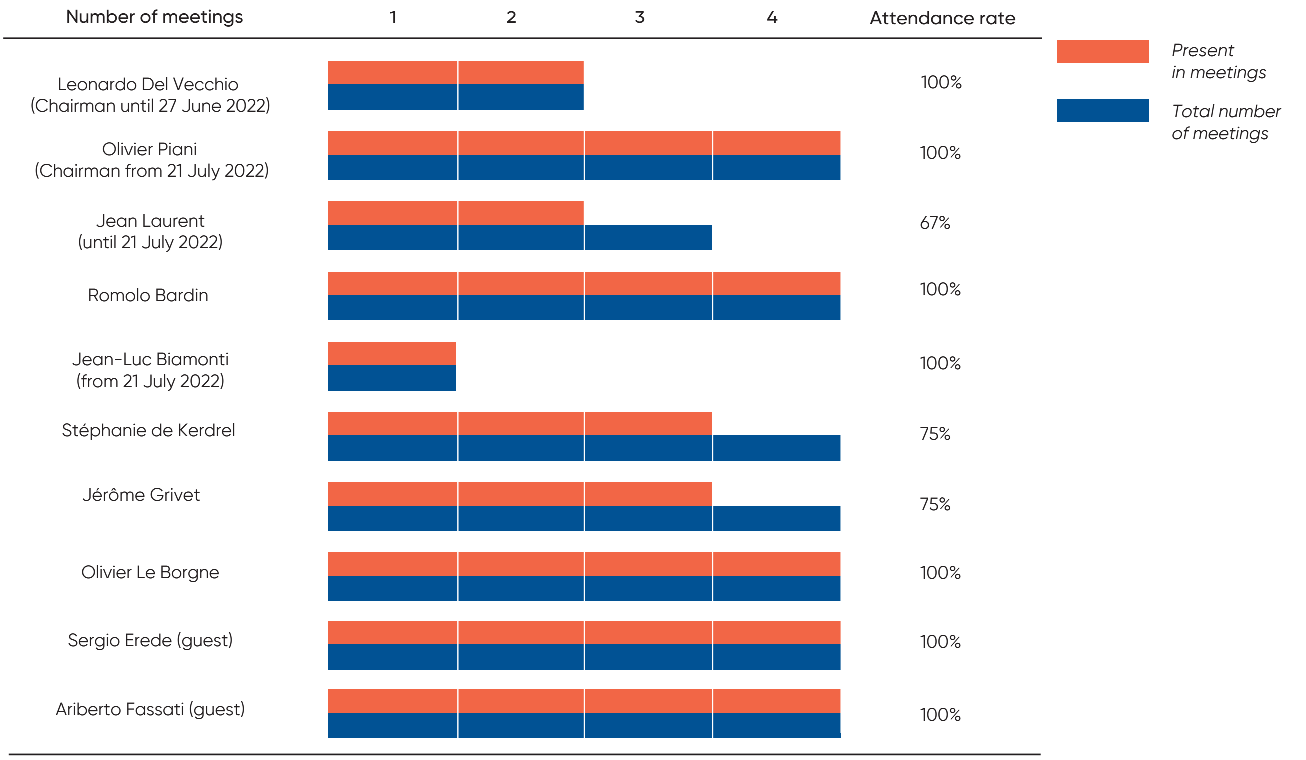
More generally, the Strategy and Investment Committee is in charge of:

- reviewing major strategic projects for expansion through mergers and acquisitions or partnerships
- analysing the medium-term plans and projections of the Covivio group, as applicable
- meeting with experts to review the opportunities presented by the strategic options considered, as necessary; and
- keeping the Board's strategy considerations up-to-date between meetings specifically dedicated to these issues.

It may use the services of external experts as required. The Strategy and Investment Committee did not consider it necessary to use it in 2022.

5.3.3.3.4 Work of the Strategy and Investment Committee in 2022

The Strategy and Investment Committee met four times, with an attendance of 88% by its members. These meetings were also attended by a significant number of guest Directors.

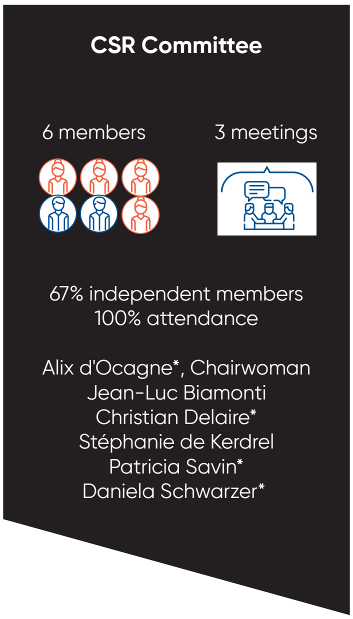


In its 2022 meetings, the Strategy and Investment Committee examined the following subjects in particular:

Meeting of 22 February 2022	• Monitoring of governance decisions • Presentation and approval of planned disposals
Meeting of 21 April 2022	• Monitoring of governance decisions • Presentation and approval of planned disposals • Presentation of an investment operation *post-mortem*
Meeting of 21 July 2022	• Presentation and approval of planned investments, disposals and asset repositioning
Meeting of 24 November 2022	• Monitoring of governance decisions • Presentation and approval of planned disposals • Update on the 2022 disposal plan

5.3.3.4 The CSR Committee

Created on 21 July 2021, the CSR Committee is tasked with validating the Group's CSR strategy and monitoring its implementation by ensuring its consistency with Covivio's Purpose and the expectations of stakeholders. It works with the Audit Committee on CSR risk factors, and with the Appointments and Remunerations Committee on the determination of relevant CSR criteria in the context of executive remuneration as well as any governance issues identified by non-financial rating agencies.



*Independent members at the date of closing of the report from the Board of Directors on corporate governance.

5.3.3.4.1 Composition

Following the renewal of their Directorship, the Board of Directors, at its meeting of 21 April 2022, renewed Stéphanie de Kerdrel, permanent representative of ACM Vie, as well as Alix d'Ocagne as members of the CSR Committee. It also decided to appoint Daniela Schwarzer as a member of the latter following her appointment to a Directorship by the General Meeting.

On 21 July 2022, the Board of Directors appointed Alix d'Ocagne as Chairwoman, replacing Christian Delaire who remains a member, and appointed Jean-Luc Biamonti as a member following the resignation of Jean Laurent.

At the close of the 2022 fiscal year, the CSR Committee was composed of six members, including five independent members (83%): Alix d'Ocagne (Chairwoman), Christian Delaire, Patricia Savin, Daniela Schwarzer and Jean-Luc Biamonti, independent member until 31 January 2023 (thus bringing the independence rate to 67% from this date).

Chaired by an independent Director, the CSR Committee includes one member of Monegasque nationality and one member of German nationality.

5.3.3.4.2 Operation

The CSR Committee meets at the initiative of its Chairwoman or at the request of the Chairman of the Board of Directors. It meets at least twice a year and, in principle, before Board meetings when the agenda involves making a decision within the scope of the duties assigned to the CSR Committee by the Board.

The Chairwoman of the CSR Committee or, in his or her absence, the Chairman of the Board, sets the agenda of the CSR Committee meetings. She presides over the discussions and organises the vote on the issues submitted to the CSR Committee.

The CSR Committee members are notified of meetings by any written method at least five days in advance (unless the matter is urgent) and the Committee's documentation is forwarded at least two days prior to the Committee meeting.

The presence of at least half of the members of the CSR Committee is required for meetings to be valid, in the understanding that members who are represented are included in the calculation of the *quorum*.

The opinions of the CSR Committee are adopted by simple majority vote of the members present or represented, and the Committee reports on its work at the next Board meeting.

As part of the performance of its duties, the CSR Committee may request any document that it deems useful for the performance of its duties. It may also, when it deems it necessary, hear the Group's employees on CSR aspects and any person it deems useful to hear in the context of its mission, if necessary, without the presence of the members of the General Management.

5.3.3.4.3 Missions

Pursuant to Article 27 of the Internal Rules, the CSR Committee is responsible for the following tasks:

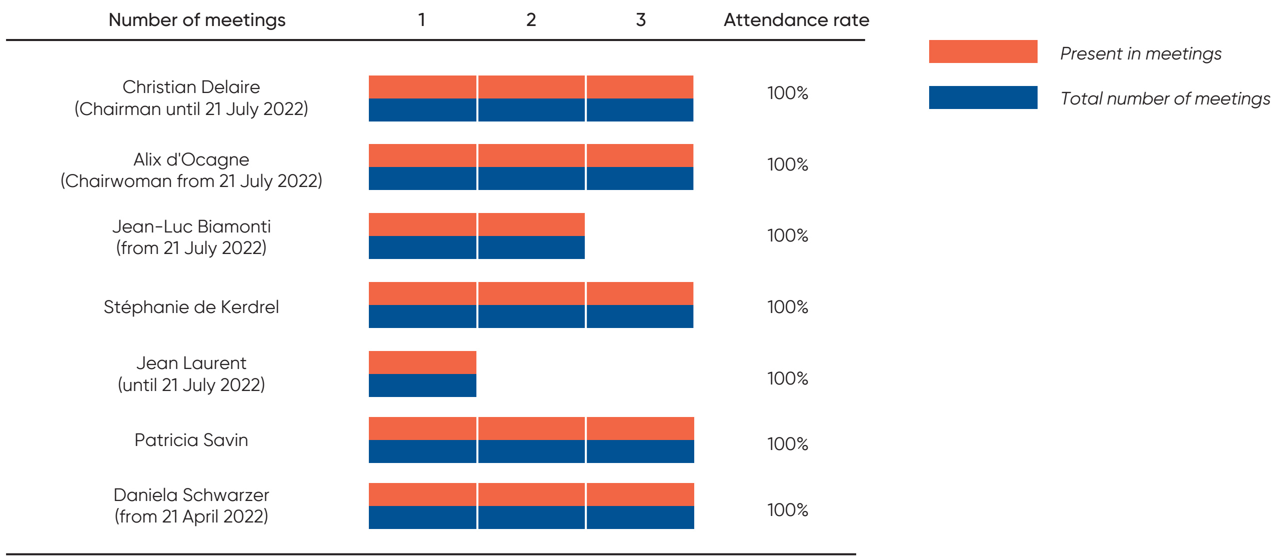
- examining and validating the Group's commitments and policy guidelines in terms of environmental, societal and social responsibility and governance (hereinafter "CSR")
- ensure their consistency with Covivio's Purpose and stakeholder expectations
- monitor its deployment
- more generally, ensuring that CSR issues are taken into account in the Group's strategy and its implementation
- where applicable, issue recommendations, in conjunction with the Appointments and Remunerations Committee, on the determination of the CSR criteria to be taken into account when setting the components of the variable portion of the compensation of executive corporate officers, and on the monitoring of their achievement
- where applicable, issuing recommendations, in conjunction with the Audit Committee, on CSR risks and the systems for managing these risks
- in general, ensuring that all information required by current CSR legislation is prepared
- examining the Group's policies, guidelines and charters on CSR topics and ensuring their effectiveness

- assess and report on the performance and impact of the Group's CSR activity
- examining and monitoring the non-financial ratings obtained by the Group from non-financial rating agencies
- identify and discuss emerging trends, new challenges and best practices in terms of CSR, and ensure that the Group is prepared in the best way possible with regard to the challenges specific to its activity and its objectives by proposing, in continuity, the necessary or desirable changes
- monitor the commtiments made when the company had a corporate purpose.

It may use the services of external experts as required. The CSR Committee did not consider it necessary to use it in 2022.

5.3.3.4.4 Work of the CSR Committee in 2022

The CSR Committee met three times, with a 100% attendance rate by its members.



During these meetings in 2022, the CSR Committee examined the following topics in particular:

Meeting of 21 April 2022	• Appoval of the commitments and orientations of the Covivio group's ESG policy • Progress of the carbon trajectory, and approval of the levers for reducing carbon emissions • Update on the field of application of the taxonomy to Group business activities
Meeting of 21 September 2022	• Progress update on the Committee's multi-year work programme • Update on the carbon roadmap • Study of compliance with the tertiary decree • Review of non-discrimination and diversity policies and their results
Meeting of 24 November 2022	• Progress update on the Committee's multi-year work programme • Update on the carbon trajectory, with figures on the green Capex and analysis of a potential compensation strategy • Issue of proposals to the Appointments and Remunerations Committee on CSR criteria for 2022 long-term incentive schemes for executive corporate officers • Review of ESG ratings and validation of areas for improvement identified

5.3.4 Remuneration of corporate officers

5.3.4.1 The remuneration policy for executive corporate officers submitted for approval by the General Meeting of the shareholders on 20 April 2023 (*ex-ante* Say on Pay)

In an *ex-ante* vote as required under Article L. 22-10-8 of the French Commercial Code, the remuneration policy applicable to the Chairman of the Board of Directors, the Chief Executive Officer, Deputy CEO and Directors was set out in draft resolutions (11,12,13 and 14) submitted for the approval of the Combined General Meeting of 20 April 2023. Every year and with each major change, this remuneration policy will be put to vote at the General Meeting, under the conditions set out in article L. 225-98 of the French Commercial Code.

5.3.4.1.1 Remuneration policy applicable to the Chairman of the Board of Directors (Resolution 11)

5.3.4.1.1.1 Summary of the remuneration of the Chairman of the Board of Directors

The remuneration of Covivio's Chairman of the Board of Directors comprises a fixed component only (for illustrative purposes, currently €200 thousand), and, where applicable, a benefit in kind, in this case a company car. There is no variable remuneration, performance bonus or remuneration paid in treasury shares. This remuneration is not usually reviewed during the course of the mandate.

The Board ensures that it is in line with the remuneration of the non-executive Chairmen of the SBF 120 and that it respects the company's corporate interest. He/she reserves the right to change it during a new term of office, justifying the reasons for his/her choice.

The Chairman of the Board of Directors may also have the same health and pension plan as employees of the Group in France.

He receives no other remuneration allocated by the company or its subsidiaries for exercising his duties.

The Chairman of the Board of Directors has no employment contract and is not entitled to:

- any remuneration or benefits payable or likely to be payable as a result of termination/change of function, or subsequent thereto, or any conditional entitlements awarded in respect of pension commitments
- any commitment or conditional entitlement
- any commitment in respect of a non-complete remuneration.

The remuneration policy applicable to the Chairman of the Board of Directors does not include any exemptions in the event of exceptional circumstances.

In accordance with Article L. 22-10-14 of the French Commercial Code, the Chairman of the Board of Directors is appointed by the Board from among its members, for a term that may not exceed his Directorship, set at four years, and ending following the meeting of the Ordinary General Meeting having approved the financial statements for the most recent year ended and held in the year in which his term expires. The Chairman may be reappointed based on the same terms but his Directorship may be revoked by the General Meeting at any time without remuneration or notice.

5.3.4.1.1.2 Decision-making process for determining, reviewing and implementing the remuneration of the Chairman of the Board of Directors

In accordance with the provisions of Article 18 of the Articles of Association, the Board of Directors sets the amount, calculation methods and payment of any remuneration of the Chairman. Pursuant to Article 19 of the Board of Directors' Rules of Procedure, the Appointments and Remunerations Committee submits proposals to the Board on the Chairman's remuneration.

Remuneration of the Chairman of Covivio's Board of Directors is set by the Board for the duration of his four-year term.

For information, his remuneration was set at €200 thousand by the Board of Directors on 21 July 2022, at the time of Jean Laurent's resignation and Jean-Luc Biamonti's appointment as Chairman of the Board of Directors, based on a benchmark of SBF120 companies and companies in the same business sector.

In accordance with Article L. 22-10-8 of the French Commercial Code, the components of this remuneration policy applicable to the Chairman of the Board of Directors were approved by the Board of Directors' meeting held on 21 July 2022.

In addition, it is specified, pursuant to Article R. 22-10-14 of the French Commercial Code, that:

- the company's decision-making process involves two-tier approval, following the opinion of the Appointments and Remunerations Committee, by the Board of Directors and General Meeting, which helps to prevent conflicts of interest
- given the structure of the remuneration of the Chairman of the Board of Directors, the remuneration and employment conditions of company employees need not be factored in.

5.3.4.1.2 Remuneration policy applicable to the Chief Executive Officer (CEO) and any Deputy CEO (Resolutions 12 and 13)

5.3.4.1.2.1 Composition of the remuneration of the Chief Executive Officer (CEO) and any Deputy CEO

The remuneration of the Chief Executive Officer (CEO) and any Deputy CEO comprises and will comprise only the following components which are in the company's interests and support the company's commercial strategy.

5.3.4.1.2.1.1 Fixed portion

The Appointments and Remunerations Committee and the Board of Directors ensure, on a regular basis, that the amount of fixed remuneration paid to executive corporate officers is positioned correctly in relation to the market by using benchmarks relating to the remuneration of Directors of SBF 80 companies and those companies with stock market capitalisation equivalent to that of Covivio, complemented by French and European sector-based research. For illustrative purposes, over the period 2019-2022, the fixed remuneration of the Chief Executive Officer was €700 thousand, and that of the Deputy CEO was €400 thousand.

When their term of office was renewed for four years, it was increased to €800 thousand and €460 thousand respectively, i.e. +14.3% and +15% respectively. To determine this change, the Appointments and Remunerations Committee relied on a benchmark (carried out by an external consultant) of French (Altarea, Carmila, Gecina, Klepierre, Mercialys, SFL and URW) and European (Aroundtown, British Land, Deutsche Wohnen - Vonovia, Hammerson, Immobiliaria Colonial, Merlin Properties, Segro, Swiss Prime) real estate companies. This benchmark showed that the fixed salaries of Covivio's Chief Executive Officer and Deputy CEO were between the median and the 3rd quartile for France, were below the average of the two most comparable French companies in terms of size, and were below the 1st quartile for Europe. Under these conditions, and in view of Covivio's European exposure, the Board of Directors decided to reposition the fixed salaries of the Chief Executive Officer and the Deputy CEO, ensuring that this increase remains proportionate to the salaries of Covivio teams, which increased by +12.4% over the 2019-2022 period.

In principle, the Board endeavours to review this remuneration only at regular and spaced intervals, in connection with possible changes in responsibilities, or events affecting the company, and, more generally, at the time of the renewal of the term of office, if applicable.

5.3.4.1.2.1.2 Variable portion

For the variable portion of remuneration (bonus), the Appointments and Remunerations Committee evaluates executive corporate officers based on clear, specific, measurable and operational targets. These targets are determined every February, by the Board of Directors based on proposals put forward by the Appointments and Remunerations Committee. They are determined according to the strategic plan and budget approved by the Board for the current year and the company's current priorities and, as such, support the company's commercial strategy and long-term prospects.

The target bonus for the Chief Executive Officer and Deputy CEO equals 100% of their fixed annual salary.

In an effort to provide differentiation, motivation and an incentive to outperform, provision is made for an upside of as much as 50% of the target bonus to reward performance that goes beyond the targets set at the beginning of the year. In order to align with the interests of shareholders and retain executives, any upside portion of the bonus is not paid in cash but is the subject of a free share allocation. The delivery of these shares is subject to a condition of presence within the company three years after the grant.

Finally, a "circuit breaker" system provides for bonuses to be withheld in the event of a significant deterioration in the company's performance over the year.

5.3.4.1.2.1.3 Exceptional bonus

The variable remuneration scheme explained above is designed *not* to have any exceptional bonus paid out. The Board of Directors has not paid any exceptional bonus to executive corporate officers since the start of their terms of office.

The only way that the Board would decide to pay any exceptional bonus is under exceptional circumstances:

- situations that do not fall within the framework of the annual strategic and operational goals determined at the beginning of the year
- situations that were not foreseeable at the time that the criteria were set for determining the annual variable portion
- situations that affect the company in terms of its size, scope or strategy.

In all cases, this exceptional bonus would be determined so as not to exceed 50% of the target bonus of the Chief Executive Officer and the Deputy CEO(s).

5.3.4.1.2.1.4 Long-Term Incentive plan (LTI)

The principles used to allocate performance shares to the Chief Executive Officer and Deputy CEO(s) are as follows:

- the allocation of shares, which is the third component of remuneration, is a long-term incentive plan, and is a top-up for the fixed and variable portion of salary
- LTI for year N is allocated after the financial statements are approved, at the beginning of year N+1
- this lag, suggested by the Appointments and Remunerations Committee, makes it possible to allocate shares contingent on the achievement of operational results and the achievement of individual targets, and to record the performances in consideration of the closing of the financial statements for the fiscal year N
- the Appointments and Remunerations Committee, in setting this annual share allocation period, has made it possible to avoid any windfall effect through any share price volatility.

This long-term incentive plan has the following aims for the beneficiaries of the shares:

- foster loyalty: employee retention shares are not definitively allocated until the end of the vesting period (usually 3 years) on the condition that beneficiaries are still employed by the company
- motivation and involvement: long-term share values ultimately depend on the company's performance in its sector, which is reflected in the share price
- aligning the interest of executive corporate officers with those of shareholders: shares are only definitively allocated when performance targets are achieved
- lastly, enabling executive corporate officers to create a pension scheme, given the lack of a supplementary pension scheme in the company.

In 2022, the LTI target accounts for 40% of the Chief Executive Officer's total remuneration and one-third of the total remuneration of the Deputy CEO. As a matter of principle, the Board only reviews these proportions at regular set intervals, in line with any potential changes to responsibilities, or events affecting the company, and, more generally, when the term of office is renewed, where applicable. These target amounts also constitute caps.

100% of share allocations will be subject to presence and performance conditions, each analysed over the three-year vesting period, given that the number of shares allocated, subject to performance requirements, may not exceed the target number listed at the time of allocation.

The Board endeavours not only to maintain the same performance conditions over several financial years, but also to change them according to the feedback from shareholders expressed during their vote at the General Meeting, and according to changes in the company's strategic and CSR priorities.

Thus, as an illustration, as from the 2019 LTI, and also for the 2020 and 2021 LTIs, the performance conditions linked to financial indicators and CSR objectives are as follows:

50%	**Presence condition and performance relative to the market:** ● The total shareholder return (TSR) of Covivio compared with the "Eurozone" EPRA index, defined by the changes to the share price over the three-year reference period, taking into consideration all dividends or interim payments on gross dividends. ● The target number of shares will be allocated in the event of outperformance by two points compared with the index. An outperformance of five points will lead to an allocation representing 110% of the target (130% for 20 points). Performance equal to the index will lead to a 95% allocation of the target number of shares. An underperformance of 20 points will lead to the cancellation of 30% of the target shares, and an underperformance of 30 points will cancel all share allocations.
30%	**Presence condition and economic performance relative to the market:** ● 15% = Relative change in Covivio NAV NTA/share *vs* EPRA outside UK (with the same scale as for the TSR) ● 15% = Relative change in the Covivio EPRA Earnings/share *vs* EPRA outside UK (with the same scale as for the TSR).
20%	**Presence and non-financial performance condition:** ● 10% = Objective for improving the environmental performance of the portfolio ● 5% = Team engagement measurement ● 5% = Gender parity of teams

Quantified non-financial performance objectives may change or be adjusted over the years as they progress in order to ensure continuous progression. Once met, they may be replaced with other objectives.

Thus, for the **2019 LTI awarded in February 2020** and delivered in February 2023, the quantified objectives were set as follows:

- **Improving the portfolio's environmental performance:**
  - 50% of the shares delivered if greening by the end of 2022 is between 87% and 90%
  - 100% of the target number of shares if greening = 90%
  - 130% if greening = 100% (linear between bounds)
- **team commitment** (measured every two years by an employee survey conducted by an external and independent body): split into two categories:
  - general score for 2021 consolidating the results of the survey in the three countries (France, Germany and Italy), with the 2019 barometer as a point of comparison, which showed a clear lead over the benchmark, albeit with a decline in Germany:
    - 0% of the shares if the overall score for 2021 is < 1/2 of the 2019 score
    - 25% if 2021 score = 1/2 2019 score
    - 50% if the total for 2021 = 2019 score
    - 65% if the 2021 score = 2019 score +5 pts
  - Specific objective on the recovery of the Germany score, according to the same calculation logic
- **gender balance of teams:** objective based on an internal scoring of 100 pts, established by the Board and comprised 30% of the percentage of women on the Executive Committee (0 pt if rate = 0%, 30 pts if rate = 50%), 30% of the percentage of women from CODIR country (same calculation), 20% on the percentage of women in management (same calculation), and 20% on the Equality Index score (score of 0 if index < 75, 5 if index between 76 and 80, 10 if index included between 81 and 90, 15 if index between 91 and 95, 20 if index > 95). The starting point for the objective is the Covivio score at end 2019 = 56/100:
  - 0% of shares delivered if 2022 score < 56
  - 100% if 2022 score = 70
  - 130% if 2022 score > 85 (linear calculation between bounds).

For the **2020 LTI awarded in February 2021** and delivered in February 2024, the objectives were set as follows:

- **Improving the portfolio's environmental performance:**
  - 50% of the actions delivered if greening by the end of 2023 = 90%
  - 100% of the target number of shares if greening = 93%
  - 130% if greening = 100% (linear between bounds)
- **Team commitment:** based on the 2023 overall score:
  - 50% of the shares if Covivio is +5pt vs benchmark
  - 100% if Covivio is +10 pts vs benchmark
  - 130% if Covivio is +15 pts vs benchmark (linear between the limits)

- **Gender balance of teams:**
  - 0% of shares delivered if 2023 score < 60
  - 100% if 2023 score = 75
  - 130% if 2023 score > 85 (linear calculation between bounds).

For the LTI **2021 awarded in 02/2022** and delivered in 02/2025, the objectives were set as follows:

- **Improving the portfolio's environmental performance:**
  - 50% of the shares delivered if greening by the end of 2024 = 92%
  - 100% of the target number of shares if greening = 96%
  - 130% if greening = 100% (linear between bounds)
- **Team commitment:** objective not retained for the LTI 2021 due to the frequency of the external survey (which is only carried out every two years), to avoid counting the same results twice.
- **Gender balance of teams** (with a weight of 10%):
  - 0% of shares delivered if 2024 score < 60
  - 100% if 2024 score = 82
  - 130% if 2024 score > 90 (linear calculation between bounds)

At the General Meeting of 21 April 2022, and even if the so-called "Say on Pay" resolutions of the Chief Executive Officer and the Deputy CEO were approved by a very large majority (91% for the ex-ante Say on Pay and 84% for ex-post Say on Pay), there was some opposition to the LTI-related performance conditions. On the proposal of the Appointments and Remunerations Committee and subject to the approval of the 12th and 13th resolutions of the Combined General Meeting of 20 April 2023, the Board of Directors therefore decided to change these conditions as follows as from the 2022 LTI awarded in February 2023:

30% Relative stock market performance condition:

The relative total shareholder return (TSR) of Covivio compared with the "Eurozone" EPRA index, defined by the change in the share price over the three-year reference period, taking into account any gross dividends or interim dividends.

The target number of shares will be paid in the event of an outperformance of 8 points compared to the index (no additional payment for outperformance beyond +8 pts). An outperformance of +6 points will result in the payment of 90% of the target number of shares, an outperformance of +4 points will result in the payment of 80% of the target number of shares, an outperformance of +2 points will result in the payment 70% of the target number of shares. Performance equal to the index will lead to payment of 60% of the target number of shares. Finally, an underperformance of -10 points will cancel out any payment of shares. Between the limits indicated, a linear calculation is intended.

20% Absolute stock market performance condition

The absolute total shareholder return (TSR) of Covivio, defined as the change in share price over the three-year reference period, taking into account all gross dividends or interim dividends

The target number of shares will be paid in the event of a TSR greater than or equal to 20% (no additional payment in the event of outperformance beyond 20%). A TSR of 18% will result in the payment of 83.3% of the target number of shares, a TSR of 16% will result in the payment of 66.7% of the target number of shares, a TSR of 14% will result in the payment of 50% of the target number of shares, a TSR of 12% will result in the payment of 33.3% of the target number of shares. Lastly, a TSR < 10% will cancel out any payment of shares. Between the limits indicated, a linear calculation is intended.

20% Compliance with adjusted EPRA Earnings guidelines condition

If Covivio's adjusted EPRA Earnings are 3% higher than the guidance communicated to the market (average over the three-year vesting period), the target number of shares will be delivered. If Covivio's adjusted EPRA Earnings reach the market guidance, 80% of the target number of shares will be delivered. Finally, if Covivio's adjusted EPRA Earnings are lower than the guidance, no shares will be delivered. Between the limits indicated, a linear calculation is intended.

30% CSR criteria condition

15% = Objective for improving the environmental performance of the portfolio

For the LTI 2022, 100% of the target number of shares will be delivered if the environmental performance of Covivio's portfolio reaches 100% in 2025.

Only 50% of the target number of shares will be delivered if Covivio's portfolio is only 95% green and no shares will be delivered if Covivio's portfolio is only 90% green. Between the limits indicated, a linear calculation is intended.

15% = Team engagement measurement

For the LTI 2022, 100% of the target number of shares will be delivered if the commitment of Covivio's teams is 10 points higher than the benchmark. Only 50% of the target number of shares will be delivered if the commitment of the teams is only 5% higher than the benchmark. No shares will be delivered if Covivio's commitment is lower than the benchmark. Between the limits indicated, a linear calculation is intended.

This employee commitment criterion will alternate from one year to the next with the increased women on teams criterion.

This change in LTI performance conditions makes it possible to:

- increase the proportion of CSR criteria
- introduce an absolute stock market performance criterion alongside a relative stock market performance criterion
- eliminate the possibility of offsetting underperformance of one criterion by outperformance of another criterion
- tighten the award conditions for each criterion selected
- cancel the allocation of shares in the event of underperformance, with the exception of the relative stock market criterion, due to its high volatility (only 30% of the criteria).

These conditions combine external and internal performance, thus assuring shareholders that:

- the long-term remuneration of exceutive corporate officers is directly linked to Covivio's stock market performance;
- it is also tied to the company's operating and CSR performance.

The Chief Executive Officer and the Deputy CEO make a formal commitment not to use any hedging transactions for their risk related to the holding of Covivio shares.

In the event of involuntary termination of office (excluding voluntary resignation), the Board may, under certain circumstances, be required to maintain all or part of the performance shares under the vesting period. This possibility will only be exercised in the event of "good leaver" departure, excluding in particular any departure related to misconduct. Furthermore, in such a situation, the Board would evaluate whether performance criteria had been achieved by the deadline, to determine the percentage of shares that would still be allocated.

For information purposes, the number of performance shares allocated to the Chief Executive Officer and Deputy CEO for 2022 represented 30% of all shares allocated within the Group.

Since 2008, the Board of Directors, on the recommendation of the Appointments and Remunerations Committee, has put an end to schemes for allocation of stock options that were previously activated in parallel with the schemes for allocation of free shares.

5.3.4.1.2.1.5 Other benefits

The Chief Executive Officer and the Deputy CEO also receive the following benefits:

- a company car
- the same health and pension plan as Group employees in France, with the same employer contribution, as well as the opportunity have a physical very two years
- job loss insurance with GSC.

5.3.4.1.2.1.6 Remuneration to be paid out upon termination of office

In exchange for waiving the right to receive severance benefits, the Board of Directors has implemented a termination benefit for the Chief Executive Officer (CEO) and the Deputy CEO.

The benefits for Christophe Kullmann and Olivier Estève were approved by the Board of Directors on 21 November 2018, then on 24 November 2022, and by the shareholders at the Combined General Meeting on 17 April 2019 voting on Resolutions 6 and 7.

The remuneration would only be paid out in the event of involuntary termination, which excludes cases where they would leave the company of their own volition, change jobs within the Group or exercise their right to early retirement.

(i) Theoretical amount of compensation

The theoretical remuneration amount would be equal to 12 months' total remuneration including the fixed salary and the annual variable part, plus one month's additional remuneration per year of service at the company regardless of the positions held, it being understood that the current remuneration system does not include payment of an exceptional bonus. This amount is capped at 24 months' total remuneration (fixed +bonus).

(ii) Performance criteria

In accordance with the recommendations of the Afep-Medef Code, entitlement to this remuneration would be subject to stringent internal and external performance criteria:

- 50% of the theoretical remuneration amount is tied to changes in the NAV over the three fiscal years preceding the termination of office: if the change in the NAV NTA of Covivio is below 25% of the average for real estate companies making up the EPRA index, the fraction of the termination benefit tied to this criterion will not be paid. If the contrary applies, the theoretical amount of this portion of the remuneration will be adjusted to reflect the change in the company's revalued net assets during the applicable period. In addition, the Board of Directors introduced a criterion of non-payment of remuneration in the event of a 50% reduction in Covivio's NAV in absolute terms or for the three-year period preceding the cessation of functions.
- 50% of the theoretical amount of the remuneration would be conditioned by achievement of the targeted levels of performance for the three fiscal years preceding the cessation of functions. The criteria for allocation of performance bonus are reviewed annually by the Remuneration and Appointments Committee and based on ambitious operating and strategic goals. Their achievement is assessed on the basis of a range of precise criteria. Should the average achievement of the targeted levels of performance for the last three fiscal years be less than 80%, the portion of remuneration associated with this criterion would not be paid. If the contrary applied, the theoretical amount of this portion of the remuneration would be adjusted to reflect the average achievement of the last three fiscal years.

In any event, albeit any excess performance for one of the two aforementioned criteria may offset any eventual shortfall for the other criterion, the total amount of the aforementioned termination remuneration is limited to two years' total remuneration. This cap rule applies to all forms of severance pay and includes any other remuneration paid for any other reason at the end of a term of office, it being specified that the Chief Executive Officer and Deputy CEO will not receive any remuneration from Covivio other than that paid for their term of office.

As a result of the performance criteria listed above being set, the Board will be able, where appropriate, to reflect the target and actual performance of the Chief Executive Officer and Deputy CEO on the severance pay. As the goals conditioning the payment of the variable portion of remuneration are aligned on the company's operating performance and on the deployment of its strategy, any remuneration paid would necessarily be proportional to the results achieved, thus fully meeting the requirements of the recommendations included in the Afep-Medef Code.

These commitments are not subject to performance conditions.

5.3.4.1.2.1.7 Remuneration allocated in respect of the fiscal year of Directorships or memberships on the Supervisory Board

The Chief Executive Officer and Deputy CEO receive no remuneration linked to their attendance at meetings of the company's Board of Directors or Board of Directors or Supervisory Boards of Group subsidiaries.

5.3.4.1.2.1.8 Supplementary pension schemes

Neither the Chief Executive Officer (CEO) nor the Deputy CEO benefits from a specific defined benefits or defined contributions pension scheme.

5.3.4.1.2.1.9 Employment contract

Neither the Chief Executive Officer nor the Deputy CEO have an employment contract.

Pursuant to the recommendation in the Afep-Medef Code that "when an employee is appointed as executive corporate officer of the company, it is recommended to terminate the employment contract with the company, whether through contractual termination or resignation"; Christophe Kullmann's employment contract was terminated by common accord between him and Covivio on 26 November 2008, without payment of remuneration.

Christophe Kullmann has since that date received GSC unemployment insurance.

He also has supplementary group mutual insurance covering healthcare expenses. He does not benefit from the Group Incentive Plan.

Similarly, the employment contract of Olivier Estève, Deputy CEO, was terminated on 1 November 2012, without payment of remuneration. Since that date, he also receives GSC unemployment insurance, as well as supplementary group mutual insurance covering healthcare expenses. He does not benefit from the Group Incentive Plan.

5.3.4.1.2.1.10 Remuneration for non-compete clause

Neither the Chief Executive Officer nor the Deputy CEO receive any remuneration related to a non-compete clause.

5.3.4.1.2.1.11 Welcome bonus (Golden hello)

Covivio has never paid any signing bonus to a Chief Executive Officer or Deputy CEO. If such a situation arose, the Board would ensure that the premium was calculated in such a way as to cover the losses caused by the recruitment of the officer due to having left his previous employment.

5.3.4.1.2.1.12 Obligation to retain shares

The Afep-Medef Code recommends that the Board set a share retention requirement, sufficiently restrictive, for executive corporate officers and their free shares. This makes it possible to adequately take into account the company's long-term performance. Covivio's Board of Directors has set a retention requirement of 50% for performance shares throughout the term of office, until they hold shares equivalent to two years' worth of fixed remuneration. Above this threshold, they are free to dispose of shares.

5.3.4.1.2.1.13 Clawback clause

There is no such thing as a "clawback" clause in the remuneration policy for the Chief Executive Officer (CEO) and the Deputy CEO, requiring the executive corporate officer to return sums already received for a given reason.

The remuneration policy applicable to the Chief Executive Officer and the Deputy CEO does not provide for the possibility of waiving its application in the event of exceptional circumstances.

Pursuant to the provisions of Article R. 22-10-14 of the French Commercial Code, the Chief Executive Officer (CEO) is appointed by the Board of Directors, which sets his term of office, and he may be reappointed or dismissed at any time. Moreover, the Deputy CEO is appointed by the Board of Directors on the proposal of the Chief Executive Officer. The Deputy CEO may be dismissed at any time by the Board of Directors, on the proposal of the Chief Executive Officer.

Christophe Kullmann and Olivier Estève were appointed on 31 January 2011 for a four-year term and were reappointed three times for the same term.

5.3.4.1.2.2 Decision-making process for determining, reviewing and implementing the remuneration of the Chief Executive Officer (CEO) and any Deputy CEO

The remuneration policy for the Chief Executive Officer and that of the Deputy CEO is determined by the Board of Directors based on work carried out and proposals made by the Appointments and Remunerations Committee. This Committee met five times in 2022, to ensure that this policy is in line with the principles listed by the latest changes to the Afep-Medef Code.

The Appointments and Remunerations Committee makes proposals to the Board of Directors as to the remuneration of the Chief Executive Officer and Deputy CEO (amount of fixed remuneration and rules for calculating variable remuneration), ensuring that these rules are consistent with the annual performance review of corporate officers and the company's medium-term strategy and enforcing these rules over the year.

The Committee and the Board are particularly keen to follow these guidelines:

- remuneration is exhaustively determined through three main components: a fixed portion, a variable portion and the allocation of free shares; in-kind benefits mainly consist of a company vehicle and covering the cost of job loss insurance.

The basic principles sought are:

- a balance between the various components, short term and long-term, fixed and variable
- remuneration correctly situated in the market and designed to foster loyalty
- simple, easy-to-read tools for the market and shareholders
- a strong link between remuneration and operational performance
- a variable portion based on objective quantifiable performance criteria that combine the interests of the company, its staff and its shareholders, at the same time providing an incentive for outperformance and a "circuit breaker" system to sanction any deterioration of key company indicators
- a financial alignment with the long-term interests of shareholders
- development that is generally consistent with the remuneration and employment terms of the company's employees.

The Committee and the Board use industry-based benchmarks and general research studies simply to check that overall remuneration packages are in line with market rates.

Pursuant to Article L. 22-10-8 of the French Commercial Code, all conditions and components of remuneration allocated to Christophe Kullmann and Olivier Estève, proposed by the Appointments and Remunerations Committee were approved on 24 November 2022 by the Board of Directors upon their reappointment as Chief Executive Officer and Deputy CEO, respectively, for a four-year term from 1 January 2023.

The components of the remuneration were published on the company's website on 24 November 2023 in the case Christophe Kullmann and Olivier Estève.

Moreover, pursuant to Article R. 22-10-14 of the French Commercial Code, the company's decision-making process involves two-tier approval, following the aforementioned opinion of the Appointments and Remunerations Committee, by the Board of Directors and the General Meeting, which helps to prevent conflicts of interest.

5.3.4.1.3 Remuneration policy applicable to Directors (Resolution 14)

5.3.4.1.3.1 Composition of the remuneration of Directors

The remuneration of Directors, as non-executive corporate officers according to the Afep-Medef Code, is made up of a fixed and variable portion. The annual amount agreed by the General Meeting as the total allocation for the remuneration of members of the Board of Directors is €800 thousand.

The criteria for allocation and financial conditions of remuneration are as follows:

- the fixed portion is allocated annually to each Director according to his or her position on the Board of Directors and on any Committees; and
- the variable portion is based on a per-meeting amount, which allows the actual contribution of each Director to the work of the Board and its Committees to be factored in.

On the Board of Directors

- Fixed portion per Director per annum: €6,000.
- Additional allowance for the Chairman per annum: €4,000.
- Variable portion for attendance per Director: €4,000 per meeting.
- Additional variable portion of attendance/non-French Director physically present: €2,000/meeting.
- Additional variable attendance fee/French-resident Director physically present: €1,000/meeting.

On specialised Committees

- Fixed portion per member per annum: €3,000.
- Additional allowance for the Chairman of the Audit Committee per annum: €17,000.
- Additional allowance for the Chairmen of the Appointments and Remunerations Committee, the Strategy and Investments Committee and the CSR Committee per annum: €12,000.
- Variable portion for attendance per member:
- Members of the Strategy and Investment Committee, the Appointments and Remunerations Committee and the CSR Committee: €2,000 per meeting.
- Members of the Audit Committee: €3,000 per meeting.
- Additional variable attendance fee/non-French resident physically present: €2,000/meeting.
- Additional variable attendance fee/French-resident member physically present: €1,000/meeting.

The allocation rules set out above would also apply in the event of the creation of a new Committee during the fiscal year to assist the Board in the continuation of this work. The members of this newly created Committee would then receive remuneration similar to that of the members of one of the pre-existing Committees.

The variable portion of Directors' remuneration is preponderant as it represents 75% of the total remuneration allocated in 2022.

The following items are specified:

- the variable portion is paid even if attendance at a meeting is by video conference or any other means of telecommunication
- following his appointment and/or resignation, the Director receives the fixed portion of his remuneration *prorata temporis* over the fiscal year
- additional remuneration for Directors who are physically present cannot be combined for Board and Committee meetings held on the same day. It is however paid if the meeting is held by videoconference or telecommunication means at the request of the Chairman of the Board of Directors or the Committees
- no remuneration is deducted for non-attendance at Board and Committee meetings
- in the event that the Board meets several times on a given day, particularly on the day of the General Meeting, only one meeting is taken into account for the purposes of attendance
- any amount paid to each Director is reduced by the same percentage so that the total amount paid remains within the maximum budget set by the General Meeting
- tax and employment deductions are paid by the company directly to the tax administration
- in order to convey their involvement in the management of the company, from their second year in office, members of the Board of Directors are invited to hold a number of Covivio shares of a value equivalent to around one year of remuneration.

The Director in the position of Chairman of the Board of Directors or Chief Executive Officer and for which he is remunerated does not receive additional remuneration for his Directorship.

In accordance with the Articles of Association and Internal regulations, the Directors and Non-voting members of the Board are entitled to reimbursement for travel expenses and costs incurred from attending Board and Committee meetings, upon producing supporting documents.

The remuneration policy applicable to the Directors does not contain provisions for any exemptions in the event of exceptional circumstances nor for the company to request the repayment of the variable remuneration. Nor does it contain provision for any deferral periods nor performance criteria.

In addition, it is specified, in accordance with Article R. 22-10-14 of the French Commercial Code, that Directors do not benefit from:

- any remuneration in shares
- any remuneration or benefit payable or likely to be payable as a result of termination/change of function, or subsequent thereto, or any conditional entitlement awarded in respect of pension commitments
- any commitment or conditional entitlement
- any commitment in respect of a non-complete remuneration.

The remuneration allocated to Directors rewards their contribution to the work of the Board of Directors and its Committees, as well as their level of responsibility within the company. Its aim is to attract and retain high-quality professionals, able to maintain the required balance in skills and expertise deemed necessary for the proper administration of the company. This remuneration may be suspended where the composition of the Board of Directors does not meet the requirements of the first paragraph of Article L. 225-18-1 of the French Commercial Code (proportion of women under 40%), pursuant to the provisions of Article L. 22-10-3 of said Code.

The term of office of Directors is, without exception, four years ending at the end of the Ordinary General Meeting having approved the financial statements for the recent year ended and held in the year in which their term expires. Directors may be reappointed indefinitely, subject to the provisions of the Articles of Association governing age limit. Directors may be dismissed at any time by the General Meeting, without indemnity or prior notice.

5.3.4.1.3.2 Decision-making process for determining, reviewing and implementing the remuneration of Directors

The remuneration policy for Directors, including remuneration distribution methods defined under Article 10 of the Board's Internal Rules, is approved, subject to the prior opinion of Appointments and Remunerations Committee, by the Board of Directors which sets the maximum budget for remuneration to be submitted to the General Meeting.

The maximum annual budget is authorised by the General Meeting.

The Board of Directors allocates Non-voting members a share of the remuneration allocated to it by the General Meeting, based on the same allocation methods.

The Combined General Meeting of 19 April 2018 awarded the Board of Directors a gross annual sum of €800 thousand for the current year and subsequent years, until a new decision is made by a General Meeting.

The terms for distributing this remuneration to the Directors were revised by the Board of Directors on 20 October 2022, which decided, on the recommendations of the Appointments and Remuneration Committee:

- increase the annual fixed portion for the Chairmen of the CSR Committee and the Strategy Committee from €6,000 to €15,000
- increase the annual fixed portion for the Chairwoman of the Remuneration Committee from €10,000 to €15,000
- to retain that of the Chairman of the Audit Committee at €20,000
- allocate an additional variable portion of €1,000 for French-resident Directors who physically participate in governance meetings.

The total annual budget authorised by the General Meeting and the methods of allocation approved by the Board of Directors are reviewed with the support of the Appointments and Remunerations Committee in the event of any changes within the company and/or the market by producing benchmarks.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the elements of this remuneration policy applicable to Directors were approved by the meeting of the Board of Directors held on 22 February 2022.

The changes made by the Board of Directors on 20 October 2022 to the aforementioned methods for distributing the Directors' remuneration will take effect, subject to the approval of the 14th resolution, following the Combined General Meeting of 20 April 2023.

In addition, it is specified, pursuant to Article R. 22-10-14 of the French Commercial Code, that:

- the company's decision-making process involves two-tier approval, following the aforementioned opinion of the Appointments and Remunerations Committee, by the Board of Directors and General Meeting, which helps to prevent conflicts of interest
- given the structure of the remuneration of Directors, the remuneration and employment conditions of company employees need not be factored in.

5.3.4.2 Implementation of the corporate officer remuneration policy for the fiscal year ended 31 December 2022 (*ex-post* Say on Pay referred to as "global")

In a "global" *ex-post* Say on Pay vote pursuant to Article L. 22-10-34, I of the French Commercial Code, the information referred to in Article L. 22-10-9 of the French Commercial Code is included in a draft resolution (Resolution 6) submitted for the approval of the Combined General Meeting on 20 April 2023.

5.3.4.2.1 Remuneration paid and/or allocated to executive corporate officers within a consolidated scope for the fiscal year ended 31 December 2022

5.3.4.2.1.1 Information mentioned in Article L. 22-10-9 I of the French Commercial Code relating to the remuneration paid and/or awarded to executive corporate officers for the fiscal year ended 31 December 2022

No executive corporate officer was paid or allocated remuneration from a company within Covivio's scope of consolidation for the fiscal year ended 31 December 2022, pursuant to Article L. 233-16 of the French Commercial Code.

5.3.4.2.1.1.1 Fixed portion

On 21 November 2018, on the proposal of the Appointments and Remunerations Committee, the Board of Directors reappointed Christophe Kullmann for four years, and increased his fixed annual remuneration to €700 thousand from 1 January 2019. This remuneration was unchanged during the four years of the term of office and therefore in 2022.

Similarly, at its meeting on 21 November 2018, based on a proposal of the Appointments and Remunerations Committee, the Board of Directors renewed the appointment of Olivier Estève for a term of four years and increased his fixed annual remuneration to €400 thousand. This remuneration was unchanged during the four years of the term of office and therefore in 2022.

The relative proportion of fixed remuneration in 2022 represents:

- 29% of Christophe Kullmann's total remuneration
- 32% of Olivier Estève's total remuneration

5.3.4.2.1.1.2 Variable portion

It is recalled that the target bonus for the Chief Executive Officer and the Deputy CEO is equal to 100% of their fixed annual salary.

For 2022, the "circuit breaker" was based on a loan-to-value (LTV) threshold, the crossing of which would have entailed non-payment of the bonus.

For 2022, the criteria for allocating the variable portion of the remuneration of Christophe Kullmann, Chief Executive Officer, were set as follows:

- 80% based on quantitative targets
- 20% based on qualitative targets.

On 16 February 2023, the Appointments and Remunerations Committee reviewed the achievement of these targets using precise analytical frameworks. Regarding the qualitative objectives, the Appointments and Remunerations Committee had established an evaluation grid assigning a score to each criterion, focusing on assessing the concrete achievements for each of them during the year. This method has made it possible not to discount objectives of strategic importance that the Lead Director of the company is expected to meet and whose measurement cannot be obtained using a standardised numerical indicator.

The Committee thus recorded the following levels of achievement for each target:

		Criteria	Target	Upside	Degree of achievment	Bonus in € thousand
30%		EPRA Earnings/share: Target = €4.50, maximum upside if > €4.90, downside 50% if < €4.10 **2022 result = €4.58**	€210 K	€315 K	110%	€231 K
20%		NAV NTA/share **2022 result: €106.40**	€140 K	€210 K	80%	€112 K
30%	**30%**	**Operational objectives** (1) Portfolio rotation: €490 million in investments, €485 million in disposals => responsive to the context	€63 K	€95 K	120%	€76 K
	30%	(2) Marketing: Offices occupancy rate of 94.4%/ 134,000 m^2 let +138,000 renewed	€63 K	€95 K	95%	€ 60 K
	20%	(3) Recovery of the hotel business: €123 million in hotel revenues = +64% on a like-for-like scope	€42 K	€63 K	120%	€50 K
	20%	(4) Like-for-Like rental income: +12.7%	€42 K	€63 K	125%	€53 K
20%		**Strategy, organisation and CSR** (1) Talent attraction and development (2) Continued implementation of the IT and digital strategy = European SAP project (3) Action plan quantified (green Capex) and communicated to the market to achieve the objective of -40% of carbon emissions between 2010 and 2030	€140 K	€210 K	100%	€140 K
		CIRCUIT BREAKER IF LTV > 45%	**€700 K**	**€1,050 K**	**103%**	**€721 K**

Consequently, the Committee made a proposal to the Board, which it approved on 21 February 2023, that the 2022 bonus should be paid at 103% of the target, *i.e.*, a total of **€721 thousand**. Subject to its approval by the Combined General Meeting of 20 April 2023, it will be paid in cash in the amount **of €700 thousand**, the upside of **€21 thousand** being granted in Covivio shares, delivery of which in 2026 remains subject to continued employment.

The **2022** bonus of **Olivier Estève, Deputy CEO,** was calculated:

- 80% based on quantitative targets
- 20% based on qualitative targets.

On 16 February 2023, the Appointments and Remunerations Committee reviewed the achievement of these targets using precise analytical frameworks. Regarding the qualitative objectives, the Appointments and Remunerations Committee has established an evaluation grid assigning a score to each criterion, focusing on assessing the concrete achievements for each of them during the year. This method has made it possible not to discount objectives of strategic importance that the Deputy CEO of the company is expected to meet and whose measurement cannot be obtained using a standardised numerical indicator.

The Committee thus recorded the following levels of achievement for each target:

		Criteria	Target	Upside	Degree of achievment	Bonus in € thousand
30%		EPRA Earnings/share: Target = €4.50, maximum upside if > €4.90, downside 50% if < €4.10 **2022 result = €4.58**	€120 K	€180 K	110%	€132 K
20%		NAV NTA/share **2022 result: €106.40**	€80 K	€120 K	80%	€64 K
30%	**30%**	**Operational objectives** Monitoring of development projects: - obtaining building permits for Anjou and Grands Boulevards assets - €466 million in tertiary projects delivered - Residential: permits obtained in Nantes, Aix, Valence and Bordeaux, delivery of Meudon and Le Raincy, progress of the Nice project - securing the construction costs of the Alexanderplatz project	€36 K	€54 K	115%	€41 K
	20%	Implementation of carbon trajectory in development projects: BBCA label on Madrid, Stream and Anjou projects	€24 K	€36 K	110%	€26 K
	20%	Marketing France Offices: 94.4% office occupancy rate/134,000 m^2 let +138,000 renewed	€24 K	€36 K	94%	€23 K
	10%	Wellio revenues: €23.1 million France and Italy	€12 K	€18 K	115%	€14 K
20%	**20%**	Disposals: €485 million in new disposal commitments	€24K	€36 K	120%	€29 K
		Strategy, organisation (1) Germany Offices organisation: manage the team until the arrival of the new Head of Offices then act as a correspondent (2) Digitisation and marketing: - Adoption of Salesforce through marketing - Support for the Key Account Management approach - Contribution to the deployment of the scalable all in one offer	€80 K	€120 K	100%	€80 K
		CIRCUIT BREAKER IF LTV > 45%	**€400 K**	**€600 K**	**102%**	**€409 K**

Consequently, the Committee made a proposal to the Board, which it approved on 21 February 2023, that the bonus should be paid at 102% of the target, *i.e.*, a total of €409 thousand. Subject to its approval by the Combined General Meeting of 20 April 2023, it will be paid in cash in the amount of €400 thousand, the upside of €9 thousand being allocated in Covivio shares, the delivery of which in 2026 remains subject to continued presence.

The relative portion of annual variable remuneration accounts for:

- 30% of Christophe Kullmann's total remuneration
- 33% of Olivier Estève's total remuneration.

5.3.4.2.1.1.3 Long-term incentive plan

The 2022 LTI was allocated on 21 February 2023.

The number of shares allocated is the following:

- Christophe Kullmann: 38,209 performance shares, *i.e.*, potentially up to 0.04% of the share capital
- Olivier Estève: 16,434 performance shares, *i.e.*, potentially up to 0.02% of the share capital.

These allocations were made in compliance with the remuneration policy approved by shareholders. The consistency of the allocation method and schedule over the years makes it possible to prevent any windfall effect for executive corporate officers over time.

In addition, on 16 February 2023, the Appointments and Remunerations Committee reviewed the achievement of the performance criteria set for the shares granted in February 2020 under the 2019 LTI.

The achievement of the criteria is as follows:

Weight	Three-year vesting criteria (2020/2021/2022)	Results	Net income
50%	Covivio **total return** vs EPRA ex UK *	+3.49 pts	105%
15%	Relative change Covivio **NAV/share** vs EPRA ex UK *	+0.5 pt	96%
15%	Relative change Covivio **EPRA Earnings/share** vs EPRA ex UK *	-6.8 pts	87%
10%	**Environmental performance of the portfolio** between 87% and 90% => 50% 90% => 100% 100% => 130%	93.2%	110%
5%	**Overall team commitment**: score < +5 pts => 0% score = +5 pts => 25% score = +13 pts => 50% score = +18 pts => 65% **Germany**: score -5 pts vs benchmark => 0% score -3 pts vs benchmark => 25% score = benchmark => 50% score = +3 pts => 65%	2021 result: Overall: +18 pt in total => 65% Germany: -2 pt in total => 33%	98%
5%	**Increased women in teams** Covivio Index < 56 => 0% Index = 70 => 100% Index > 85 => 130%	Executive Committee = 36% => 21.6 pts CODIR = 43% => 25.8 pts Women managers = 43% => 17.2 pts Equality index: 2020 = 97, 2021 = 93, 2022 = 91, i.e. average of 93.7 => 15 pts Total = 79.6 pts	119%
TOTAL (CAPPED AT 100% IF > 100%)			**102%**

* Allocation scale:
performance > 20 pts vs index => 130% performance shares
performance > 5 pts vs index => 110% of performance shares
performance > 2 pts vs index => 100% of performance shares
performance = index => 95% of performance shares
performance < 20 pts vs index => 70% of performance shares
performance < 30 pts vs index => 0% of shares

As a result, the performance shares awarded in February 2019 were fully delivered to the beneficiaries:

- 16,370 shares for Christophe Kullmann
- 7,041 shares for Olivier Estève.

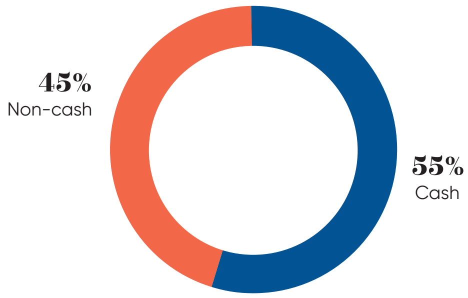
In addition, the free shares allocated under the upside of the 2019 bonus were delivered, *i.e.*, 2,340 shares for Christophe Kullmann and 1,349 shares for Olivier Estève.

Finally, there is no stock option plan.

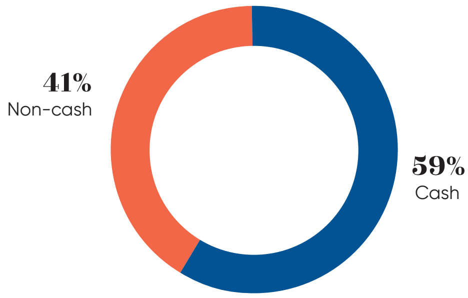
In summary, **Christophe Kullmann's remuneration for 2022 is down by 7% compared to 2021**.

The graph below reflects the change in the cash/non-cash mix from 2021 to 2022.

2021

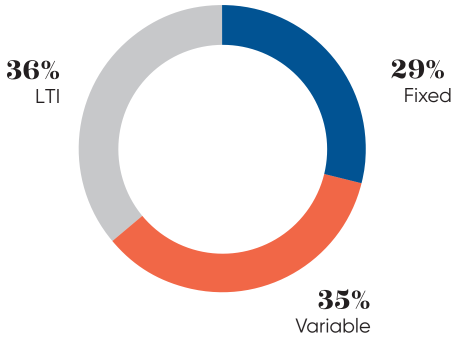


2022

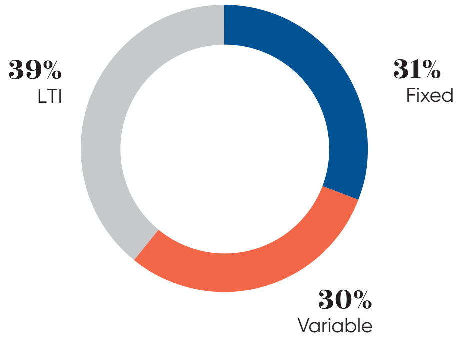


The change in the Fixed/Variable/LTI mix between 2021 and 2022 below shows that 69% of the Chief Executive Officer's remuneration is subject to performance requirements.

2021



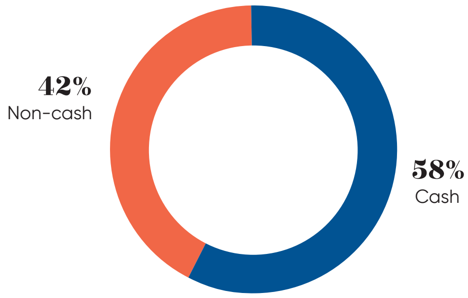
2022



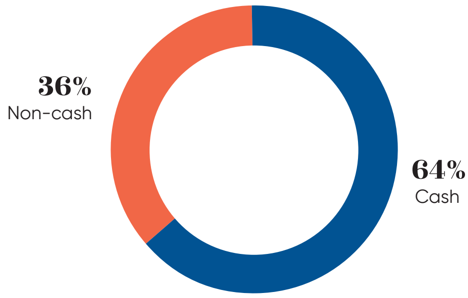
Olivier Estève's remuneration for 2021 was down by 9% compared to 2021.

The graph below reflects the change in the cash/non-cash mix from 2021 to 2022.

2021

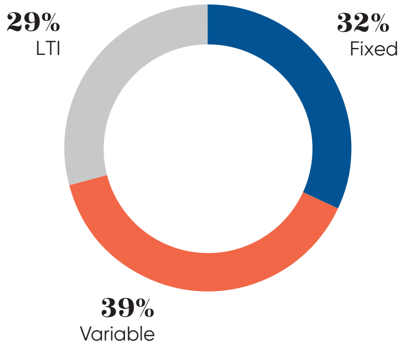


2022

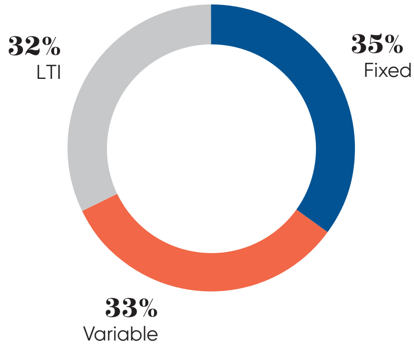


The change in the Fixed/Variable/LTI mix between 2021 and 2022 below shows that 65% of Olivier Estève's remuneration is subject to performance requirements.

2021



2022



5.3.4.2.1.1.4 Remuneration to be paid out upon termination of office

After terminating without remuneration their employment contracts, which provided for the payment of a termination benefit in the event of forced departure, the Board of Directors proposed implementing end-of-service severance pay for Christophe Kullmann, Chief Executive Officer, Olivier Estève, Deputy CEO.

Such benefit would be paid only in the event of forced departure due to a change of control or a change of strategy. This would exclude cases in which they were to leave the company at their own initiative, change roles within the Group or be able to collect retirement benefits within a short period of time.

The calculation methods and theoretical amount of the remuneration are set out in section 5.3.4.1.2.1.6 on the composition of the remuneration of the Chief Executive Officer and the Deputy CEO in respect of their remuneration policy.

The total amount of severance pay that may be paid is capped at two years of total remuneration (fixed + variable portion), *i.e.*, an estimate to date, based on the year 2021 alone:

- €2,842 thousand for Christophe Kullmann
- €1,618 thousand for Olivier Estève.

Remuneration to be paid at the end of Christophe Kullmann and Olivier Estève's terms of office was approved by the Board of Directors on 21 November 2018, and then by the shareholders during the Combined General Meeting of 17 April 2019, by a vote on Resolutions 6 and 7.

On the renewal of their terms of office as Chief Executive Officer and Deputy CEO with effect from 1 January 2023, they were once again approved by the Board of Directors on 24 November 2022. They will be submitted to shareholders's approval at the Combined General Meeting of 20 April 2023 as part of the vote on the remuneration policy applicable to the Chief Executive Officer and the Deputy CEO in respect of the 12th and 13th resolutions.

The amount and conditions for awarding this remuneration were the subject of a press release published on the company's website on 26 November 2018 and 24 November 2022, following the renewal of their terms of office as from 1 January 2023.

5.3.4.2.1.2 Summary tables of the remuneration of executive corporate officers, prepared in accordance with Appendix 4 of the Afep-Medef Code

The information and tables below:

- provide a summary of the total remuneration and benefits in kind paid or allocated to Christophe Kullmann (Chief Executive Officer) and Olivier Estève (Deputy CEO) for the fiscal year ended 31 December 2022
- were drawn up in accordance with the Afep-Medef Code in its latest revised version and published on 20 December 2022
- comply with AMF recommendations no. 2012-02 updated 5 January 2022 on "corporate governance and executive remuneration in companies referring to the Afep-Medef Code – Consolidated presentation of the recommendations contained in the AMF annual reports" and no. 2021-02 updated 5 January 2022 (guide to preparing Universal Registration Documents) ("***AMF Recommendations***").

Table 1* – Summary of remuneration and options and shares allocated to each executive corporate officer

	2021		2022	
Christophe KULLMANN: Chief Executive Officer	Amounts allocated in respect of 2021	Amounts paid in 2021	Amounts allocated in respect of 2022	Amounts paid in 2022
Remuneration *(see table 2 for details)*	1,635,457	1,235,457	1,461,407	1,638,407
Valuation of multiannual variable remuneration	0	0	0	0
Valuation of options granted	0	0	0	0
Valuation of shares allocated *(see table 6 for details)***	930,000	930,000	930,000	930,000
Valuation of other long-term remuneration plans	0	0	0	0
TOTAL	**2,565,457**	**2,165,457**	**2,391,407**	**2,568,407**

* Since the allocation of performance shares awarded in fiscal year N is delayed until N+1, for the purposes of the accuracy and completeness of the information provided, Table 1 distinguishes between amounts paid and those awarded for each fiscal year.

** The valuation of the shares does not include the portion of the bonus paid in free shares, already included, where applicable, in Table 2.

Note: The share valuations are calculated by an independent expert.

Table 2 – Summary of remuneration for each executive corporate officer

	2021		2022	
Christophe KULLMANN: Chief Executive Officer	Amounts allocated in respect of 2021	Amounts paid in 2021	Amounts allocated in respect of 2022	Amounts paid in 2022
Fixed remuneration	700,000	700,000	700,000	700,000
Annual variable remuneration[1]	898,000	498,000	721,000	898,000
Multiannual variable remuneration	0	0	0	0
Extraordinary remuneration	0	0	0	0
Remuneration allocated in respect of Directorship	0	0	0	0
Benefits in kind (company car, GSC insurance, check up)	37,457	37,457	40,407	40,407
TOTAL	**1,635,457**	**1,235,457**	**1,461,407**	**1,638,407**

(1) The variable due for 2021, of €898 K, was paid in cash in 2022 and 4,016 free shares awarded in 2022.

The variable amount due for 2022 of €721 K comprises €700 K, paid in cash in 2023 and 516 free shares. It will be paid subject to its approval by the General Meeting of 20 April 2023.

Table 1* – Summary of remuneration and options and shares allocated to each executive corporate officer

	2021		2022	
Olivier ESTÈVE: Deputy CEO	Amounts allocated in respect of 2021	Amounts paid in 2021	Amounts allocated in respect of 2022	Amounts paid in 2022
Remuneration (see table 2 for details)	977,976	680,976	850,926	980,926
Valuation of multiannual variable remuneration	0	0	0	0
Option values	0	0	0	0
Valuation of performance shares (see table 6 for details)**	400,000	400,000	400,000	400,000
Valuation of other long-term remuneration plans	0	0	0	0
TOTAL	**1,377,976**	**1,080,976**	**1,250,926**	**1,380,926**

* Since the allocation of performance shares awarded in fiscal year N is delayed until N+1, for the purposes of the accuracy and completeness of the information provided, Table 1 distinguishes between amounts paid and those awarded for each fiscal year.

** The valuation of the shares does not include the portion of the bonus paid in free shares, already included, where applicable, in Table 2.

Note: The share valuations are calculated by an independent expert.

Table 2 – Summary of remuneration for each executive corporate officer

	2021		2022	
Olivier ESTÈVE: Deputy CEO	Amounts allocated in respect of 2021	Amounts paid in 2021	Amounts allocated in respect of 2022	Amounts paid in 2022
Fixed remuneration	400,000	400,000	400,000	400,000
Annual variable remuneration (1)	539,000	242,000	409,000	539,000
Multiannual variable remuneration	0	0	0	0
Extraordinary remuneration	0	0	0	0
Remuneration allocated in respect of Directorship	0	0	0	0
Benefits in kind (company car, GSC insurance, check up)	38,976	38,976	41,926	41,926
TOTAL	**977,976**	**680,976**	**850,926**	**980,926**

1) The variable amount due for 2021 of €539,000 is comprised of €400,000 paid in cash in 2022 and 2,819 free shares granted in 2022. The variable amount due for 2022 of €409,000 is comprised of €400,000 paid in cash in 2023 and 219 free shares. It will be paid subject to its approval by the General Meeting of 20 April 2023.

Table 4 – Subscription or stock options awarded during the fiscal year to each executive corporate officer by the issuer and by any company in the Group

Name of the executive corporate officer	no. and date of plan	Type of shares (purchase or subscription)	Valuation of the options based on the method used for the consolidated financial statements	Number of options awarded during the fiscal year	Exercise price	Exercise period
Christophe KULLMANN	None	None	None	None		
Olivier ESTÈVE	None	None	None	None		

Table 5 – Subscription or stock options exercised during the fiscal year by each executive corporate officer

Name of the executive corporate officer	no. and date of plan	Number of options exercised during the fiscal year	Exercise price
Christophe KULLMANN	None	None	None
Olivier ESTÈVE	None	None	None

Table 6 – Performance shares awarded to each executive corporate officer by the issuer and by any company in the Group

Name of the executive corporate officer	Plan date	Number of shares granted during the year*	Valuation of the shares based on the method used for the consolidated financial statements(1)	Vesting date	Date of availability	Performance conditions
Christophe Kullmann	22/02/2022	25,465	€36.52	22/02/2025	22/02/2025	-50% = relative stock market performance compared to EPRA -30% = relative economic criteria (evolution of EPRA Earnings and NAV) vs EPRA -20% = CSR criteria
Christophe Kullmann	22/02/2022	4,016 **	€49.30	22/02/2025	22/02/2025	
Olivier Estève	22/02/2022	10,953	€36.52	22/02/2025	22/02/2025	
Olivier Estève	22/02/2022	2,819 **	€49.30	22/02/2025	22/02/2025	

* For the year N-1.

** Upside portion of the bonus, paid in shares with no performance conditions.

1) Value of the share calculated by an independent expert.

Table 7 – Free performance shares awarded becoming available during the fiscal year for each executive corporate officer

Name of the executive corporate officer	Plan date	Number of shares available during the fiscal year	Vesting conditions	Vesting date
Christophe KULLMANN	20/02/2019	12,323	Presence condition +relative stock market performance (1/2) and achievement of economic and CSR objectives (1/2)	20/02/2022
Olivier ESTÈVE	20/02/2019	5,550		20/02/2022

Table 9 – Record of performance share allocations

Information about performance shares

	Plan of 14 February 2018	Plan of 14 February 2018	Plan of 21 November 2018	Plan of 20 February 2019	Plan of 21 November 2019	Plan of 13 February 2020	Plan of 13 February 2020	Plan of 13 February 2020
General Meeting date	27/04/2016	27/04/2016	27/04/2016	27/04/2016	27/04/2016	17/04/2019	17/04/2019	17/04/2019
Board of Directors date	14/02/2018	14/02/2018	21/11/2018	20/02/2019	21/11/2019	13/02/2020	13/02/2020	13/02/2020
Total number of free shares awarded, the number of which awarded to:	**40,523**	**104,000**	**79,680**	**42,208**	**70,930**	**41,511**	**43,500**	**4,340**
Christophe KULLMANN	15,877	0	0	15,985	0	18,710	0	0
Olivier ESTÈVE	8,896	0	0	7,785	0	8,390	0	N/A
Vesting date of France shares	14/02/2021	14/02/2022	21/11/2021	20/02/2022	21/11/2022	13/02/2023	13/02/2024	13/02/2023
End of retention period for France shares	/	/	/	/	/	/	/	/
Vesting date of Germany, Italy and Spain shares	14/02/2021	14/02/2022	21/11/2021	20/02/2022	21/11/2022	13/02/2023	13/02/2024	13/02/2023
End of holding period for Germany, Italy and Spain shares	/	/	/	/	/	/	/	/
Performance conditions	For corporate officers, presence +50% linked to the relative stock market performance compared to the EPRA, and 50% linked to the annual individual target achievement rates	Retention plan, **presence** +50% linked to the relative stock **market performance** compared to the EPRA, and 50% linked to the annual individual **target achievement** rates	Presence	For corporate officers, presence +50% linked to the relative stock market performance compared to the EPRA, and 50% linked to the annual individual target achievement rates	Presence	For corporate officers, presence +50% linked to the relative stock market performance compared to the EPRA, 30% linked to the relative performance compared to the NAV and EPRA Earnings vs EPRA and 20% linked to CSR criteria	Retention plan, **presence** +50% linked to the relative stock **market performance** compared to the EPRA, and 50% linked to the annual individual **target achievement** rates	Présence
Number of shares vested at 31/12/2022	35,249	51,052	69,210	25,123	61,230	0	0	0
Number of cancelled or lapsed shares	5,274	52,948	10, 470	17,085	9,700	9,661	14,000	
Free shares still being vested at the end of the year	0	0	0	0	0	31,850	29,500	4,340

Plan of 16 December 2020	Plan of 16 December 2020	Plan of 16 December 2020	Plan of 17 February 2021	Plan of 25 November 2021	Plan of 25 November 2021	Plan of 25 November 2021	Plan of 22 February 2022	Plan of 24 November 2022	Plan of 24 November 2022
17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	21/04/2022	21/04/2022
16/12/2020	16/12/2020	16/12/2020	17/02/2021	25/11/2021	25/11/2021	25/11/2021	22/02/2022	24/11/2022	24/11/2022
19,500	**6,020**	**71,805**	**61,675**	**126,000**	**9,090**	**80,000**	**50,753**	**9,390**	**82,705**
0	0	0	30,333	0	0	0	29,481	0	0
0	0	0	13,046	0	0	0	13,772	0	0
16/12/2024	16/12/2023	16/12/2023	17/02/2024	25/11/2025	25/11/2024	25/11/2024	22/02/2025	13/02/2024	N/A
/	/	/	/	/	/	/	/	/	/
16/12/2024	N/A	16/12/2023	17/02/2024	25/11/2025	N/A	25/11/2024	22/02/2025	13/02/2024	13/02/2023
/	/	/	/	/	/	/	/	/	/
Retention plan Presence	Presence	Presence	For corporate officers, presence +50% linked to the relative stock market performance compared to the EPRA, 30% linked to the relative performance compared to the NAV and EPRA Earnings vs EPRA and 20% linked to CSR criteria	Retention plan, **presence** +50% linked to the relative **stock market performance** compared to the EPRA, and 50% linked to the annual individual **target achievement** rates	Presence	Presence	For corporate officers, presence +50% linked to the relative stock market performance compared to the EPRA, 30% linked to the relative performance compared to the NAV and EPRA Earnings vs EPRA and 20% linked to CSR criteria	Presence	Presence
0	0	0	0	0	0	0		0	0
3,000	800	4,050	13,046		90	200			
16,500	5,520	67,755	48,629	126,000	8,790	79,800	50,753	9,390	82,705

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Table 11

Executive corporate officers	Employment contract		Supplementary pension scheme		Compensation or benefits due or likely to be due by reason of termination of or change of role		Compensation for non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Christophe KULLMANN Chief Executive Officer (CEO) Start of term of office: 01.01.2023 End of term of office: 31.12.20226		x		x	x			x
Olivier ESTÈVE Deputy CEO Start of term of office: 01.01.2023 End of term of office: 31.12.2026		x		x	x			x

5.3.4.2.1.3 Equity ratio

The data relating to sub-paragraphs 6 and 7 of paragraph I. of Article L. 22-10-9 of the French Commercial Code presented below were calculated in accordance with the updated AFEP guidelines in February 2021.

The remuneration retained for executive corporate officers is calculated based on elements paid or awarded during the year N, on a gross basis. It corresponds to the remuneration displayed each year in the remuneration summary tables presented in the Universal Registration Document and submitted to the vote of the shareholders: fixed, annual bonus, LTI, benefits in kind.

In order to present the largest possible panel, the workforce taken into account for calculating the ratio is, on the one hand, 100% of the company's workforce (Covivio lines), and, on the other hand, 100% of the French workforce in the Group (on the UES Covivio line). All employees present during the full year, with the exception of work-study students and interns, were used for the calculation of a year. Part-time employees were considered on a full-time basis. The remuneration components used are: fixed, bonus, free shares or performance shares (valued according to the same method as for executive corporate officers), benefits in kind, profit-sharing and profit-sharing.

Table of ratios in respect of sub-paragraphs 6° and 7° of paragaph I of Article L. 22-10-9 of the French Commercial Code

Information on the remuneration of corporate officers	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Remuneration of the **Chairman of the Board of Directors**: Jean Laurent	440,592	400,000	400,000	400,000	313,679
Change (in %) of the remuneration of the Chairman of the Board of Directors	-1.2%	-9.2%	0.0%	0.0%	-21.6%
Remuneration of the **Chief Executive Officer**: Christophe Kullmann	2,049,611	2,158,594	2,540,376	2,165,467	2,568,407
Change (in %) of the remuneration of the Chief Executive Officer	-1.7%	5.3%	17.7%	-14.8%	18.6%
Remuneration of the **Deputy CEO**: Olivier Estève	1,181,118	1,177,627	1,339,926	1,080,966	1,380,926
Change (in %) in the remuneration of the Deputy CEO	-2.5%	-0.3%	13.8%	-19.3%	27.7%
Remuneration of the Deputy CEO: Dominique Ozanne	1,095,510	1,171,895	1,235,326	1,041,055	N/A
Change (in %) of the remuneration of the Chief Executive Officer	N/A	7.0%	5.4%	-15.7%	N/A
Information on the scope of the public company: Covivio					
Average employee remuneration	107,783	97,882	107,832	115,446	114,011
Change (in %) of the average employee remuneration	-3.7%	-9.2%	10.2%	7.1%	-1.2%
Ratio of **Chairman of the Board** to **average employee remuneration**	4.1	4.1	3.7	3.5	2.8
Change of the ratio (in %) compared with the prior fiscal year	2.6%	0.0%	-9.2%	-6.6%	-20.6%
Ratio of **Chairman of the Board** to **median employee remuneration**	5.7	5.5	5.0	4.9	3.6
Change of the ratio (in %) compared with the prior fiscal year	-2.0%	-3.9%	-9.2%	-1.3%	-27.2%
Ratio of **Christophe Kullmann** to **average employee remuneration**	19.0	22.1	23.6	18.8	22.5
Change of the ratio (in %) compared with the prior fiscal year	2.1%	16.0%	6.8%	-20.4%	20.1%

Information on the remuneration of corporate officers	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Ratio of **Christophe Kullmann** to **median employee remuneration**	26.6	29.7	31.7	26.7	29.4
Change of the ratio (in %) compared with the prior fiscal year	-2.5%	11.5%	6.8%	-15.9%	10.2%
Ratio of Olivier Estève to average employee remuneration	11.0	12.0	12.4	9.4	12.1
Change of the ratio (in %) compared with the prior fiscal year	1.3%	9.8%	3.3%	-24.6%	29.4%
Ratio of **Olivier Estève** to **median employee remuneration**	15.4	16.2	16.7	13.3	15.8
Change of the ratio (in %) compared with the prior fiscal year	-3.3%	5.5%	3.3%	-20.4%	18.7%
Ratio of **Dominique Ozanne** to **average employee remuneration**	10.2	12.0	11.5	9.0	N/A
Change of the ratio (in %) compared with the prior fiscal year	N. A	17.8%	-4.3%	-21.3%	N/A
Ratio of **Dominique Ozanne** to **median employee remuneration**	14.2	16.1	15.4	12,.8	N/A
Change of the ratio (in %) compared with the prior fiscal year	N. A	13.2%	-4.3%	-16.8%	N/A
Additional information on the extended scope: UES Covivio					
Average employee remuneration	106,533	96,202	106,310	108,980	107,791
Change (in %) of the average employee remuneration	2.8%	-9.7%	10.5%	2.5%	-1.1%
Ratio of **Chairman of the Board** to **average employee remuneration**	4.1	4.2	3.8	3.7	2.9
Change of the ratio (in %) compared with the prior fiscal year	-3.9%	0.5%	-9.5%	-2.4%	-20.7%
Ratio of **Chairman of the Board** to **median employee remuneration**	5.7	5.4	5.0	4.9	3.6
Change of the ratio (in %) compared with the prior fiscal year	-2.0%	-6.4%	-6.9%	-1.3%	-26.4%
Ratio of **Christophe Kullmann** to **average employee remuneration**	19.2	22.4	23.9	19.9	23.8
Change of the ratio (in %) compared with the prior fiscal year	-4.4%	16.6%	6.5%	-16.8%	19.9%
Ratio of **Christophe Kullmann** to **median employee remuneration**	26.6	28.9	31.7	26.6	29.7
Change of the ratio (in %) compared with the prior fiscal year	-2.5%	8.5%	9.5%	-15.9%	11.4%
Ratio of **Olivier Estève** to **average employee remuneration**	11.1	12.2	12.6	9.9	12.8
Change of the ratio (in %) compared with the prior fiscal year	-5.1%	10.4%	3.0%	-21.3%	29.2%
Ratio of **Olivier Estève** to **median employee remuneration**	15.4	15.8	16.7	13.3	16.0
Change of the ratio (in %) compared with the prior fiscal year	-3.3%	2.8%	5.9%	-20.4%	19.9%
Ratio of **Dominique Ozanne** to **average employee remuneration**	10.3	12.2	11.6	9.6	N/A
Change of the ratio (in %) compared with the prior fiscal year	N. A	18.5%	-4.6%	-17.8%	N/A
Ratio of **Dominique Ozanne** to **median employee remuneration**	14.2	15.7	15.4	12,.8	N/A
Change of the ratio (in %) compared with the prior fiscal year	N. A	10.2%	-1.9%	-16.8%	N/A

Information on the remuneration of corporate officers	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Company performance					
EPRA NTA NAV (in € per share)	99.7	105.8	100.1	106.4	100.4
Change (in %) compared with the prior fiscal year	5.5%	6.1%	-5.4%	6.3%	0.0%
EPRA Earnings (in € per share)	5.08	5.31	4.21	4.35	4.58%
Change (in %) compared with the prior fiscal year	4.5%	4.5%	-20.7%	3.3%	5.3%
Dividend (€ per share)	4.60	4.80	3.60	3.75	3.75
Change (in %) compared with the prior fiscal year	2.2%	4.3%	-25.0%	4.2%	0.0%
Portfolio (€bn 100%)	22.8	24.0	25.7	26.7	26.1
Change (in %) compared with the prior fiscal year	7.8%	5.3%	7.1%	3.9%	-2.2%
Net revenue (€bn 100%)	964.4	980.7	816.1	838.2	937.5
Change (in %) compared with the prior fiscal year	12.6%	1.7%	-16.8%	2.7%	11.8%

* Jean Laurent until 21 July 2022 then Jean Luc Biamonti from 21 July 2022.

A review of the equity ratios carried out at the level of all Covivio European teams shows the following ratios for the Chief Executive Officer in 2022: CEO ratio to European average = 31.8 and CEO ratio to European median = 39.

5.3.4.2.2 Remuneration paid and/or allocated to non-executive corporate officers within a consolidated scope in respect of the fiscal year ended 31 December 2022

5.3.4.2.2.1 Information mentioned in Paragraph I. of Article L. 22-10-9 of the French Commercial Code

5.3.4.2.2.1.1 Information on the Chairman of the Board of Directors

In accordance with the remuneration policy applicable to the Chairman of the Board of Directors, approved by 99.92% of shareholders at the Combined General Meeting held on 21 April 2022 under Resolution 5, the remuneration of Covivio's Chairman of the Board of Directors, whose role is presented under 5.3.2.2.1 above, was reviewed on 21 July 2022 by the Board for the term of the new Chairman, at a total fixed amount of €200 thousand, based on an updated benchmark.

Alongside this fixed remuneration there is no variable portion, performance bonus or remuneration allocated in respect of his Directorship, or remuneration paid in treasury share.

In 2022, this remuneration of the two successive Chairmen of the Board of Directors was as follows:

- Jean Laurent, from 1 January 2022 to 21 July 2022:
  - €221 thousand of fixed remuneration
  - €4 thousand benefits in kind (company car).
- Jean-Luc Biamonti, from 21 July 2022 to 31 December 2022:
  - €89 thousand in fixed remuneration (no benefits in kind).

In respect of the fiscal year ended 31 December 2022, the Chairmen of the Board of Directors did not receive:

- any variable or exceptional remuneration, or any benefits in kind
- any remuneration, remuneration or benefit by reason of taking up an office, end-of service, or changes to duties, or subsequent to exercising these, particularly in the form of pension commitments or other life annuities
- any remuneration paid or allocated by a company within Covivio's scope of consolidation as defined in Article L. 233-16 of the French Commercial Code.

As such, the relative proportion of fixed remuneration represents 100% of total remuneration.

The data relating to sub-paragraphs 6 and 7 of paragraph I. of Article L. 22-10-9 of the French Commercial Code are presented in paragraph 5.3.4.2.1.3 above.

5.3.4.2.2.1.2 Information on the Directors

In accordance with the remuneration policy applicable to Directors presented above, the company paid for the fiscal year ended on 31 December 2022 to the members of the Board of Directors (including the Non-voting Directors) for their participation in the meetings of the Board of Directors, the work of the latter and the specialist Committees set up within it, a total gross remuneration of €707,000, the breakdown of which is indicated in sections 5.3.4.2.2.2 and 5.3.4.4 below.

The gross mean remuneration allocated per Board member, calculated on the basis of all executive corporate officers (including Non-voting members) having received remuneration in respect of the 2022 fiscal year, was €41,588.

A single lump sum of 12.8% and employment deductions of 17.2%, *i.e.*, a total of 30%, were deducted from remuneration paid to members of the Board of Directors, natural persons who are tax resident in France, representing a total sum of €89,114 in 2022.

A single lump sum of 12.8% was deducted from remuneration paid to members of the Board of Directors (including non-voting members), natural persons who are not tax resident in France, representing a total sum of €35,962 in 2021.

These deductions, totalling €125,076, were paid directly by the company to the French tax authorities.

It is specified that:

- Jean Laurent and Christophe Kullmann have received no remuneration in respect of their Directorship;
- Jean-Luc Biamonti received remuneration for serving as Director until 21 July 2022
- Predica, a Covivio Director, is also a member of the Supervisory Board of Covivio Hotels, and received a gross sum of €3,300 from Covivio Hotels in respect of this position
- ACM Vie, a Covivio Director, is also a member of the Supervisory Board of Covivio Hotels, and received a gross sum of €3,500 from Covivio Hotels in respect of this position.

In respect of the fiscal year ended 31 December 2022, Directors did not receive:

- any exceptional remuneration or benefits in kind
- any remuneration, remuneration or benefit by reason of taking up an office, end-of service, or changes to duties, or subsequent to exercising these, particularly in the form of pension commitments or other life annuities.

As such, the relative proportion of fixed remuneration represents 25% of total remuneration.

With 43% women, the company's Board of Directors is compliant with the provisions of Articles L. 225-69-1 and L. 22-10-21 of the French Commercial Code.

5.3.4.2.2.2 Summary tables of the remuneration of non-executive corporate officers, prepared in accordance with Appendix 4 of the Afep-Medef Code

The information and tables below:

- present a summary of the total remuneration and benefits in kind paid or allocated during the fiscal year ended 31 December 2022 to Jean Laurent, then Jean-Luc Biamonti (successive Chairmen of the Board of Directors) as well as to Director in their capacity of non-executive corporate officers
- were prepared in accordance with the revised version of the Afep-Medef Code published on 20 December 2022 and the AMF Recommendations.

Table 3 – Table on the remuneration of non-executive corporate officers paid and/or allocated by the company and companies within its scope of consolidation under the definition of Article L. 233-16 of the French Commercial Code – Afep-Medef Code standards

	Financial year ending 31 December 2021		Financial year ending 31 December 2022	
Non-executive corporate officers	Amounts allocated	Amount paid	Amounts allocated	Amount paid
Jean Laurent				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€0	€0	0	0
Other remuneration	€400 K	€400 K	225,000	225,000
Total	**€400 K**	**€400 K**	**225,000**	**225,000**
Jean-Luc Biamonti				
Remuneration (fixed, variable) in respect of his Covivio Directorship	64,000	64,000	43,970	43,970
Other remuneration as from 21 July 2022	0	0	88,889	88,889
Total	**64,000**	**64,000**	**132,859**	**132,859**
Leonardo Del Vecchio				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€40 K	€40 K	18,000	18,000
Other remuneration	€0	€0	0	0
Total	€40 K	€40 K	18,000	18,000
ACM Vie represented by Stéphanie de Kerdrel[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€42,250	€42,250	44,000	44,000
Other remuneration in respect of her position on the Supervisory Board of Covivio Hotels	€3,900	€3,900	3,500	3,500
Total	€46,150	€46,150	47,500	47,500
Romolo Bardin				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€51 K	€51 K	63,000	63,000
Other remuneration	€0	€0	0	0
Total	**€51 K**	**€51 K**	**63,000**	**63,000**
Covéa Coopérations represented by Olivier Le Borgne[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€39 K	€39 K	41,000	41,000
Other remuneration	€0	€0	0	0
Total	**€39 K**	**€39 K**	**41,000**	**41,000**
Christian Delaire				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€42,500	€42,500	60,290	60,290
Other remuneration	€0	€0	0	0
Total	**€42,500**	**€42,500**	**60,290**	**60,290**
Delfin S.à.r.l.				
Remuneration (fixed, variable) in respect of his Covivio Directorship	n/a	n/a	18,696	18,696
Other remuneration	n/a	n/a	0	0
Total	**n/a**	**n/a**	**18,696**	**18,696**
Sigrid Duhamel				
Remuneration (fixed, variable) in respect of her office as Director of Covivio	€35 K	€35 K	9,712	9,712
Other remuneration	€0	€0	0	0
Total	**€35 K**	**€35 K**	**9,712**	**9,712**

Non-executive corporate officers	Financial year ending 31 December 2021 – Amounts allocated	Financial year ending 31 December 2021 – Amount paid	Financial year ending 31 December 2022 – Amounts allocated	Financial year ending 31 December 2022 – Amount paid
Alix d'Ocagne				
Remuneration (fixed, variable) in respect of her Covivio Directorship	€29,250	€29,250		€40,348
Other remuneration	€0	€0		€0
Total	**€29,250**	**€29,250**		**€40,348**
Sylvie Ouziel				
Remuneration (fixed, variable) in respect of her office as Director of Covivio	€38 K	€38 K	€42,000	€42,000
Other remuneration	€0	€0	€0	€0
Total	**€38 K**	**€38 K**	**€42,000**	**€42,000**
Olivier Piani				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€40,250	€40,250	€55,348	€55,348
Other remuneration	€0	€0	€0	€0
Total	**€40,250**	**€40,250**	**€55,348**	**€55,348**
Predica represented by Jérôme Grivet[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€46,000	€46,000	€44,000	€44,000
Other remuneration in respect of her position on the Supervisory Board of Covivio Hotels	€4,100	€4,100	€3,300	€3,300
Total	**€50,100**	**€50,100**	**€47,300**	**€47,300**
Patricia Savin				
Remuneration (fixed, variable) in respect of her office as Director of Covivio	€37,000	€37,000	€35,000	€35,000
Other remuneration	€0	€0	€0	€0
Total	**€37,000**	**€37,000**	**€35,000**	**€35,000**
Daniela Schwarzer				
Remuneration (fixed, variable) in respect of his Covivio Directorship	n/a	n/a	€36,288	€36,288
Other remuneration	n/a	n/a	0	0
Total	**n/a**	**n/a**	**€36,288**	**€36,288**
Catherine Soubie				
Remuneration (fixed, variable) in respect of her office as Director of Covivio	€42,000	€42,000	€54,348	€54,348
Other remuneration	€0	€0	€0	€0
Total	**€42,000**	**€42,000**	**€54,348**	**€54,348**
TOTAL	**€954,250**	**€954,250**	**€926,689**	**€926,689**

5.3.4.3 Remuneration paid and/or allocated to the successive Chairmen of the Board of Directors and members of the General Management in respect of the fiscal year ended 31 December 2022 ("individual" *ex-post* Say on Pay)

In an "individual" *ex-post* Say on Pay vote pursuant to Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional remuneration that make up total remuneration and benefits in kind paid in respect of the fiscal year ended 31 December 2022 or allocated in respect of the same year, to the successive Chairmen of the Board of Directors, Chief Executive Officer and Deputy CEO of the company, are the subject of separate draft resolutions (Resolutions 7, 8, 9 and 11) submitted for the approval of the Combined General Meeting on 20 April 2023.

5.3.4.3.1 Remuneration paid and/or allocated by the company to Jean Laurent in his capacity as Chairman of the Board of Directors in respect of the fiscal year ended 31 December 2022 (Resolution 7)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€221 K paid in 2022	This fixed remuneration had been approved upon his reappointment for a four-year term from 17 April 2019.
Annual variable remuneration	€0	Not applicable
Deferred variable remuneration	€0	Not applicable
Multiannual variable remuneration	€0	Not applicable
Extraordinary remuneration	€0	Not applicable
Share options	N/A	Not applicable
Performance shares	€0	Not applicable
Remuneration allocated in respect of Directorship	€0	Not applicable
Valuation of benefits of any kind	€4 K	This amount includes a company car.
Severance pay	€0	Not applicable
Remuneration for non-compete clause	Not applicable	There is no non-compete clause.
Supplementary pension scheme	€0	There is no supplementary pension scheme in place.
Employment contract	€0	There is no employment contract.

5.3.4.3.2 Remuneration paid and/or allocated by the company to Jean Laurent in his capacity as Chairman of the Board of Directors in respect of the fiscal year ended 31 December 2022 (Resolution 7)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€89 K paid in 2022	This fixed remuneration was determined by the Board when Jean-Luc Biamonti was appointed as Chairman on 21 July 2022.
Annual variable remuneration	€0	Not applicable
Deferred variable remuneration	€0	Not applicable
Multiannual variable remuneration	€0	Not applicable
Extraordinary remuneration	€0	Not applicable
Share options	N/A	Not applicable
Performance shares	€0	Not applicable
Remuneration allocated in respect of Directorship	€0	Not applicable
Valuation of benefits of any kind	€0	Not applicable
Severance pay	€0	Not applicable
Remuneration for non-compete clause	Not applicable	There is no non-compete clause.
Supplementary pension scheme	€0	There is no supplementary pension scheme in place.
Employment contract	€0	There is no employment contract.

5.3.4.3.3 Remuneration paid and/or allocated by the company to Christophe Kullmann in his capacity as Chief Executive Officer in respect of the fiscal year ended 31 December 2021 (Resolution 11)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€700 K paid in 2022	This fixed remuneration was approved upon his reappointment for a four-year term, from 1 January 2019. It remained unchanged in 2022.
Annual variable remuneration	€721 K	The target variable remuneration equals 100% of the fixed annual salary. An upside of as much as 50% of the target is provided for in the event of objectives being exceeded. It is, as the case may be, paid in free shares, themselves subject to a condition of remaining in the company for three years after the allocation. After examining performance in 2022 described in section 5.3.4.2.1.1.2 of the 2022 Universal Registration Document, the Board approved a bonus that represents 103% of the target. It will be paid in cash in the amount of €700 K, the upside of €21 K being paid in Covivio shares, which will be vested in 2026 subject to continued employment. The payment of this annual variable remuneration is subject to approval by the Combined General Meeting of 20 April 2023 of the remuneration components for Christophe Kullmann.
Deferred variable remuneration	€0	Not applicable
Multiannual variable remuneration	€0	Not applicable
Extraordinary remuneration	€0	Not applicable
Share options	N/A	Not applicable
Performance shares	€930 K	The principles for the allocation of performance shares as well as the performance conditions are described in section 5.3.4.2.1.1.3 of the 2022 Universal Registration Document.
Remuneration allocated in respect of Directorship	€0 K	Not applicable
Valuation of benefits of any kind	€40 K	This amount comprises a company car and GSC unemployment insurance.
Severance pay	€0	The theoretical remuneration amount is equal to 12 months of total remuneration (fixed salary and the variable portion), plus one month of additional remuneration per year of employment with the company. Receiving this remuneration is subject to achieving strict internal and external performance criteria: • 50% of the theoretical remuneration amount is linked to changes in the NAV during the three fiscal years prior to the termination of office • 50% of the theoretical amount of the remuneration would be conditioned by achievement of the targeted levels of performance for the three financial years preceding the cessation of functions. The potential remuneration such as described above (and detailed in sections 5.3.4.1.2.1.6. and 5.3.4.2.1.1.4. of the 2022 Universal Registration Document) would be paid only in the event of forced departure due to a change of control or strategy. This would exclude cases in which the Chief Executive Officer leaves the company at his own initiative, changes roles within the Group or exercises rights to retirement benefits on short notice. It was approved by the Board of Directors on 21 November 2018 and by the Combined General Meeting of 17 April 2019, through a vote on Resolution 6. On the renewal of his term of office as Chief Executive Officer from 1 January 2023, it was approved once again by the Board of Directors on 24 November 2022.
Remuneration for non-compete clause	Not applicable	There is no non-compete clause.
Supplementary pension scheme	€0	There is no supplementary pension scheme in place.
Employment contract	€0	There is no employment contract.

5.3.4.3.4 Remuneration paid and/or allocated by the company to Olivier Estève in his capacity as Deputy CEO in respect of the fiscal year ended 31 December 2021 (Resolution 12)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€400 K paid in 2022	This fixed remuneration was approved upon his reappointment for a four-year term, from 1 January 2019. It remained unchanged in 2022.
Annual variable remuneration	€409 K	The target variable remuneration equals 100% of the fixed annual salary. An upside of as much as 50% of the target is provided for in the event of objectives being exceeded. With a view to aligning with the interests of shareholders, where applicable, it is paid in free shares, which themselves are conditional on the recipient remaining in the company's employ for three years after the allocation. After examining performance in 2022 described in section 5.3.4.2.1.1.2 of the 2022 Universal Registration Document, the Board approved a 2022 bonus that represents 102% of the target. It will be paid in cash in the amount of €400 K upside €9 K being paid in Covivio shares, which will be vested in 2026 subject to continued employment. The payment of this annual variable remuneration is subject to approval by the Combined General Meeting of 20 April 2023 of the remuneration components for Olivier Estève.
Deferred variable remuneration	€0	Not applicable
Multiannual variable remuneration	€0	Not applicable
Extraordinary remuneration	€0	Not applicable
Share options	N/A	Not applicable
Performance shares	€400 K	The principles for the allocation of performance shares as well as the performance conditions are described in section 5.3.4.2.1.1.3 of the 2022 Universal Registration Document.
Remuneration allocated in respect of Directorship	€0	Not applicable
Valuation of benefits of any kind	€42 K	This amount comprises a company car and GSC unemployment insurance.
Severance pay	€0	This potential remuneration is granted under exactly the same conditions as those pertaining to the Chief Executive Officer, described above and in sections 5.3.4.1.2.1.6. and 5.3.4.2.1.1.4. of the 2022 Universal Registration Document. It was approved by the Board of Directors on 21 November 2018 and by the Combined General Meeting of 17 April 2019, through a vote on Resolution 7. On the renewal of his term of office as Deputy CEO from 1 January 2023, it was approved once again by the Board of Directors on 24 November 2022.
Remuneration for non-compete clause	Not applicable	There is no non-compete clause.
Supplementary pension scheme	€0	There is no supplementary pension scheme in place.
Employment contract	€0	There is no employment contract.

5.3.4.4 Remuneration paid and/or allocated to Non-voting members in respect of the fiscal year ended 31 December 2022

	Financial year ending 31 December 2021		Financial year ending 31 December 2022	
Non-voting members	Amounts allocated	Amount paid	Amounts allocated	Amount paid
Sergio Erede				
Remuneration (fixed, variable) in respect of his Covivio Non-voting Directorship	46,000	46,000	54,000	54,000
Other remuneration	0	0	0	0
Total	**46,000**	**46,000**	**54,000**	**54,000**
Ariberto Fassati				
Remuneration (fixed, variable) in respect of his Covivio Non-voting Directorship	39,000	39,000	47,000	47,000
Other remuneration	0	0	0	0
Total	**39,000**	**39,000**	**47,000**	**47,000**
TOTAL	**85,000**	**85,000**	**101,000**	**101,000**

5.3.5 Specific procedures relating to shareholder participation in General Meetings and summary of current financial delegations and authorisations in the area of capital increases

5.3.5.1 Special procedures for shareholder participation in General Meetings

Shareholder participation at General Meetings is governed by the legal and regulatory provisions in force and applicable to companies whose shares are listed for trading on a regulated market.

These procedures are described in Article 22 of the company's Articles of Association, the content of which is presented in full in section 6.2.1.16 of the Universal Registration Document. It should be noted that Covivio has maintained, at the end of its General Meeting of 17 April 2015, the "One share = one vote" principle, approved by the shareholders by waiving the automatic allocation of the double voting right provided by the Florange law of 29 March 2014.

The terms and conditions for participation in General Meetings are also detailed in the meeting notices and convening notices available on the Covivio website in the section dedicated to General Meetings.

5.3.5.2 Summary of financial delegations and authorisations currently in force in the area of capital increases

The General Meeting regularly grants the Board of Directors financial delegations and authorisations to increase the company's share capital by issuing shares and.or securities convertible to equity.

In accordance with the provisions of Article L. 225-37-4 3° of the French Commercial Code, we hereby present to you a summary of these delegations and authorisations granted by the General Meeting of the shareholders on 17 April 2019 and 21 April 2022 concerning capital increases and the use made of them in 2022 and after the year end.

Resolution	Description of the delegation and/or authorisation granted by the Combined General Meeting of 17 April 2019	Validity	Use in 2022
Thirtieth resolution	Authorisation to be granted to the Board of Directors to allocation new or existing free shares to employees and/or corporate officers of the company and its affiliates, with waiver of the shareholders' preferential subscription right in respect of the shares to be issued. Cap set at 1% of the share capital on the day of the decision to allocate them by the Board of Directors.	Expired on 21/04/2022	Allocation of 50,753 free shares

Resolution	Description of the delegation and/or authorisation granted by the Combined General Meeting of 21 April 2022	Validity	Use in 2022 and 2023	
Nineteenth resolution	Delegation of authority granted to the Board of Directors to increase the company's share capital through the capitalisation of reserves, profits or premiums. Nominal capital increase cap set at €28M.	26 months Expiry on 21/06/2024	Unused	
Twenty-first resolution	Delegation of authority to the Board of Directors to issue shares and/or securities convertible to equity, maintaining the shareholders' preferential subscription right. Nominal capital increase cap set at €71M. The nominal amount of the total debt instruments convertible to equity likely to be issued may not exceed €750M (the total cap for all debt securities that may be issued pursuant to said delegation and pursuant to delegations of authority granted under Resolutions 22, 23 and‹#exposant||exposant#› 24).	26 months Expiry on 21/06/2024	Unused	
Twenty-second resolution	Delegation of authority to the Board of Directors to issue, through public offering, company shares and/or securities convertible to equity, with waiver of shareholders' preferential subscription rights and a mandatory priority period for share issues. Nominal capital increase cap set at €28M. The nominal cap on the issue of debt securities set at €750M (deducted from the overall cap for all debt securities set by Resolution 21).	26 months Expiry on 21/06/2024	Unused	
Twenty-third resolution	Delegation of authority granted to the Board of Directors to issue shares and/or securities giving access to the company's share capital, with waiver of shareholders' preferential subscription right, in the event of a public exchange offer initiated by the company, up to a maximum of 10% of the company's share capital (maximum nominal amount of capital increases that may be carried out pursuant to this delegation and the authority granted under Resolution 24). The nominal cap on the issue of debt securities set at €750M (deducted from the overall cap for all debt securities set by Resolution 21).	26 months Expiry on 21/06/2024	Unused	
Twenty-fourth resolution	Delegation of authority granted to the Board of Directors to issue shares and/or securities giving access to the company's capital to remunerate contributions in kind granted to the company and consisting of equity securities or securities giving access to the capital, with waiver of shareholders' preferential subscription right, up to a limit of 10% of the share capital (deducted from the overall nominal capital increase set by Resolution 23). The nominal cap on the issue of debt securities set at €750M (set against the overall cap for all debt securities set by Resolution 21).	26 months Expiry on 21/06/2024	Unused	
Twenty-fifth resolution	Delegation of authority granted to the Board of Directors to capital increase reserved for employees of the company and the companies of the Covivio group covered by a company savings plan, with waiver of shareholders' preferential subscription right. Nominal capital increase cap set at €500K.	26 months Expiry on 21/06/2024	Unused	
Twenty-sixth resolution	Authorisation to be granted to the Board of Directors to allocation new or existing free shares to employees and/or corporate officers of the company and its affiliates, with waiver of the shareholders' preferential subscription right in respect of the shares to be issued. Cap set at 1% of the share capital on the day of the decision to allocate them by the Board of Directors	38 months Expiration 21/06/2025	2022: Allocation of 92,095 free shares	2023: Allocation of 62,372 free shares

5.3.6 Elements that could be relevant in the event of a public offer

In accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, the elements likely to have an impact in the event of a takeover bid or exchange offer are set out below.

5.3.6.1 Structure of the company's share capital

The structure of the share capital is presented in sections 6.3.2 and 6.3.3 of the Universal Registration Document.

5.3.6.2 Statutory restrictions on the exercise of voting rights and share transfers or clauses of agreements brought to the attention of the company pursuant to Article L. 233-11 of the French Commercial Code

Article 8.1 of the Articles of Association establishes an obligation to declare to the company every instance in which a shareholder's stakehold exceeds the threshold of 1% (or any multiple of this percentage) of the capital or the voting rights relating thereto, including the legal and regulatory thresholds. Such notification must be made by registered letter with return receipt addressed to the registered office within the time limit stipulated in Article R. 233-1 of the French Commercial Code. Mutual fund management firms must carry out such reporting for the entirety of the shares of the company held by the funds that they manage.

Unless a declaration has been made under the conditions outlined above, shares above the fraction which should have been declared will have no voting rights attached for any General Meeting held within two years after the date of regularisation of the declaration, at the request, recorded in the minutes of the General Meeting, of one or several shareholders together holding at least one per cent of the share capital.

The General Meeting of 20 April 2023 will hear the proposal to modify the provisions of this article in order to explicity incorporate statutory thresholds into assimilation cases stipulated in Article L. 233-9 of the French Commercial Code that are applicable in terms of legal thresholds, and thus to standardise the calculation methods for legal and statutory thresholds. It would therefore be planned, in order to determine the thresholds for capital and voting rights whose crossing is to be declared under the present Article, to apply the assimilation cases and calculation methods stipulated in Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of articles 223–11 *et seq.* of the General Regulations of the French Financial Markets Authority. The thresholds giving rise to crossing declarations themselves remain unchanged.

Article 8.2 of the company's Articles of Association provides (i) for legal entities directly or indirectly holding more than 10% of the share capital and (ii) for shareholders indirectly holding, through the company, a percentage of the share capital or dividend rights of public limited companies listed on the Spanish real estate market ("SOCIMI") at least equal to that referred to in Article 9.3 of the law of the Kingdom of Spain 11/2009 of 26 October 2009, and whose shares are not recorded in registered form at the latest on the second business day preceding the date of any General Meeting of the company's shareholders, a cap on voting rights at the number of shares registered in nominal form at that date. This situation may be resolved by ensuring that all the shares held directly or indirectly are registered no later than the second working day prior to the next General Meeting.

At the date of the Universal Registration Document, the company is not aware of clauses of agreements providing for preferential disposal or acquisition terms for shares involving at least 0.5% of the capital or voting rights in the company.

5.3.6.3 Direct or indirect investments in the company's equity that are known to the company pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

These elements are described in section 6.3.4 of the Universal Registration Document.

5.3.6.4 Holders of securities providing special control rights and a description thereof

None.

5.3.6.5 Control mechanisms provided for in any employee shareholding scheme where rights of control are not exercised by the latter

None.

5.3.5.6 Agreements between shareholders that are known to the company and that could restrict the transfer of shares and the exercise of voting rights

There are no agreements between shareholders that are known to the company and that could restrict the transfer of shares and the exercise of company voting rights.

5.3.6.7 Rules applicable to the appointment and replacement of members of the Board of Directors and changes in the company's Articles of Association

The company's Articles of Association on these matters do not differ from the generally accepted guidelines for French public limited companies.

5.3.6.8 Powers of the Board of Directors, in particular as regards the issue or redemption of shares

This information is provided in section 5.3.2.2.2 above and in sections 6.3.8 and 6.5.1.4 of the Universal Registration Document. The delegations of authority granted by the General Meeting to the Board of Directors in the area of capital increases are mentioned in section 5.3.5.2 below. Unless authorised by the General Meeting of the shareholders, these are suspended from the date on which a third party submits a proposed public offer for the company's securities until the end of the offer period (with the exception of delegations of authority relating to employee shareholding).

5.3.6.9 Agreements entered into by the company that are amended or terminated in the event of a change of control of the company, unless such disclosure, except in the case of a legal obligation to disclose, would seriously affect its interests

The majority of Covivio's financing agreements contain clauses concerning a change of control, which, if triggered, could result in the cancellation or early repayment of the debts concerned, provided the lenders so require.

5.3.6.10 Agreements setting out any compensation payable to members of the Board of Directors or employees in the event that they resign or are dismissed without cause or if their employment ceases due to a public offering

Unlike the remuneration awarded under certain circumstances to the company's executive corporate officers detailed in paragraphs 5.3.4.1.2.1.6 and 5.3.4.2.1.1.4 above, there are no specific agreements stipulating remuneration on termination of a Directorship or applicable to employees.

5.4 Statutory Auditors' special report on related-party agreements and regulated commitments

General Meeting approving the accounts for the fiscal year ended 31 December 2022

To the annual General Meeting of Covivio,

In our capacity as Statutory Auditors of your Company, we hereby report on related-party agreements and commitments.

We are required to inform you, based on the information we have been given, of the terms and conditions and interest for the company of those agreements and commitments indicated to us, or that we may have discovered during our assignment. We are not required to comment on whether they are beneficial or appropriate or to ascertain if any other agreements and commitments exist. It is your responsibility, in accordance with the terms of Article R. 225-31 of the French Commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition we are required, where applicable, to inform you, in accordance with Article R. 225-31 of the French Commercial Code, of any agreements and commitments previously approved by shareholders which were executed during the year.

We have performed the procedures that we deemed necessary to comply with the professional standards applicable in France to such engagements. Those procedures consisted in verifying that the information we were given was consistent with the underlying documentation.

Agreements and commitments submitted for approval by the General Meeting

Agreements authorised and concluded during the past fiscal year

In accordance with Article L. 225-40 of the French Commercial Code, we were advised of the following agreements signed during the year, which were previously approved by your Board of Directors.

With MMA IARD and Generali Vie, in the presence of Covivio Alexanderplatz SARL, a subsidiary of your Company

Person concerned

Covéa Coopérations, a Director of your company represented by Olivier Le Borgne, and affiliated with MMA IARD.

a) Nature, purpose, terms and conditions

Amendment no. 1 to the shareholders' agreement authorised by your Board of Directors on 21 July 2022 and concluded on 29 July 2022.

Amendment no. 1 to the shareholders' agreement is intended to reflect the change to the terms and conditions for financing the development project at Alexanderplatz in Berlin of a real estate complex comprising approximately 60,000 m^2 of offices, shops and housing held by Covivio Alexanderplatz S.à.r.l. (the "Project"), resulting in an increase in equity contributions by the shareholders of Covivio Alexanderplatz S.à.r.l.

Interest of the agreement for the company

Your Board of Directors justified these agreements as follows: the signing of these agreements enables your company to implement and continue the Project, representing a strategic real estate investment in terms of geographical positioning and value creation potential.

b) Nature, purpose, terms and conditions

Amendment No. 2 to the shareholders agreement authorised by your Board of Directors on 21 July 2022 and concluded on 14 October 2022.

Amendment No. 2 to the shareholders' agreement is intended to reflect the changes agreed between the parties to the terms and conditions of the Project and relating in particular to (i) the real estate development contract, (ii) the refinancing of the Project. and (iii) the service agreements entered into by Covivio Alexanderplatz S.à.r.l. with the Covivio group.

Interest of the agreement for the company

Your Board of Directors justified these agreements as follows: the signing of these agreements enables your company to implement and continue the Project, representing a strategic real estate investment in terms of geographical positioning and value creation potential.

Agreements and commitments previously approved by the General Meeting

In accordance with Article R. 225-30 of the French Commercial Code, we were informed that the following agreements and commitments, previously approved by General Meetings of previous years, were executed during the year.

With MMA IARD and Generali Vie, in the presence of Covivio Alexanderplatz SARL, a subsidiary of your Company

Person concerned

Covéa Coopérations, a Director of your company represented by Olivier Le Borgne, and an affiliate of MMA IARD.

a) Nature and purpose

Shareholders' agreement authorised by your Board of Directors on 25 November 2020 and concluded on 8 June 2021.

Terms and conditions

The purpose of the shareholders' agreement is to organise the relationships between the shareholders of Covivio Alexanderplatz S.à.r.l. within the framework of the Project.

b) Nature, purpose, terms and conditions

Subordination agreement authorised by your Board of Directors on 20 April 2021 and concluded on 8 June 2021.

The purpose of the subordination contract, which forms part of the Project, is to subordinate payments, as is customary, to shareholders in Covivio Alexanderplatz S.à.r.l., (including any intra-group loans and/or advances in shareholders' current accounts that may be granted to Covivio Alexanderplatz S.à.r.l.) to the settlement of sums owed to the company under the terms of the transitional financing of the Project.

c) Nature, purpose, terms and conditions

Investment protocol authorised by your Board of Directors on 25 November 2020 and concluded on 23 December 2020, as modified by Amendments No. 1 of 22 April 2021, and No. 2 of 8 June 2021 authorised by your Board of Directors on 20 April 2021.

The investment memorandum of understanding, which comes under the Project, aims to organise the terms and conditions for the implementation of the Project led by Covivio Alexanderplatz S.à.r.l. The main purpose of Amendment No. 1 is to postpone the deadline for achieving the conditions precedent from 20 April 2021 to 20 July 2021. The main purpose of Amendment No. 2 is (i) to define the terms and conditions for transitional financing of the Project by your Company, and (ii) to lift the condition precedent in the investment protocol relating to the obtaining of finance which will, if applicable, involve bank refinancing.

With Covivio Alexanderplatz SARL, a subsidiary of your Company, and BRE/GH II Berlin II Investor GmbH, an indirect subsidiary of Covivio Hotels

Person concerned

Christophe Kullmann, Chief Executive Officer and Director of your company and Chairman of the Supervisory Board of Covivio Hotels, and Olivier Estève, Deputy CEO of your company, member of the Supervisory Board of Covivio Hotels and Manager of Covivio Alexanderplatz SARL, Predica, Director of your company represented by Jérôme Grivet and member of the Supervisory Board of Covivio Hotels, represented by Emmanuel Chabas, and Assurances du Crédit Mutuel Vie SA, Director of your company represented by Stéphanie de Kerdrel, and member of the Supervisory Board of Covivio Hotels represented by François Morrisson.

a) Nature, purpose, terms and conditions

Framework Deed authorised by your Board of Directors on 20 February 2019 and signed on 26 April 2019.

The purpose of the framework deed, which is part of the Project, is to define the terms and conditions for the disposal of the land reserve and existing businesses.

b) Nature, purpose, terms and conditions

Addendum 1 to the Neighbour Agreement of 26 April 2019, and amendment no. 1 concluded on 8 and 9 April 2020, by the legal representatives of Covivio Alexanderplatz SARL and on 21 April 2020 by the legal representative of BRE/GH II Berlin II investor GmbH, authorised, respectively by your Board of Directors on 20 February 2019 and 13 February 2020.

The Neighbour Agreement aims to regulate neighbourhood relations in connection with the execution of the Project and also provides for the payment by Covivio Alexanderplatz SARL to BRE/GH II Berlin II Investor GmbH of €26.5 million in compensation for the complete demolition of certain businesses and the partial demolition of Primark

Addendum 1 to the Neighbour Agreement confirms the effective application of the Neighbour Agreement and sets out the agreements signed between the parties as part of the Project, mainly that:

i) Covivio Alexanderplatz SARL agrees to cover part of the costs to build an extension to one of the restaurants at the Park Inn Hotel, in order to accommodate another restaurant for the hotel to replace the one that will be demolished as part of the Project; and

ii) Covivio Alexanderplatz SARL agrees to offset any operating losses incurred by the hotel operator due to the relocation of this restaurant.

With Indigo Infra

Person concerned

The company Predica, a Director of your Company represented by Jérôme Grivet, indirectly holding more than 47% of the share capital and voting rights of Indigo Infra.

a) Nature, purpose, terms and conditions

Disposal agreement authorised by your Board of Directors on 20 April 2021 and concluded on 11 June 2021

The disposal agreement sets out the terms and conditions for the sale by your company to Indigo Infra of 100% of the shares and voting rights of the company République, 100% of the shares and voting rights of SCI Esplanade Belvédère II and 50% of the shares and voting rights of the company Gespar. The transaction took place on 25 January 2022.

b) Nature, purpose, terms and conditions

Memorandum of understanding authorised by your Board of Directors on 20 April 2021 and concluded on 25 January 2022.

The purpose of the memorandum of understanding between your Company and Indigo Infra is to set out the terms and conditions under which your company undertakes to examine the solutions for operating car parks and gentle mobility at some of its sites.

With the companies Predica, Fédération (a wholly-owned subsidiary of your Company), in the presence of SCI Federimmo and SCI 11 Place de l'Europe

Person concerned

The company Predica, a Director of your company represented by Jérôme Grivet.

Nature, purpose, terms and conditions

Two share transfer agreements authorised by your Board of Directors on 25 November 2021 and concluded on 20 December 2021.

The share transfer agreements relate to 60% of the share capital and voting rights of SCI Federimmo, owner of an office building in the 15th arrondissement of Paris, and of 50.09% of the share capital and voting rights of SCI 11 place de l'Europe, owner of a real estate complex in Vélizy-Villacoublay. The shares were transferred on 17 May 2022.

With Icade (acquiring the rights of ANF Immobilier following the merger-absorption of the latter on 29 June 2018), in the presence of the SCI Factor E and SCI Orianz

Person concerned

The company Predica, a Director of your company represented by Jérôme Grivet, a subsidiary of Crédit Agricole Assurances, of which Emmanuel Chabas, Head of the Real Estate Investments department, is a Director in a personal capacity of Icade.

Nature, purpose, terms and conditions

Investment memorandum of understanding authorised by your Board of Directors on 25 November 2021 and signed on 22 December 2021.

Your Company has undertaken to acquire from the company Icade 6,531 shares in SCI Factor E and to sell to it 3,469 shares in SCI Orianz, as well as the corresponding receivables. The shares were exchanged on 18 January 2022.

With OPCI Predica Bureaux, in the presence of Predica and/or the company 6 rue Fructidor

Person concerned

Predica, a Director of your Company represented by Jérôme Grivet, and a shareholder of OPCI Predica Bureaux.

Nature, purpose, terms and conditions

Investment memorandum of understanding and partners' agreement for 6 rue Fructidor authorised by your Management Board Meeting of 23 July 2019 and concluded on 29 October 2019.

The investment memorandum of understanding and the shareholders' agreement have the purpose of governing the relationships between the shareholders in 6 rue Fructidor in the framework of the redevelopment and apportionment of an office building (Seine-Saint-Denis, France).

With Assurances du Crédit Mutuel Vie SA, in the presence of SCI N2 Batignolles

Person concerned

The company Assurances du Crédit Mutuel Vie S.A., a Director of your Company represented by Stéphanie de Kerdrel, and a shareholder of SCI N2 Batignolles

Nature, purpose, terms and conditions

Partners' Agreement for the SCI N2 Batignolles authorised by your Board of Directors on 14 February 2018 and signed on 25 May 2018.

The purpose of the partners' agreement, amended on 24 July 2017, is to govern the relationship between partners in the SCI N2 Batignolles within the "N2" operation consisting of the sharing of a real estate asset under construction located in ZAC Clichy Batignolles à Paris (17th).

With Assurances du Crédit Mutuel Vie SA, in the presence of SCI du 15 rue des Cuirassiers and SCI du 9 rue des Cuirassiers

Person concerned

The company Assurances du Crédit Mutuel Vie S.A., a Director of your Company represented by Stéphanie de Kerdrel, and a shareholder of SCI du 15 rue des Cuirassiers and SCI du 9 rue des Cuirassiers.

Nature, purpose, terms and conditions

Shareholders' agreements relating to SCI du 15 rue des Cuirassiers and SCI du 9 rue des Cuirassiers, authorised by your Management Board meeting of 19 October 2017 and concluded on 7 December 2017.

The shareholders' agreements were intended to organise the shareholder relationships within SCI du 9 rue des Cuirassiers and SCI du 15 rue des Cuirassiers with regard to the Silex 1 and Silex 2 developments involving apportionment of property assets located in Lyon Part-Dieu.

With Assurances du Crédit Mutuel Vie SA

Nature, purpose, terms and conditions

The provision of a yield guarantee in the framework of the Silex development, authorised by your Board of Directors meeting of 19 October 2017 and concluded 7 December 2017.

In the framework of the Silex project and of the determination of the financial terms and conditions of its investment in the companie SCI du 15 rue des Cuirassiers and SCI du 9 rue des Cuirassiers, Assurances du Crédit Mutuel Vie SA required your Company to provide a yield guarantee in respect of the sums invested.

The yield guarantee provided by your Company to Assurances du Crédit Mutuel Vie SA on 7 December 2017 has the following characteristics:

- guaranteed yield of 2.80% per year during the period from the signature of the yield guarantee up to the end of Silex 2's rent-free period, namely sixteen months after the delivery of the development, subject to a minimum period of fifty-four months from the date of signature of the yield guarantee
- including any sum paid by one or other of the SCIs to Assurances du Crédit Mutuel Vie SA in the form of any dividend (or advanced payment of dividend), reimbursement of share premium or payment of interest, during the period of the yield guarantee
- in the event of any payment by one or other of the SCIs to Assurances du Crédit Mutuel Vie SA subsequent to the period of the yield guarantee, the partner is required to repay the amount thereof to your Company within ten working days of receipt.

The yield guarantee expired on 6 June 2022.

With SCI DS Campus, in the presence of the company Predica, SCI Latécoère and SCI Latécoère 2

Person concerned

The company Predica, a Board member of your Company represented by Jérôme Grivet and a shareholder of SCI DS Campus.

a) Nature, purpose, terms and conditions

Amendment no. 3 to the shareholders' agreement of 18 June 2015 in respect of SCI Latécoère 2, authorised by your Board of Directors at its meeting of 17 October 2019 and concluded on 12 December 2019.

Amendment no. 3 to the shareholders' agreement of 18 June 2015, amended on 24 July and 26 December 2017, whose purpose is to govern the relations of the shareholders of SCI Latécoère 2 as part of the "DS Campus" extension project. This amendment no. 3 is part of the project to extend the Dassault Systèmes' campus through the construction of a new building complex, accompanied by a ten-year extension of the leases on the existing assets of the campus.

b) Nature, purpose, terms and conditions

Amendment No. 1 to the shareholders' agreement dated 19 October 2012 in respect of SCI Latécoère, authorised by your Board of Directors meeting of 19 February 2015 and concluded on 20 April 2015.

Amendment No. 1 to the shareholders' agreement of 19 October 2012, amended on 24 July 2017, is intended to govern the relationships between the shareholders of SCI Latécoère in the *"DS Campus"* transaction consisting of the sharing of a real estate complex in Vélizy-Villacoublay.

With the company Predica, in the presence of SCI 11 Place de l'Europe.

Person concerned

Predica, a Director of your company represented by Jérôme Grivet.

Nature, purpose, terms and conditions

Partners' Agreement for the SCI 11 Place de l'Europe authorised by your Board of Directors on 7 November 2013 and signed on 19 December 2013.

The purpose of the partners' agreement is to govern the relationship between partners in the SCI 11 Place de l'Europe within the "Campus Eiffage" operation consisting of sharing building complexes located in Vélizy-Villacoublay.

The shareholders' agreement expired on 17 May 2022.

With the SCI New Vélizy, in the presence of Predica

Person concerned

Predica, a Director of your Company represented by Jérôme Grivet and a shareholder of the SCI New Vélizy.

Nature, purpose, terms and conditions

Partners' Agreement for the SCI Lenovilla authorised by your Board of Directors on 25 April 2012 and signed on 1 February 2013.

The purpose of the partners' agreement is to govern the relationship between partners in the SCI Lenovilla within the "New Vélizy" operation consisting of sharing a building complex located in Vélizy-Villacoublay.

Paris-La Défense, 14 March 2023

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

5.5 Report of the Statutory Auditors on the share capital reduction

Combined General Meeting of 20 April 2023

Twenty-fourth resolution

To the annual General Meeting of Covivio,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 22-10-62 of the French Commercial Code (*Code de commerce*) in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions for the proposed reduction in capital.

Your Board of Directors requests that it be authorised, for a period of twenty-four months starting on the date of this General Meeting, to cancel the shares purchased by the company pursuant to the authorisation to purchase its own shares under the aforementioned article, representing a maximum amount of 10% of its total share capital per period of eighteen months.

We have performed the procedures that we deemed necessary to comply with the professional standards applicable in France to such engagements. The procedures consisted in verifying that the terms and conditions for the proposed reduction in capital, which should not compromise equality among the shareholders, are fair.

We have no matters to report on the terms and conditions of the proposed reduction in capital.

Paris-La Défense, 14 March 2023

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

5.6 Statutory Auditors' report on the issue of shares and/or other securities with or without a waiver of preferential subscription rights

Combined General Meeting of 20 April 2023

Twenty-fifth, Twenty-sixth, Twenty-seventh and twenty-eighth resolutions

To the annual General Meeting of Covivio,

In our capacity as your Company's Statutory Auditors and in accordance with Articles L. 228-92, L. 225-135 *et seq*. and L. 22-10-52 of the French Commercial Code, we hereby report to you on the proposals, submitted for your authorisation, for delegation of authority to the Board of Directors to decide on various issues of shares and.or other securities.

On the basis of its report, the Board of Directors proposes:

- that you authorise it, with power to sub-delegate and for a period of twenty-six months, to decide on the following issues of securities, if necessary waiving your preferential subscription right, and to decide on the final terms and conditions applicable to any such issues of securities:
  - the issue, for consideration or otherwise and subject to existing shareholders' preferential subscription right (twenty-fifth resolution), of ordinary shares or other securities (including share subscription warrants for new or existing shares) conferring immediate or deferred access to the share capital of the company:
    - it being specified that as provided for by paragraph 1 of Article L. 228-93 of the French Commercial Code, the securities to be issued may equally confer access to the share capital of any company directly or indirectly exercising more than 50% control over the company or of any subsidiary subject directly or indirectly to more than 50% control
    - it being specified that as provided for by paragraph 3 of Article L. 228-93 of the French Commercial Code, securities to be issued in the form of Company shares may equally confer access to other existing equity securities or to the allocation of debt securities of any company directly or indirectly exercising more than 50% control over the company or of any subsidiary subject directly or indirectly to more than 50% control
    - the issue, waiving preferential subscription rights for existing shareholders by means of a public offering, including offerings governed by Article L. 411-2 I of the French Monetary and Financial Code (Code monétaire et financier), (twenty-sixth resolution) of ordinary shares and.or other securities conferring immediate or deferred access to the company's share capital
    - it being specified that as provided for by paragraph 1 of Article L. 228-93 of the French Commercial Code, the securities to be issued may equally confer access to the share capital of any company directly or indirectly exercising more than 50% control over the company or of any subsidiary subject directly or indirectly to more than 50% control
    - it being specified that as provided for by paragraph 3 of Article L. 228-93 of the French Commercial Code, securities to be issued in the form of Company shares may equally confer access to other existing equity securities or to the allocation of debt securities of any company directly or indirectly exercising more than 50% control over the company or of any subsidiary subject directly or indirectly to more than 50% control.
  - the issue, in the event of any public exchange offer initiated by your Company (twenty-seventh resolution), of shares and.or other securities conferring immediate or deferred access to the company's share capital.
- that you authorise it, with power to sub-delegate and for a period of twenty-six months, to issue shares and.or other securities conferring immediate or deferred access to your Company's share capital, or to other existing or future equity securities of the company, in consideration for contributions in-kind to the company in the form of shares or other securities conferring access to share capital (twenty-eighth resolution).

The Board of Directors informs you that in the absence of prior authorisation for that purpose from a General Meeting, it will not be able to make use of the delegations of authority provided for by the twenty-fifth, twenty-sixth, twenty-seventh and twenty-eighth resolutions between the issue of any public offer for the company's shares or other securities and the end of the offer acceptance period.

The maximum nominal amount of the increases in capital that may be achieved immediately or in the future may not exceed €71 million in respect of the twenty-fifth and €28.4 million in respect of the twenty-sixth resolution.

The maximum nominal amount of the increases in capital that may be achieved immediately or in the future may not exceed 10% of your Company's share capital (existing at the date of use by your Board of Directors of the present authorisation) in respect of the twenty-seventh and twenty-eighth resolutions.

The total nominal amount of the debt securities giving access to the share capital of your company that may be issued under the twenty-fifth, twenty-sixth, twenty-seventh and twenty-eighth resolutions, may not exceed €750 million, which is the overall cap for all debt securities.

It is the Board of Directors' responsibility to prepare and submit a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of any financial data extracted from the parent company's financial statements, on the proposal to waive preferential subscription rights and on certain other information related to the issue of securities provided in this report.

We have performed the procedures that we deemed necessary to comply with the professional standards applicable in France to such engagements. Our procedures consisted in verifying the content of the report of the Board of Directors and the bases of determination of the issue prices.

Subject to ulterior examination of the terms and conditions applicable to any issue of securities actually decided on, we have no matters to report with regard to the bases of determination of the issue prices for the equity securities to be issued as described in the report of the Board of Directors with regard to the twenty-sixth resolution.

As the bases of determination of the issue prices for the equity securities to be issued in the framework of the twenty-first and twenty-third and twenty-fourth resolutions have not been established in the report of the Board of Directors, we do not at present express any opinion in their respect.

As the final terms and conditions applicable to any actual issues of securities have not been established, we do not at present express any opinion in their respect nor, therefore, in respect of the proposal of the twenty-sixth resolution to waive shareholders' preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report on those matters in the event of any actual use by the Board of Directors of the proposed delegations of authority to issue shares or other equity securities conferring access to the company's share capital or providing rights of allocation of debt securities, to issue other securities providing access to equity securities to be issued subsequently, or to issue of shares without existing shareholders' preferential subscription rights.

Paris-La Défense Cedex, le 14 March 2023

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

5.7 Statutory Auditors' report on the issue of shares or other securities reserved for the benefit of subscribers to a corporate savings plan

Combined General Meeting of 20 April 2023

Twenty-ninth resolution

To the annual General Meeting of Covivio,

In our capacity as your Company's Statutory Auditors and in accordance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby report to you on the proposal, submitted for your authorisation, for delegation of authority to the Board of Directors to decide on the issue of shares or other securities providing access to the share capital, without preferential subscription rights for existing shareholders, reserved for the benefit of employees subscribing to a corporate savings plan of your Company and other related companies for up to a total nominal amount of €500 thousand.

The aforementioned proposal is submitted for your authorisation in accordance with Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code.

On the basis of its report, the Board of Directors proposes that you authorise it, with power to further delegate such authority and for a period of twenty-six months, to decide on any such issue of securities and waive your preferential subscription rights to the shares and.or securities to be issued. If necessary, the Board of Directors will determine the final conditions of this operation.

It is the Board of Directors' responsibility to prepare and submit a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of any financial data extracted from the parent company's financial statements, on the proposal to waive preferential subscription rights and on certain other information related to the issue of securities provided in this report.

We have performed the procedures that we deemed necessary to comply with the professional standards applicable in France to such engagements. Our procedures consisted in verifying the content of the report of the Board of Directors and the bases of determination of the issue prices.

Subject to ulterior examination of the terms and conditions applicable to any issue of securities actually decided on, we have no matters to report with regard to the bases of determination of the issue prices for the equity securities to be issued as described in the report of the Board of Directors.

As the final terms and conditions applicable to any actual issue of securities have not been established, we do not at present express any opinion in their respect nor, therefore, in respect of the proposal to waive preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report on those matters in the event of any actual use by the Board of Directors of the proposed delegation of authority to issue shares or other equity securities providing access to the company's share capital or to issue other securities providing access to equity securities to be issued subsequently.

Courbevoie and Paris-La Défense, 14 March 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Claire Gueydan-O'Quin	Anne Herbein

5.8 Parties responsible for auditing the financial statements

	Statutory Auditors	Date of appointment	Date of renewal	Expiry of term of office
Holders	**Cabinet Mazars** Tour Exaltis 61, rue Henri-Regnault 92400 Courbevoie	22.05.2000	11.04.2006 25.04.2012 19.04.2018	OGM in 2024 approving the annual financial statements for the year ended 31.12.2023
	Ernst & Young et Autres 1-2, place des Saisons Paris-La Défense 1 92400 Courbevoie	24.04.2013	17.04.2019	OGM in 2025 approving the annual financial statements for the year ended 31.12.2024

The remuneration of the Statutory Auditors is presented in paragraph 4.2.7.6 of the annex to the consolidated financial statements.


Paris 21 Goujon
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Information and management

6.1 Company overview

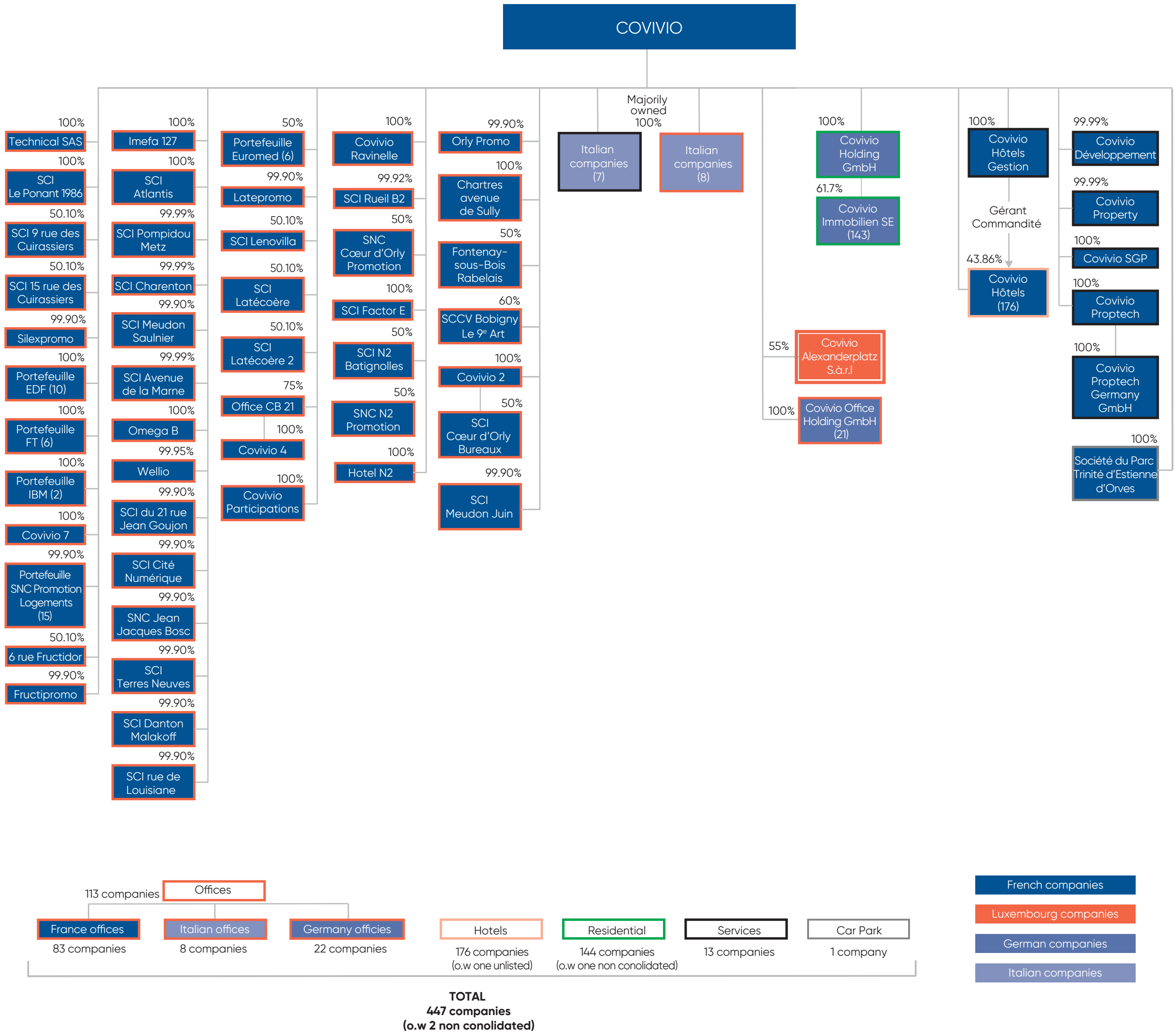
6.1.1 History of the company (Group share data)

1963	The company is formed under the name "Société des Garages Souterrains et du centre commercial Esplanade – Belvédère". Its original purpose was to operate the first underground car park built in Metz.
1983	Listing on the secondary market at the Nancy stock exchange on 16 June.
1998	Acquisition of Immobilière Batibail and a set of mainly residential assets. Adoption of "Garages Souterrains et Foncière des Régions, GSFR" as the new corporate name.
1999	Merger between Immobilière Batibail and Gecina. GSFR is brought under the control of the Batipart family holding company chaired by Charles Ruggieri.
2002	Corporate name change: GSFR becomes "Foncière des Régions". Subsidiarisation of the Car Parks business: creation of the company Parcs GFR.
2003	Foncière des Régions opts for the tax status of a *Société Immobilière d'Investissement Cotée* (SIIC, a public real estate investment company). Acquisition of full ownership of the assets in partnership with Morgan Stanley and leased to EDF or France Télécom (these assets represent 1.15 million m^2 valued at €850 million) and acquisition of 133 buildings from the insurer Azur-GMF.
2004	Foncière des Régions launches a friendly takeover bid for Bail Investissement Foncière.
2005	Creation of Foncière Développement Logements and transfer of housing assets to this entity.
2006	Merger through absorption of Bail Investissement Foncière into Foncière des Régions.
2007	Acquisition of 68% of Beni Stabili, the second-largest public real estate company in Italy. Creation of Foncière Europe Logistique, a public entity (SIIC tax status) dedicated to the logistics business, and transfer of assets to this entity.
2008	Foncière des Régions becomes part of the SBF 120.
2009	Start of renovation work on the CB 21 Tower.
2010	Changes in shareholder structure and governance: Batipart sells a large proportion of its investment in Foncière des Régions to Delfin, Predica and Assurances du Crédit Mutuel Vie (ACM Vie). Charles Ruggieri, Chairman of Batipart, resigns as Chairman of the Supervisory Board of Foncière des Régions. Jean Laurent is appointed Director and named Chairman of the Supervisory Board.
2011	Adoption on 31 January 2011 by the General Meeting of Foncière des Régions and the subsequent Board of Directors of a new Governance: ● adoption of the legal form of a company with a Board of Directors, ● segregation of the duties of Chairman of the Board of Directors and Chief Executive Officer, assigned respectively to Jean Laurent and Christophe Kullmann, ● strengthening of the influence of independent Directors raised to 40% of the members.
2012	Squeeze-out followed by a mandatory delisting by Foncière des Régions of FEL. Award of a BBB- rating with a stable outlook by the Standard & Poor's rating agency.
2013	Separation of France and Germany portfolios in the residential business. Strengthening of Covivio in Germany: ● success of the public exchange offer on Foncière Développement Logements: Following the transaction, Foncière des Régions holds a 59.7% stake in Foncière Développement Logements, ● €351 million acquisition of housing units in Germany, in Berlin and Dresden.
2014	Creation of FDM Management, a subsidiary and investment partnership specialising in the acquisition of hotel assets on behalf of leading operators.
2015	Successful capital increase of €255 million. S&P raises the Foncière des Régions rating to BBB with a stable outlook.
2016	Foncière des Régions increases its equity in its Foncière des Murs subsidiary and now holds 49.9% of the equity. Foncière des Régions increases its equity in Beni Stabili subsidiary and now holds 52.2% of the equity. First Green Bond in the amount of €500 million with a ten-year maturity and interest rate of 1.875%. Acquisition of 18 Hotel Operating properties and real estates in Germany, France and Belgium for €936 million, *via* FDM Management.
2017	Launch of Foncière des Régions' new flex-office and co-working offer in three buildings in Paris and Marseille. Pursuit of the strategy in Italy with the splitting of 40% of the Telecom Italia portfolio with Crédit Agricole Assurances and EDF Invest at the end of the first half of 2017. Launch of the German Residential development pipeline, representing €488 million in construction or extension projects, largely in Berlin. Foncière des Régions increases its investment in its subsidiary Foncière Développement Logements, wholly owned as of 31 December. The company was delisted from the exchange.

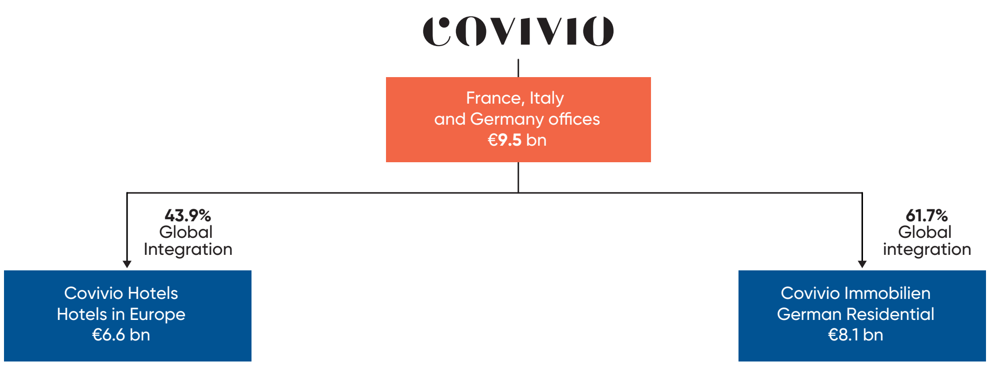
2018	Foncière des Régions changes identity and becomes Covivio, thus combining all of its European teams under a common banner. Completion of the cross-border merger of Beni-Stabili by Covivio, a key step in simplifying the Group. Appointment of Dominique Ozanne as Deputy CEO of Covivio and Laurie Goudallier as Chief Digital Officer. Pursuit of the strategy in Italy with the sharing of 9% of the Telecom Italia portfolio with Crédit Agricole Assurances and EDF Invest in early 2018, after sharing 40% of the Telecom Italia portfolio in 2017. Improved exposure to the hotel business with the merger absorption of FDM Management by Covivio Hotels. Covivio obtained a BBB positive outlook rating from S&P.
2019	Covivio expresses its Purpose (*Raison d'être*): Build sustainable relationships and well-being. Appointment of Daniel Frey and Marcus Bartenstein in the management of Covivio in Germany. Delivery by Covivio of 45,700 m^2 of offices and 680 hotel rooms in France and Germany. Launch of around 170,000 m^2 of new projects essentially in Paris, Milan and Berlin. Financial notation: obtention by Covivio of the BBB+ rating, stable perspective, before S&P, due to the improvement of the operational and financial profile. Non-financial rating: Covivio received the maximum score (A1+) for its Corporate Rating from Vigeo-Eiris and is ranked 1st in its sector. Covivio successfully launches a Second Green Bond for €500 million with a twelve-year maturity and interest rate of 1.125%.
2020	Impact of the Coronavirus on the Group's activities: good performance in Offices and Residential, hotel activity affected by the crisis. Contribution to the national solidarity effort: mobilisation of Covivio to provide assistance to medical authorities, healthcare workers and small and medium-sized businesses weakened by the crisis. Acquisition of a portfolio of ten Offices in major German cities, through the acquisition of the company Godewind AG. Acquisition of 8 hotels leased to NH Hotels in the city centres of major European tourist destinations. Success of the disposal plan with €0.9 billion of new agreements signed in 2020. Opening of the 1st Wellio flexible office site in Milan. Non-financial ratings: Covivio ranks among the world leaders with Vigeo Eiris, Sustainalytics, GRESB, MSCI, ISS-ESG. Covivio has successfully placed €500 million in ten-year bonds with a coupon of 1.625%.
2021	Record marketing of 180,700 m^2 of offices, mainly in France and Italy. Signing of €901 million in disposal agreements with an average margin of 4% on appraisal values. Delivery of 7 office assets pre-let at 96%. Significant recovery in the Hotels activity. Germany becomes Covivio's leading exposure in terms of portfolio values. Reduction of Loan to Value at 39%, two points less than in 2020. New carbon trajectory aimed at carbon neutrality for scopes 1 and 2 and alignment with the well below 2 °C trajectory for scope 3 including construction, *i.e.* a 40% reduction in emissions by 2030 (vs 2010), validated by the SBT initiative. For its first year of operation, the Covivio Foundation supported 12 associations and projects helping the populations most exposed to the impacts of the health crisis. Appointment of Tugdual Millet as Chief Executive Officer of Covivio Hotels and appointment of Paul Arkwright as Group Chief Financial Officer.
2022	Good resilience of asset values, stable over the year in a real estate environment heavily impacted by the sharp rise in interest rates. Good operational performance, with the marketing of 134,400 m^2 of offices in France, Italy and Germany. Renewal of 138,000 m^2 of leases with an average maturity extension of 5 years for an average rent increase of +2%. Delivery of five office assets in France and Italy, 79% pre-let. Strengthening of the quality of the balance sheet with the signature of €485 million in disposal agreements (+2.3% average margin on appraised values) allowing net debt to be reduced by €220 million, thus maintaining the leverage ratio (LTV) at 39.5%. New progress on the ESG strategy with 93% of the portfolio benefiting from environmental certification, i.e. 2 points more than in 2021. Appointment of Jean-Luc Biamonti as Chairman of the Board of Directors following the resignation of Jean Laurent on 21 July 2022 for health reasons.

6.1.2 Group organisation chart

6.1.2.1 Simplified legal organisation chart of the Group at 31 December 2022



6.1.2.2 Simplified portfolio of the Group at 31 December 2022



6.2 General information about the issuer and its share capital

6.2.1 General information concerning the issuer

6.2.1.1 Company name (Article 2 of the Articles of Association)

Covivio.

6.2.1.2 Legal form (Article 1 of the Articles of Association)

Covivio was transformed into a French *société anonyme* (public limited company) with a Board of Directors on 31 January 2011.

6.2.1.3 Registered office (Article 4 of the Articles of Association) and the company's administrative offices

The registered office of Covivio is located at 18, avenue François Mitterrand – 57000 Metz (Telephone: +33 (0)3 87 39 55 00).

Its administrative Offices are located at 30, avenue Kléber, 75116 Paris, France (Telephone: +33 (0)1 58 97 50 00).

6.2.1.4 Trade and Companies Register

Covivio is registered in the Trade and Companies Register of the Metz Judicial Court under number 364 800 060.

Its APE Code is 6820 B.

The SIRET number of the company is 364 800 060 00287.

6.2.1.5 Branch

Covivio has a branch in Italy with its registered office in Milan (20123), *via* Carlo Ottavio Cornaggia 10.

6.2.1.6 Market on which the shares and bonds are listed

Covivio shares are listed on Compartment A of Euronext Paris (FR0000064578 - COV), as well as on the MTA (*Mercato Telematico Azionario*) market of the Milan Stock Exchange. The Covivio share is also admitted to the SRD and is included in the composition of the MSCI, SBF120, Euronext IEIF "SIIC France", and CAC Mid100 indexes, in "EPRA" and "GPR 250", the reference indexes of the European real estate companies, as well as in ESG FTSE4 Good, CAC SBT 1.5°C, DJSI World and Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20), Euronext® CDP Environment France EW, Stoxx ESG, Ethibel and Gaïa.

The Covivio bonds issued on 20 May 2016 (Green Bond), for an amount of €500 million, maturing on 20 May 2026, carry a fixed coupon of 1.875% and are listed on the Euronext regulated market in Paris under ISIN code FR0013170834.

The Covivio bonds issued on 21 June 2017, for an amount of €500 million, maturing on 21 June 2027, carry a fixed coupon of 1.5% and are listed on the Euronext regulated market in Paris under ISIN code FR0013262698. These obligations have been reclassified as Green Bonds in 2022.

The Covivio bonds issued on 17 September 2019 (Green Bonds), for an amount of €500 million, maturing on 17 September 2031, carry a fixed coupon of 1.125% and are listed on the Euronext regulated market in Paris under ISIN code FR0013447232.

The Covivio bonds issued on 23 June 2020, for an amount of €500 million, maturing on 23 June 2030, carry a fixed coupon of 1.625% and are listed on the Euronext regulated market in Paris under ISIN code FR0013519279. These obligations have been reclassified as Green Bonds in 2022.

Covivio bonds issued on 20 January 2021 (Green Private Placement as part of its EMTN programme authorised by the Board of Directors on 14 October 2020 and set up on 6 November 2020) for an amount of €100 million, maturing on 20 January 2033, offer a fixed coupon of 0.875% and are listed on the regulated market of Euronext in Paris under ISIN code FR0014001LV5.

In application of the law at the conclusion of the merger absorption of its subsidiary Beni Stabili and in application of the provisions of Article L. 228-101 of the French Commercial Code, Covivio now assumes all obligations related to the following securities previously issued by Beni Stabili:

- the bonds issued on 17 October 2017 in the amount of €300 million, maturing on 17 October 2024, carry a fixed coupon of 1.625% and are listed on the Luxembourg stock exchange under ISIN code XS1698714000. These obligations have been reclassified as Green Bonds in 2022
- the bonds issued on 20 February 2018 in the amount of €300 million, maturing on 20 February 2028, carry a fixed coupon of 2.375% and are listed on the Luxembourg stock exchange under ISIN code XS1772457633. These obligations have been reclassified as Green Bonds in 2022.

6.2.1.7 LEI (Legal Entity Identifier)

The LEI of Covivio is 969500P8M3W2XX376054.

6.2.1.8 Nationality

The company is governed by French law.

6.2.1.9 Term of the company (Article 5 of the Articles of Association)

The company was created on 2 December 1963 for a period of 99 years.

6.2.1.10 Corporate purpose (Article 3 of the Articles of Association)

Covivio's Purpose, both in France and abroad, for itself or in partnership with third parties, involves:

- primarily:
  - the acquisition of any land, real estate rights or assets, through purchase, exchange, contribution in kind or else including through construction leases, emphyteutic leases, authorisations for temporary occupancy of public property and finance leases, as well as all assets and rights that may be accessory or attached to the said real estate properties
  - the construction of assets, and any transactions directly or indirectly related to the construction of such assets
  - the operation and creation of value of such real estate assets through rental
  - directly or indirectly, the holding of equity investments in entities stipulated in Article 8 and paragraphs 1, 2 and 3 of Article 206 of the French General Tax Code and, in general, the acquisition of shareholdings through contribution, subscription, purchase or exchange of shares or voting rights or else in companies whose primary purpose is the operation of rental real estate portfolio, and the promotion, management and assistance of such entities and companies.

- secondarily and directly or indirectly:
  - the leasing of all real estate properties
  - the acquisition, including through concession, of temporary authorisation to occupy public property and the operation of parking facilities
  - the management, administration, negotiation and sale of real estate rights and assets for the account of third parties and of direct and indirect subsidiaries, allocated to the exploitation of industrial and commercial companies in the rental subsector of the tertiary sector (offices, businesses and et logistic) and secondarily in the housing sector
  - the provision and marketing of new collaborative and intelligent workspaces, or more generally workspaces, open and/or closed office spaces, lounges, meeting rooms or conference rooms, furnished or equipped business centres, archiving premises and car parks
  - the acquisition, holding, disposal and business management in the tourism, leisure and accommodation sector in the broad sense
  - the promotion, management and assistance of all direct and indirect subsidiaries
- in exceptional circumstances, the transfer, through sale, contribution, exchange or merger, of the assets of the company.
- and more generally:
  - the participation as borrower and lender in any intra-group loan or cash transactions and the possibility of granting for this purpose any personal guarantees or security interests in real or personal property, whether mortgages or other borrowings
  - and all civil, financial, commercial, industrial, personal and real property transactions deemed useful for the development of any one of the aforementioned purposes of the company.

6.2.1.11 Tax regime

The company opted with effect from 1 January 2003 for the tax regime of listed real estate investment companies (SIIC) provided for in Article 208 C of the French General Tax Code. As such, it benefits from an exemption from rental income, real estate capital gains and dividends from SIIC subsidiaries, provided that it distributes to shareholders at least 95% of the rental income, 70% of the capital gains and 100% of dividends.

6.2.1.12 Website

Information about the company is available on its website: www.covivio.eu. The information on the website is not part of the Universal Registration Document, unless some of the information is expressly incorporated by reference.

6.2.1.13 Documents available to the public

The shareholders have several media and tools to keep informed about the company and the shares: the website www.Covivio.eu, the financial news in the press, the letter to the shareholders, a special e-mail address (actionnaires@Covivio.fr), a special toll-free line (+33 (0) 805 400 865) and the annual report.

This Universal Registration Document, published in French and English, is available free of charge and can be obtained upon request at the company's administrative Offices, through the Investor Relations department. It can also be viewed on the company's website and on the website of the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) (www.amf-france.org).

During the period of validity of this Universal Registration Document, the company's Articles of Association, corporate documents and all reports, evaluations or declarations drawn up by an expert at the request of the company, part of which is included or referred to in the Universal Registration Document are available if applicable on its website and at the company's registered office.

6.2.1.14 Fiscal year (Article 24 of the Articles of Association)

Each fiscal year lasts for 12 months, beginning on 1 January and ending on 31 December of each calendar year.

6.2.1.15 Statutory distribution of profits (Article 25 of the Articles of Association)

- At least five per cent (5%) of the profits for the year less any prior losses, must be withdrawn and allocated to the legal reserve fund. This deduction ceases to be required when the reserve amounts to one tenth (1/10) of the share capital.

  Distributable earnings consist of the profit for the year, minus prior losses and sums to be allocated in the reserve as required by law and the Articles of Association, plus any retained earnings.

  The General Meeting may take from this profit any sums it deems appropriate to be allocated to optional, ordinary or extraordinary reserves, or to be carried forward.

  Any balance left over is distributed by the General Meeting among the shareholders in proportion with the number of shares they hold.

  In addition, the General Meeting may decide to distribute sums taken from the reserves at its disposal, expressly indicating the reserve items from which the sums are to be withdrawn. However, dividends are taken primarily from the profit for the year.

  Except in case of a reduction in capital, no distribution may be made to shareholders when the shareholders' equity is, or would become following such a distribution, less than the amount of the capital plus the reserves that may not be distributed by law or the Articles of Association. The revaluation reserve may not be distributed. It may be capitalised in whole or in part.

  After approval of the financial statements by the Ordinary General Meeting, any losses are carried forward and are offset against earnings of subsequent years until extinction.

  The Board of Directors may decide to distribute advanced dividend payments prior to the approval of the financial statements for the fiscal year, under the conditions provided for by law.
- The terms for payment of dividends approved by the General Meeting are decided by the General Meeting or by the Board of Directors. However, the payment of dividends must take place within a maximum period of nine (9) months after the end of the fiscal year. An extension of this time period may be granted by court decision.

  The General Meeting may offer shareholders an option between payment in cash or payment in new shares of company shares for all or a portion of the dividend or advanced dividend payments distributed, under the conditions established by law.

  The Ordinary General Meeting may approve the distribution of profits or reserves through the distribution of negotiable securities owned by the company; shareholders will be responsible for grouping themselves, if necessary, to obtain a whole number of securities thus distributed.

- Any Concerned Shareholder whose own situation or that of its partners renders:
  - **(i)** the company liable for the withholding (the "**Withholding Tax**") mentioned in Article 208 C II *ter* of the French General Tax Code; or
  - **(ii)** the SOCIMI companies, whose capital is directly or indirectly held by the company, liable for Spanish withholding (the "**Spanish Withholding Tax**") mentioned in Article 9.3 of law 11/2009.

A "Shareholder subject to Withholding" will be required to compensate the company for the Withholding Tax and/or the Spanish Withholding Tax due following a distribution, by the company or the SOCIMIs, whose capital is directly or indirectly held by the company, of dividends, reserves, premiums or "income deemed distributed" pursuant to the French General Tax Code or the Spanish law 27/2014 of 27 November 2014 on corporate taxation, respectively, under the conditions of Article 9.3 below.

Any Concerned Shareholder is assumed to be a Shareholder subject to Withholding. If they declare that they are not a Shareholder subject to Withholding, they must provide to the company at its request:

- **(i)** for the needs of the Withholding Tax, no later than five (5) business days prior to the payment of the distributions, a satisfactory legal opinion without reservations, issued by an international law firm with recognised expertise in French tax law or of the country of residence of the shareholder concerned, certifying that they are not a Shareholder subject to Withholding, that they are the effective beneficiary of the dividends and that the distributions paid to them do not make the company liable for the Withholding Tax
- **(ii)** for the needs of the Spanish Withholding Tax, no later than five (5) business days prior to the payment of the distributions by the SOCIMIs whose capital is held directly or indirectly by the company, a certificate of tax residency delivered by the competent authority of the country of residence of the shareholder Concerned, certifying that they are a tax resident and, no later than five (5) business days prior to the payment of the distributions, a satisfactory legal opinion without reservations certifying that they are not a shareholder Subject to Spanish Withholding and that the distributions paid to them by the SOCIMIs, whose capital is directly or indirectly held by the company, are not subject to the Spanish Withholding, due to their investment in the company.

In the event in which (a) the company holds, directly or indirectly, a percentage of the rights to dividends at least equal to that mentioned in Article 208 C II *ter* of the French General Tax Code or greater in one or more listed real estate investment companies mentioned in Article 208 C of the French General Tax Code (a "**Daughter SIIC**") or (b) the company holds, directly or indirectly, a percentage of the share capital or rights to dividends at least equal to that mentioned in Article 9.3 of the Spanish law 11/2009 in one or more SOCIMI companies and, in which the Daughter SIIC or the said SOCIMI, due to the situation of the Shareholder subject to Withholding, would have paid the Withholding Tax or the Spanish Withholding Tax, the Shareholder subject to Withholding must, as the case may be, compensate the company, either for the amount paid as compensation by the company to the Daughter SIIC or to the concerned SOCIMI for payment of the Withholding Tax by the Daughter SIIC or the Spanish Withholding Tax by the SOCIMI, or when the company does not compensate the Daughter SIIC or the SOCIMI in an amount equal to the Withholding Tax paid by the Daughter SIIC or equal to the Spanish Withholding Tax paid by the SOCIMI concerned, such that the other shareholders of the company do not economically support any portion of the Withholding Tax or of the Spanish Withholding Tax paid respectively by any one of the SIIC or SOCIMI in the chain of investments owing to the Shareholder subject to Withholding (the "**Additional Compensation**"). The amount of the Additional Compensation will be paid by each of the shareholders subject to Withholding proportionately to their respective dividend rights divided by the total dividend rights of the shareholders subject to Withholding.

The company will be entitled to offset its claim against any Shareholder subject to Withholding, on the one hand, and the sums to be paid by the company for its benefit, on the other hand. Thus, the sums distributed by the company that must, for each share held by said Shareholder subject to Withholding, be paid in its favour pursuant to the aforementioned distribution decision or a share buyback, will be reduced by the amount of the Spanish Levy or Levy due by the company or SOCIMI in respect of the distribution of these sums and/or the Additional Compensation.

The amount of any compensation owed by a Shareholder subject to Withholding will be calculated in such a manner that, after payment thereof and taking into account any specific tax regime that may be applicable to it, the company will be placed in the same situation as if the Withholding Tax or the Spanish Withholding Tax had not become due. In particular, the compensation must include any tax due by the company for the compensation.

The company and the Concerned Shareholders will cooperate in good faith to ensure that all reasonable measures are taken to limit the amount of the Withholding Tax or Spanish Withholding Tax due or to become due and the compensation arising or that could arise from it.

- In the event that (i) following a distribution of dividends, reserves or premiums, or of "products deemed distributed" in the meaning of the French General Tax Code by the company or by a Daughter SIIC exempt from corporate tax in application of Article 208 C II of the French General Tax Code or following a distribution by a SOCIMI, whose capital is held directly or indirectly by the company, within the meaning of the Spanish law 27/2014 of 27 November 2014 on corporate taxation, it is discovered that a shareholder was a Shareholder subject to Withholding on the date of the payment of the said sums and that (ii) the company, the Daughter SIIC and/or the said SOCIMI ought to have paid the Withholding Tax or the Spanish Withholding Tax of the amounts thus paid, and the sums had already been subject to the compensation specified in Article 25.3 above, the Shareholder subject to Withholding must pay to the company, as compensation for the damages suffered by this latter, an amount: (a) equal to the Withholding Tax that would have been paid by the company for each share of the company that it held on the day of payment of the concerned distribution of dividends, reserves or premiums, (b) equal to any damages suffered by the company resulting from the payment of the Spanish Withholding Tax by the SOCIMIs, whose capital is directly or indirectly held by the company as this payment is attributable to the Concerned Shareholder and (c) as the case may be, the amount of the Additional Compensation (the "Compensation").

Where relevant, the company will be entitled to make an offset, in the appropriate amount, between its receivables under the indemnity and any sums that may subsequently become due to this Shareholder subject to Withholding, without prejudice, as appropriate, to the prior allocation to the said sums of the offset as provided for in paragraph 4 of Article 25.3 above. In the event that, after such an offset is made, the company has still not been paid the amounts owed by Shareholder subject to Withholding under the indemnity, the company will be entitled to make a new offset, in the appropriate amount, against any sums that may subsequently be payable to this Shareholder subject to Withholding until the final extinguishment of the said debt.

6.2.1.16 General Meetings (Article 22 of the Articles of Association)

General Meetings are called under the conditions set by the laws and regulations in force.

Meetings are to be held at the registered office or at any other location indicated in the notice of meeting.

Every shareholder has the right to attend General Meetings and to participate in the deliberations, in person or by proxy, upon presentation, under the applicable legal and regulatory conditions, of his or her identity and of the registration of the shares in the books in the name of the shareholder or of an intermediary registered on his or her behalf.

The General Meetings are chaired by the Chairman of the Board of Directors or, failing this, by a Vice-Chairman or, in the absence of the latter, by a Director specially appointed for this purpose by the Board. Failing this, the General Meeting elects the Chairman of the meeting.

The two (2) shareholders attending the General Meeting with the highest number of votes are elected scrutineers if they so accept.

The Executive Board (bureau) will appoint the Secretary, who may be chosen from outside the shareholders.

At each General Meeting, an attendance sheet must be compiled under the conditions provided by law.

Copies or excerpts of the minutes of the General Meetings will be validly certified by the Chairman of the Board of Directors, a member of the Board or the Secretary of the General Meeting.

Ordinary and Extraordinary General Meetings, deliberating under the *quorum* and majority conditions set forth in the respective provisions governing them, will exercise the powers attributed to them by law.

Shareholders may vote by post, appoint a proxy or send their proxy form by any means permitted under the laws and regulations in force. In particular, shareholders may send the company proxy or postal voting forms by fax or e-mail before the General Meeting, under the conditions set by law. The proxy and postal vote forms may be signed electronically if the electronic signature satisfies the requirements defined in the first sentence of paragraph 2 of Article 1316-4 of the French Civil Code.

On the decision of the Board of Directors, the shareholders may take part in the General Meeting by videoconference or vote by any remote means of communication and teletransmission, including the internet, under the conditions set forth in the regulations applicable at the time the communication method is used. This decision must be included in the meeting notice published in the *Bulletin des Annonces Légales Obligatoires* (BALO).

Shareholders will be considered as being present for *quorum* and majority calculations if they participate in the General Meeting by videoconference or by any remote means of communication and teletransmission, including the internet, which enables shareholders to be identified under the conditions provided for by laws and regulations.

6.2.1.17 Statutory threshold crossing (Article 8 of the Articles of Association)

- In addition to the legal obligation to notify the company of the holding of certain fractions of the capital and to make any resultant declarations of intent, any physical person or legal entity, acting alone or in concert, who has come to hold or stops holding, directly or indirectly, at least one per cent (1%) of the company's capital or voting rights, or any multiple of this percentage, must notify the company, by registered post with proof of receipt request to the registered office within the period provided for in Article R. 233-1 of the French Commercial Code, also indicating the number of securities ultimately giving access to the share capital it holds, the number of related voting rights as well as all the information referred to in Article L. 233-7 I of the French Commercial Code. Mutual fund management firms must carry out such reporting for the entirety of the shares of the company held by the funds that they manage.

  This reporting obligation applies to all cases of exceeded thresholds mentioned above, including beyond the statutory and regulatory thresholds. Unless a declaration has been made under the conditions outlined above, shares above the fraction which should have been declared will have no voting rights attached for any General Meeting held within two (2) years after the date of regularisation of the declaration, at the request, recorded in the minutes of the General Meeting, of one or several shareholders together holding at least one per cent (1%) of the share capital.
- (i) Any shareholder other than a physical person that holds, directly or by intermediary of entities that they control in the meaning of Article L. 233-3 of the French Commercial Code, a percentage of rights to dividends of the company at least equal to that mentioned in Article 208 C II *ter* of the French General Tax Code; and
- (ii) any shareholder who indirectly holds, by intermediary of the company, a percentage of the share capital or rights to dividends of real estate investment *sociétés anonymes* (public limited companies) listed on the stock exchange in Spain ("**SOCIMIs**") at least equal to that mentioned in Article 9.3 of Spanish law 11/2009 of 26 October 2009 ("**law 11/2009**")

(collectively, a "**Concerned Shareholder**")

shall be required to register the entirety of registered shares in the company which they own and ensure that the entities that they control within the meaning of Article L. 233-3 of the French Commercial Code register all registered shares in the company of which they hold ownership.

Any Concerned Shareholder that has not met these obligations by the second working day prior to a General Meeting will have the voting rights it holds, either directly or *via* entities it controls pursuant to Article L. 233-3 of the French Commercial Code, capped at the number of shares that it holds, at the relevant General Meeting, in registered form at this date. The Concerned Shareholder referred to above will regain all of the voting rights attached to the shares they hold, directly or by intermediary of entities it controls pursuant to of Article L. 233-3 of the French Commercial Code, at the next following General Meeting, provided that they make their situation compliant by registering all the shares they hold, directly or *via* entities they control pursuant to of Article L. 233-3 of the French Commercial Code, in registered form, by the second working day prior to that General Meeting.

6.2.2 General information concerning the share capital

6.2.2.1 Form of shares – Identification of holders (Article 7 of the Articles of Association)

- Shares will be registered or bearer shares, at the shareholder's choice.
- Shares will be registered in the account of their owner under the conditions and the terms provided for by the legal provisions in force.
- The company, or a third party designated by it, may use the provisions outlined in Articles L. 228-2 *et seq.* of the French Commercial Code at any time to identify (i) holders of securities conferring immediately or in the future voting rights in its own General Meetings (of shareholders) and (ii) holders of bonds issued by the company.

6.2.2.2 Transfer of shares (Article 9 of the Articles of Association)

The shares are freely negotiable.

6.2.2.3 Duties and obligations attached to shares (Article 10 of the Articles of Association)

Each share gives the right to ownership of the corporate assets and a share of the profits and the proceeds of liquidation in proportion to the number of existing shares.

Shareholders are only responsible for company debts up to the limit of their contribution, *i.e.*, the par value of their shares.

Each shareholder will have the same number of votes as the number of shares owned or represented. No double voting rights are granted pursuant to Article L. 22-10-46 of the French Commercial Code.

Ownership of one share legally implies compliance with the Articles of Association and decisions of the General Meetings.

Whenever it is necessary to hold several shares to exercise any right, in the event of exchange, reverse split or share allotments, or in the event of a capital increase or reduction, merger or other corporate transactions, the owners of only one share or a number of shares less than the number required may exercise these rights only if they personally ensure the Grouping or purchase or sales of the necessary number of shares or allotment rights.

Shares are indivisible with respect to the company, which recognises only one owner for each share. Joint owners are required to be represented in relation to the company by one person only. The voting right attached to a share belongs to the beneficial owner for Ordinary General Meetings and to the bare owner for Extraordinary General Meetings.

6.2.2.4 Conditions for modification of the share capital

The company's Articles of Association do not provide any rules in order to change the share capital. These decisions are subject to the legal and regulatory provisions that allow the Extraordinary General Meeting to delegate to the Board of Directors, which may sub-delegate, the powers or authority necessary to modify the company's share capital and the number of shares, particularly in the event of a capital increase or reduction.

You will be asked in an Extraordinary General Meeting to delegate certain financial authority to the Board of Directors in terms of capital increases and decreases by the cancellation of shares acquired in share buyback programmes. The financial delegations are presented in the report of the Board of Directors in the text of the draft resolutions in Section 5.2.2.1.

6.3 Shareholder structure

Covivio includes among its important shareholders the Delfin, Crédit Agricole Assurances, Covéa and Assurances du Crédit Mutuel groups.

6.3.1 Information on the share capital

As at 1 January 2022, Covivio's fully subscribed share capital was €283,946,073 divided into 94,648,691 fully paid-up shares, each with a par value of €3 and all of the same class.

At the end of the fiscal year, and taking into account the capital increases completed in 2022, Covivio's share capital was €284,358,288 divided into 94,786,096 fully paid-up shares, each with a par value of €3 and all of the same class.

6.3.2 Securities giving access to the share capital

With the exception of the free shares presented below, there are no other securities giving access to the company's share capital.

Free shares

The number of shares that may be issued under free share grants implemented by the company stood at 560,932 at the end of the fiscal year.

In accordance with the decisions of the Chief Executive Officer by delegation of the Board of Directors, 750,402 shares acquired by the company under its share buyback programmes were allocated for accounting purposes to the free share allocation plans:

- up to 560,932 shares for the plans approved by the Board of Directors on 13 February 2020, 16 December 2020, 17 February 2021, 25 November 2021, 22 February 2022 and 24 November 2022
- up to 189,470 shares for the company's future free share allocation plans.

Information on the allocation of free shares is provided in Section 6.3.9.2 below of this chapter.

6.3.3 Share capital structure and voting rights

In accordance with the provisions of Article 10 of the Articles of Association amended by the General Meeting of 17 April 2015, each shareholder will continue to have the same number of votes as he or she has shares. No double voting rights are granted pursuant to Article L. 22-10-46 of the French Commercial Code. Nevertheless, the number of voting rights exercisable in a General Meeting is adjusted to take account of treasury shares, which do not bear voting rights.

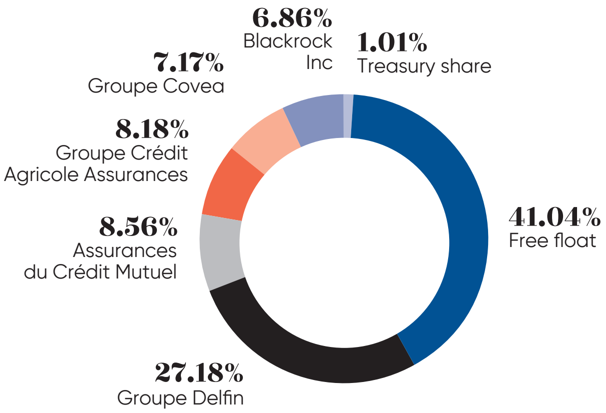
To the best of the company's knowledge, the distribution of the share capital and voting rights over the last three fiscal years among the shareholders or groups of shareholders who own or are likely to own, taking into account the shares and voting rights subject to the same treatment under Article L. 233-9 of the French Commercial Code, 5% or more of the share capital or voting rights, is as follows.

	31/12/2022				31/12/2021				31/12/2020			
	Number of shares	% of the share capital	% of theoretical voting rights[1]	% of voting rights exercisable in GM[2]	Number of shares	% of the share capital	% of theoretical voting rights[1]	% of voting rights exercisable in GM[2]	Number of shares	% of the share capital	% of theoretical voting rights[1]	% of voting rights exercisable in GM[2]
Public	38,897,127	41.04	41.04	41.46	39,197,424	41.42	41.42	41.57	41,261,773	43.64	43.64	43.77
Delfin Group [3]	25,765,290	27.18	27.18	27.46	25,765,290	27.22	27.22	27.32	25,765,290	27.25	27.25	27.33
Assurances du Crédit Mutuel	8,114,538	8.56	8.56	8.65	8,114,538	8.57	8.57	8.61	7,289,917	7.71	7.71	7.73
Groupe Crédit Agricole Assurances	7,750,975	8.18	8.18	8.26	7,750,975	8.19	8.19	8.22	7,750,975	8.20	8.20	8.22
Covéa Group	6,797,240	7.17	7.17	7.24	6,797,240	7.18	7.18	7.21	6,797,240	7.19	7.19	7.21
Blackrock Inc.	6,499,857	6.86	6.86	6.93	6,662,926	7.04	7.04	7.07	5,414,767	5.73	5.73	5.74
Treasury share	961,069	1.01	1.01	/	360,298	0.38	0.38	/	264,270	0.28	0.28	/
TOTAL	**94,786,096**	**100%**	**100%**	**100%**	**94,648,691**	**100%**	**100%**	**100%**	**94,544,232**	**100%**	**100%**	**100%**

(1) These percentages are calculated on the basis of all shares with voting rights attached, including shares temporarily without voting rights.

(2) These percentages are calculated by excluding shares held by the company that do not have voting rights.

(3) Delfin S.à.r.l. is a holding company that belongs to the Del Vecchio family. Delfin S.à.r.l. is primarily involved in financial business and equity investments and controls Aterno and DFR Investment, Covivio shareholders.



To the company's knowledge:

- there has been no significant change in the share capital structure and voting rights since the end of the fiscal year:
  - ACM Vie sold 258,727 shares in January 2023, bringing its stake to 8.29% of the share capital and voting rights
  - Predica sold 49,170 shares in January 2023, bringing the Crédit Agricole Assurances Group's stake to 8.13% of the share capital and voting rights
  - following the acquisition and disposal of shares, the stake of Blackrock Inc. was, as of February 2023, 6.91% of the share capital and voting rights
- there are no other shareholders owning, directly or indirectly, alone or in concert, more than 5% of the capital or voting rights
- there are no shareholder agreements involving at least 0.5% of the capital or voting rights in the company, nor any concerted actions.

The company is neither directly nor indirectly controlled pursuant to Article L. 233-3 of the French Commercial Code.

As at 31 December 2022, Covivio directly held, outside the terms of the liquidity agreement (78,442), 882,627 treasury shares. A description of the share buyback programmes implemented during the fiscal year is provided in Section 6.3.8.

There is no cross-shareholding. Covivio has no direct or indirect capital interest in any company which, in turn, has a controlling interest in Covivio.

Using the services of Euroclear, the company has identified the holders of shares that entitles to voting rights, either immediately or in the future, in its own General Meetings. The findings identified some 18,784 individuals and 1,870 financial institutions as shareholders of the company.

6.3.4 Threshold crossing disclosures

During the fiscal year 2022, the company was informed of the following legal and statutory threshold crossings:

		Upward threshold crossing		Downward threshold crossing					
Shareholder	Date limit exceeded	Legal	Articles of Asso-ciation	Legal	Articles of Asso-ciation	Shares	Voting rights	% of the share capital	% of the voting rights
BlackRock Inc.	19 January 2022	/	7%	/	/	6,640,594	6,640,594	7.02	7.02
Norges Bank Investment Management	11 February 2022	/	/	/	2%	1,877,098	1,877,098	1.98	1.98
BlackRock Inc.	7 March 2023	/	/	/	7%	6,613,199	6,613,199	6.98	6.98
Ameriprise Financial Group	19 April 2022	/	1%	/	/	951,892	951,892	1.005	1.005
Ameriprise Financial Group	22 April 2022	/	/	/	1%	735,760	735,760	0.777	0.777
Citigroup Inc.	5 May 2022	/	/	/	/	761,371(1)	761,371	0.8038	0.8038
Citigroup Inc.	6 May 2022	/	1%	/	/	996,402(1)	996,402	1.0519	1.0519
Citigroup Inc.	10 May 2022	/	/	/	1%	288,334(2)	288,334	0.3044	0.3044
BlackRock Inc.	19 May 2022	/	7%	/	/	6,642,854	6,642,854	7.01	7.01
BlackRock Inc.	22 June 2022	/	/	/	7%	6,502,856	6,502,856	6.86	6.86
BlackRock Inc.	29 June 2022	/	7%	/	/	6,934,367	6,934,367	7.32	7.32
BlackRock Inc.	1 July 2022	/	/	/	7%	6,544,150	6,544,150	6.91	6.91
BlackRock Inc.	4 July 2022	/	7%	/	/	6,986,412	6,986,412	7.38	7.38
BlackRock Inc.	5 July 2022	/	/	/	7%	6,568,407	6,568,407	6.93	6.93
BlackRock Inc.	6 July 2022	/	7%	/	/	7,015,806	7,015,806	7.41	7.41
BlackRock Inc.	14 July 2022	/	/	/	7%	6,623,551	6,623,551	6.99	6.99
BlackRock Inc.	20 July 2022	/	7%	/	/	6,949,072	6,949,072	7.34	7.34
BlackRock Inc.	21 July 2022	/	/	/	7%	6,569,790	6,569,790	6.94	6.94
BlackRock Inc.	22 July 2022	/	7%	/	/	6,944,684	6,944,684	7.33	7.33
BlackRock Inc.	25 July 2022	/	/	/	7%	6,578,166	6,578,166	6.94	6.94
BlackRock Inc.	10 August 2022	/	7%	/	/	6,898,083	6,898,083	7.28	7.28
BlackRock Inc.	11 August 2022	/	/	/	7%	6,544,400	6,544,400	6.91	6.91
BlackRock Inc.	15 August 2022	/	7%	/	/	7,181,965	7,181,965	7.58	7.58
BlackRock Inc.	21 November 2022	/	/	/	7%	6,629,035	6,629,035	6.99	6.99
BlackRock Inc.	13 December 2022	/	7%	/	/	6,768,816	6,768,816	7.14	7.14
BlackRock Inc.	14 December 2022	/	/	/	7%	6,478,095	6,478,095	6.83	6.83
BlackRock Inc.	20 December 2022	/	7%	/	/	6,723,082	6,723,082	7.09	7.09
BlackRock Inc.	23 December 2022	/	/	/	7%	6,499,857	6,499,857	6.86	6.86

(1) Plus 5,119 OTC derivatives.
(2) Plus 11,646 OTC derivatives.

After the end of the fiscal year, the company was informed of the following legal and/or statutory threshold crossings:

		Upward threshold crossing		Downward threshold crossing					
Shareholder	Date limit exceeded	Legal	Articles of Asso-ciation	Legal	Articles of Asso-ciation	Shares	Voting rights	% of the share capital	% of the voting rights
BlackRock Inc.	14 February 2023	/	7%	/	/	6,737,431	6,737,431	7.11	7.11
BlackRock Inc.	22 February 2023	/	/	/	7%	6,547,630	6,547,630	6.91	6.91

6.3.5 Declarations of intent

No declaration of intent was made during the 2022 fiscal year.

6.3.6 Change in the capital over the last five fiscal years

The company's share capital has evolved as follows over the last five fiscal years:

	31 December 2018	31 December 2019	31 December 2020	31 December 2021	31 December 2022
Share capital	€248,708,694	€261,659,718	€283,632,696	283,946,073	284,358,288
Number of shares	82,902,898	87,219,906	94,544,232	94,648,691	94,786,096

The changes in the company's share capital arise from the transactions described below:

Date	By type	Number of shares issued	Share premium amount (in €)	Number of shares	Capital amount (in €)
16 February 2018	Final allocation of free shares	33,071	/	74,863,035	224,589,105
11 May 2018	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	90,852	7,963,151.37	74,953,887	224,861,661
8 June 2018	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	232,192	21,211,303.39	75,186,079	225,558,237
22 June 2018	Final allocation of free shares	92,500	/	75,278,579	225,835,737
7 November 2018	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	69,657	5,770,845.62	75,348,236	226,044,708
26 November 2018	Final allocation of free shares	55,775	/	75,404,011	226,212,033
31 December 2018	Capital increase following the completion of the merger absorption of Beni Stabili by Covivio	7,498,887	531,681,431	82,902,898	248,708,694
7 February 2019	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	3,637	310,349.57	82,906,535	248,719,605
19 February 2019	Final allocation of free shares	8,500	/	82,915,035	248,745,105
	Final allocation of free shares	31,491	/	82,946,526	248,839,578
27 February 2019	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	381	32,629.33	82,946,907	248,840,721
29 March 2019	Capital increase resulting from the exercise of the right to allocate shares under ORNANE 2013	294,035	25,947,858.94	83,240,942	249,722,826
29 April 2019	Final allocation of free shares	15,000	/	83,255,942	249,767,826
3 June 2019	Payment of the dividend in shares	3,885,719	304,212,940.51	87,141,661	261,424,983
22 November 2019	Final allocation of free shares	27,900	/	87,169,561	261,508,683
25 November 2019	Final allocation of free shares	50,345	/	87,219,906	261,659,718
17 February 2020	Final allocation of free shares	37,923	/	87,257,829	261,773,487
24 April 2020	Final allocation of free shares	45,000	/	87,302,829	261,908,487
20 May 2020	Payment of the dividend in shares	7,185,223	321,897,990.40	94,488,052	283,464,156
20 November 2020	Final allocation of free shares	56,180	/	94,544,232	283,632,696
12 February 2021	Final allocation of free shares	10,523	/	94,554,755	283,664,265
17 February 2021	Final allocation of free shares	24,726	/	94,579,481	283,738,443
19 November 2021	Final allocation of free shares	69,210	/	94,648,691	283,946,073
11 February 2022	Final allocation of free shares	51,052	/	94,699,743	284,099,229
18 February 2022	Final allocation of free shares	25,123	/	94,724,866	284,174,598
18 November 2022	Final allocation of free shares	60,830	/	94,785,696	284,357,088
9 December 2022	Final allocation of free shares	400	/	94,786,096	284,358,288

6.3.7 Employee shareholding

In accordance with the provisions of Article L. 225-102 of the French Commercial Code, you will find hereafter a report on employee shareholding in the company's share capital as at the last day of the 2022 fiscal year, representing 618,472 Covivio shares, *i.e.*, 0.65% of the capital.

6.3.8 Information about the share buyback programme

In 2022, Covivio acquired and sold its own shares as part of its share buyback programs under the authorisation granted by the General Meeting of 20 April 2021 then that granted by the General Meeting of 21 April 2022.This share buyback programme, which cannot be implemented during public offer periods, has the following characteristics and procedures:

- the maximum purchase price is €135 per share (excluding acquisition expenses)
- the maximum amount of funds allocated to the buyback programme would be €500 million
- the purchase, sale, exchange or transfer transactions may be executed by any means, whether on the market or over the counter, including block purchases or sales, or by using financial instruments, with the following primary aims:
  - the implemention of a liquidity agreement with an investment service provider under the conditions and according to the methods set by the regulations in place and recognised market practices
  - grants to employees and corporate officers of the company and/or companies in its group
  - the delivery of shares upon the exercise of rights attached to securities giving entitlement to the allocation of shares
  - the holding and delivery of shares as payment or in exchange under potential external growth transactions, mergers, spin-offs or contributions
  - the cancellation of shares
  - the use of shares in any other practice that may come to be recognised by law or by the French Financial Markets Authority (*Autorité des Marchés Financiers*) or any other purpose that would provide a basis for the presumption of legitimacy.

The last authorisation brought an end to the previous share buyback programme, which amounted to 500,190 treasury shares held by the company at 21 April 2022, of which:

- 58,131 shares resulting from the liquidity agreement entered into with Exane BNP Paribas, and updated on 1 July 2021 following AMF decision no. 2021-01 of 22 June 2021 renewing the introduction of liquidity agreements on equity securities in line with accepted market practice
- 442,059 shares allocated to the employee shareholding plan coverage within (i) the allocation of free shares to the company for the benefit of employees and/or corporate officers of Covivio and (ii) the investment of the profit sharing and incentive (increased by the subsequent contribution of the company) in shares of the company by the employees of the Covivio ESU.

The new share buyback program was implemented by decision of the Board of Directors on 21 April 2022.The terms and conditions relating to this share buyback programme were set forth in the share buyback programme description published on the company's website on 21 April 2022.

Changes in treasury shares presented by type of objectives pursued by the company were as follows during the 2022 fiscal year:

(In number of shares)	Position at 31/12/2021	Movements over the period					Position at 31/12/2022	Fraction of the share capital at 31/12/2022	Nominal value at 31/12/2022 (in €)
		Acquisition	Sale	Reclustering	Reallocation	Cancellation			
Liquidity agreement	61,297	679,360	662,215	-	-	-	78,442	0.08%	235,326
Employee shareholding plan coverage	299,001	618,267 (1)	-	34,641 (2)	-	-	882,627	0.93%	2,647,881
SHARES HELD BY THE COMPANY	**360,298**						**961,069**	**1.01%**	**2,883,207**

(1) Shares acquired under the share buyback programme and allocated to free share plans.
(2) Transfer following the allocation of shares to employees of the Covivio ESU as part of the 2021 incentive investment, increased by the matching contribution.

Transactions carried out during the 2022 fiscal year are as follows:

Share buyback programme	Acquisition		Sale	
	Number of shares	Average price per share (in €)	Number of shares	Average price per share (in €)
General Meeting of 20 April 2021	375,487	68.77	235,595	71.48
General Meeting of 21 April 2022	922,140	58.74	426,620	59.86
TOTAL	**1,297,627**	**61.64**	**662,215**	**63.99**

As at 31 December 2022, Covivio held 961,069 treasury shares representing 1,01% of the capital, valued at €62,018,429.69, or €64.53 per share, representing a par value of €2,883,207.

The company did not use derivatives in its share buyback programmes in fiscal year 2022.

The transaction costs during fiscal year 2022 amounted to €74,218 *ex*-tax.

As the authorisation that was granted by the General Meeting on 21 April 2022 was for a period of 18 months, a new share buyback programme will be submitted to the General Meeting on 20 April 2023.

6.3.9 Share subscription and share purchase options and allocation of free shares

6.3.9.1 share subscription ad share purchase options

Since 2008, the company has not implemented a share subscription or share purchase options plan.

Since the last plan in force (plan no. 1403008 of 4 May 2007) expired on 11 October 2014, there is no longer any share subscription option exercisable within the Covivio group.

6.3.9.2 Allocation of free shares

The allocation of free shares within the Covivio group is to motivate and foster loyalty with employees who contribute to the company's growth by sharing the company earnings with them.

During the 2022 fiscal year, the Board of Directors, at the proposal of the Appointments and Remunerations Committee and pursuant to the delegations of powers granted by the General Meeting of 17 April 2019 and 21 April 2022, awarded 142,848 free shares as detailed below, representing 0.15% of the capital as at 31 December 2022:

Date of the free share plans	Number of free shares allocated	Beneficiaries of the free shares	Unit value, as estimated by an independent actuary			Vesting period			Retention period		
			France	Italy	Germany	France	Italy	Germany	France	Italy	Germany
22 February 2022	50,753	Corporate officers and managers of the Covivio group	€36.52(1) 49.30(2)	€49.30(2)			3 years			/	
24 November 2022	9,390	Employees of the Covivio group (group plan)	€35.10(2)	N/A		3 years	N/A		/	N/A	
	82,705	Employees of the Covivio group (discretionary plan)		€35.10(2)			3 years			/	

(1) Allocations subject to performance requirements.

(2) Allocations not subject to performance requirements.

The beneficiaries are not subject to any holding obligation, except for the executive corporate officers, who are required to hold 50% of the performance shares throughout their term of office, until they hold the equivalent in shares equal to two years of fixed remuneration. Above this threshold, they are free to dispose of shares. The 2022 free share allocations granted to the company's executive corporate officers are presented in Section 5.3.4.2.1 of the Board of Directors' report on corporate governance.

The criteria for allocating free shares to staff members of the Covivio group are linked to performance and potential for growth, to build loyalty and allow them to share in the company's stock market performance.

After the end of the fiscal year, on 21 February 2023, the Board of Directors allocated 62,372 free shares.

During the 2022 fiscal year, 137,405 free shares were granted to the beneficiaries indicated below:

Delivery date of the free shares	Date of the free share plan	Number of free shares allocated in 2022			Number of beneficiaries
		French beneficiaries	Italian beneficiaries	German beneficiaries	
14 February 2022	14 February 2018	33,644	9,568	7,840	17
21 February 2022	20 February 2019	20,623	2,500	2,000	5
21 November 2022	21 November 2019	39,825	15,670	5,735	468

After the end of the fiscal year, 35,165 free shares were delivered to the beneficiaries indicated below:

Delivery date of the free shares	Date of the free share plan	Number of allocated free shares delivered in 2023			Number of beneficiaries
		French beneficiaries	Italian beneficiaries	German beneficiaries	
13 February 2023	13 February 2020	27,100	2,500	5,565	273

The free shares allocated over the last five years are presented in Section 5.3.4.2.1.2. of the Board of Directors' report on corporate governance.

6.3.9.3 Details of adjustments made to share subscription options and free shares

No adjustments were made in 2022.

6.4 Stock market – dividend

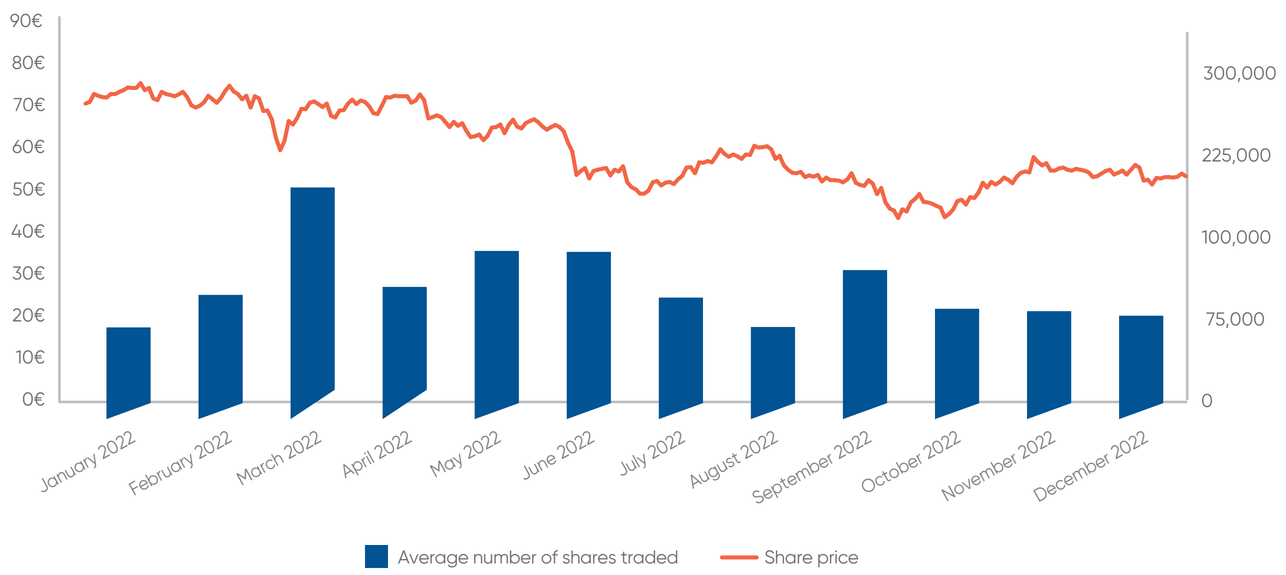
6.4.1 Data Sheet

CAPITALISATION at 31/12/2022 **€5,256 M**	**Share sheet - Euronext Paris** ● ISIN code: FR0000064578 ● Ticker Code: COV ● Stock market: Euronext Paris ● Market: Local securities - Compartment A (Blue Chips) - SRD ● Business sector: Real Estate Investment Trusts ● SRD: eligible ● Index: SIIC FRANCE, SBF 120, CAC MID100, EPRA Europe, MSCI, Euronext IEIF, GPR 250, FTSE4 Good, CAC SBT 1.5°C, DJSI World, Euronext Vigeo, Euronext® CDP Environment France EW ● Standard and Poor's rating: BBB+, stable outlook
NUMBER OF SHARES LISTED at 31/12/2022 **94,786,096**	**Share sheet - Borsa Italiana** ● ISIN code: FR0000064578 ● Ticker Code: CVO ● Stock market: Borsa Italiana ● Market: MTA (Mercato Telematico Azionario) ● Business sector: Real Estate

6.4.2 Market price at 31 December 2022

The closing Covivio share price for the 2022 fiscal year was €55.45, bringing market capitalisation to €5.2 billion. In 2022, the Covivio share fell by -23.2%, and by -19.2% with the dividend reinvested.

Change in Covivio's share price over the year



6.4.3 Dividends distributed within the last five fiscal years

In the last five fiscal years, the dividends distributed and the corresponding tax rebate were as follows:

Fiscal year	Type of dividend	Dividend paid per share	Amount of dividend eligible for the 40% rebate (2)	Amount of dividend not eligible for the 40% rebate
2017	Current	€4.50	/	€4.50
2018	Current	€4.60	€0.1479	€4.4521
2019	Current	€4.80	€0.7506	€4.0494
2020	Current	€3.60	€0.6681	€2.9319
2021	Current	€3.75	€0.9761	€2.7739
2022(1)	Current	€3.75	€1.2939	€2.4561

(1) Dividend proposed to the Combined General Meeting of 20 April 2023, with option to receive payment in shares.
(2) In case of an overall option for a progressive rate of income tax (taxation specific to French tax residents).

6.4.4 Dividend distribution policy

Covivio will propose to the General Meeting of 20 April 2023 the payment of a dividend of €3.75 per share for fiscal year 2022, stable compared to 2021, and representing a payout ratio of 82% (vs 86% in 2021).

An option for the payment of the dividend in shares will also be offered, contributing to the reduction of the net debt, which may reach up to €350 million. All the institutional shareholders present on the Board of Directors (51% of share capital) have already undertaken to opt for the payment of the dividend in shares, *i.e.* a minimum capital increase of €175 million.

The company's distribution policy has, of course, taken into account the provisions of the tax regulations for listed real estate investment companies mentioned in Section 6.2.1.11.

6.4.5 Appropriation of earnings for the fiscal year

The Board of Directors will propose to the General Meeting of shareholders of 20 April 2023, having noted that the profit of €282,953,806.34 for the fiscal year, increased by the retained earnings of €1,883,115.00, gives distributable profit of €284,836,921.34:

- to allocate the distributable profit as follows:
  - (i) €22,852,50 to the legal reserve, bringing the amount of the legal reserve to 10% of share capital at the end of the fiscal year, *i.e.*, €28,435,828.80
  - (ii) €284,814,068.84 as a dividend payment to shareholders.
- to also proceed with the distribution of a sum of €70,633,791.16 deducted from:
  - (i) the account "Distributable revaluation reserve", in the amount of €70,627,157.07
  - (ii) the account "Merger premium" in the amount of €6,634.09.

Thus, each share will receive a dividend of €3.75.

The dividend will be paid on 1 June 2023.

On the basis of the total number of shares comprising the share capital as of 21 February 2023, *i.e.*, 94,786,096 shares, and subject to the possible application of the provisions of Article 25.3 of the company's Articles of Association to shareholders regarding Withholding Tax, it is proposed to a total dividend of €355,447,860.00 will thus be allocated. This dividend only gives entitlement to the 40% rebate in the event of an annual, express, overall and irrevocable option for the progressive income tax scale pursuant to Article 200 A 2 of the French General Tax Code, and only for the portion of this dividend deducted, where relevant, from earnings subject to corporation tax. In compliance with article 158–3-3° b *bis* of the French General Tax Code, this rebate does not apply to earnings exempt from corporate income tax under the SIIC plan in application of Article 208 C of the French General Tax Code.

The corporation tax-exempt dividend in application of Article 208 C of the French General Tax Code not eligible for the 40% rebate totals €232,802,920.98.

The dividend withheld on the profits subject to corporation tax totals €122,644,939.02.

The dividend drawn against the company's profits exempt from corporate income tax pursuant to article 208–3° *quater* of the French General Tax Code totals €0.

The Board will also propose to the General Meeting:

- to resolve that, pursuant to the provisions of Article L. 225-210 of the French Commercial Code, the amount the shareholders may have waived, as well as the amount corresponding to treasury shares on the dividend payment date, which are not entitled to dividends, will be allocated to the "Retained earnings" account
- to grant all powers to the Board of Directors, with a right of subdelegation under the conditions stipulated by the legal and regulatory provisions, for the purposes of determining, considering the number of shares held by the company at the record date (included), the overall amount of the dividend and, consequently, the amount that will be allocated to the "Retained earnings" account.

6.5 Administration and management

6.5.1 Board of Directors

At the General Meeting of 31 January 2011, Covivio adopted the form of a *société anonyme* (public limited company) with a Board of Directors, separating the duties of Chairman and Chief Executive Officer. This structure establishes a clear distinction between the strategy, decision-making and control functions, which are the responsibility of the Board of Directors, and the operational and executive functions, which are the responsibility of General Management.

6.5.1.1 Appointments – Composition – Term of office – Dismissal (Articles 12 and 13 of the Articles of Association)

- The company is administered by a Board of Directors comprising at least three members and no more than eighteen members, subject to statutory exemptions. The Board members are appointed by the Ordinary General Meeting.

  A legal entity may be appointed as a Director, but it must, pursuant to applicable legal provisions, appoint a natural person to serve as its permanent representative to the Board of Directors. The permanent representatives are subject to the same conditions and obligations and have the same responsibilities as if they were Directors.

- The term of office of Directors is four years. However, as an exception, the General Meeting may, upon suggestion of the Board of Directors, appoint or reappoint some Directors for a term of office of two or three years to allow for a staggered renewal of the Board of Directors. The term of a Director expires at the end of the Ordinary General Meeting called to approve the financial statements for the previous year, held in the year in which the term of the said Director expires.

  The number of members of the Board of Directors over the age of 75 May not be greater than one third of the members in office. When this number is exceeded, and if a member of the Board of Directors aged 75 or over does not resign voluntarily within three months from the date the statutory limit was exceeded, the oldest member will be automatically considered to have resigned.

  Directors may be reappointed indefinitely, subject to the aforementioned provisions governing the age limit.

  Directors may be dismissed at any time by the General Meeting, without indemnity or prior notice.

  In the event of vacancy resulting from the death or resignation from one or several Directors, the Board of Directors may make provisional appointments subject to ratification by the next Ordinary General Meeting, in accordance with the time frames and conditions provided for by law. Decisions taken and actions carried out remain valid even if the appointment is not ratified.

  In the event of vacancy resulting from the death, resignation or dismissal of a Director, the Director appointed by the General Meeting or the Board of Directors as a replacement to that Director will hold that position only up to the remaining office of his or her predecessor.

If the number of Directors falls to less than three, the remaining Directors (or the Statutory Auditors, or an officer designated, at the request of any interested party, by the President of the Commercial Court) must immediately call an Ordinary General Meeting to appoint one or more new Directors in order to complete the Board to the minimum legal number.

6.5.1.2 Office of the Board of Directors (Article 14 of the Articles of Association)

The Board of Directors appoints a Chairman, who must be a natural person, from among its members and one or more Vice-Chairmen if needed. It defines the terms of office, which may not exceed the appointee's term as a Board member, and which the Board may terminate at any time. The Chairman and Vice-Chairmen may be reappointed.

The age limit for the Chairman of the Board of Directors is 80. When the Chairman of the Board reaches this age limit during his or her term of office, he or she will be automatically deemed to have resigned.

If the Chairman is temporarily incapacitated or dies, the oldest Vice-Chairman is delegated to serve as Chairman. In a case of temporary incapacity, this delegation is given for a limited period and may be renewed. If the Chairman dies, this delegation is valid until the appointment of a new Chairman.

Meetings of the Board of Directors are chaired by the Chairman. If the Chairman is absent, the meeting is chaired by one of the Vice-Chairmen present, appointed for each meeting by the Board of Directors. In the absence of the Chairman and Vice-Chairmen, the Board of Directors must designate, for each meeting, one of the Directors present to chair the meeting.

The Board of Directors also appoints a Secretary, who does not have to be a member. It defines the term and scope of the Secretary's duties, which it may terminate at any time.

6.5.1.3 Notice of meetings and deliberations of the Board of Directors (Article 15 of the Articles of Association)

The Board of Directors meets as often as required by the interests of the company and whenever the Chairman deems appropriate, upon notice from the Chairman.

Directors representing at least one third (1/3) of the members of the Board of Directors may ask the Chairman to call a Board meeting at any time for a specific purpose.

If the roles of the Chief Executive Officer and the Chairman are separate, the Chief Executive Officer may ask the Chairman to call a Board of Directors meeting at any time for a specific purpose.

The Chairman is bound by the requests made to him or her in line with the aforementioned provisions, and must defer to them without delay.

Notices of meetings are conveyed by any written method at least five (5) days in advance. This five-day period may be reduced if one third of the Directors agree to a shorter notification period. Meetings are held at the company's registered office or any other location indicated in the notice of meeting.

The Board of Directors validly deliberates only if at least half (1/2) of its members are present.

A Director may give a written proxy to another Director to represent him or her at a meeting of the Board of Directors in accordance with legal and regulatory provisions.

Decisions are adopted by a majority of the members present or represented. In the event of a tied vote, the meeting's Chairman does not have the casting vote.

In compliance with the applicable laws and regulations, the meetings of the Board of Directors may be held *via* videoconference or telecommunication or any other method allowed under the law and the regulations under the conditions defined by the Internal regulations adopted by the Board of Directors.

The deliberations of the Board of Directors are recorded in meeting minutes prepared in accordance with the law.

6.5.1.4 Powers of the Board of Directors (Article 16 of the Articles of Association)

The Board of Directors determines the strategy for the company's business and oversees its implementation. In compliance with the powers expressly reserved for General Meetings and within the limits of the corporate purpose, the Board of Directors handles all matters affecting the operation of the company and governs its business through its deliberations. The Board of Directors may take decisions by consulting the Directors in writing under the conditions provided for in Article L. 225-37 of the French Commercial Code.

In its relations with third parties, the company is also bound by the acts of the Board of Directors that are not within the company purpose, unless it proves that the third party was aware that the act exceeded such purpose or that the third party should have been aware of this in view of the circumstances.

The Board of Directors carries out the checks and verification that it considers necessary.

Each Director will receive all the information necessary to perform his or her duties and may obtain from the Chairman or Chief Executive Officer all documents necessary to perform his or her mission.

The Board of Directors may confer special assignments for one or more specific purposes to one or more of its members, or to third parties who do not need to be shareholders.

The Board of Directors may also create one or more permanent or temporary specialised Committees charged with studying matters which the Board or the Chairman submit for their opinion, and in particular an Audit Committee, an Appointments and Remunerations Committee and a Strategy and Investment Committee. These Committees, the members and duties of which are defined by the Board, will conduct their activities under the responsibility of the Board.

6.5.1.5 Remuneration of Directors (Article 17 of the Articles of Association)

The members of the Board of Directors may receive remuneration for their activities, the total amount of which is determined by the General Meeting and distributed freely by the Board of Directors.

The Board of Directors may allocate exceptional remuneration to Directors performing special assignments or mandates.

6.5.1.6 Powers of the Chairman of the Board of Directors (Article 18 of the Articles of Association)

The Chairman of the Board of Directors organises and directs the work of the Board and reports to the General Meeting.

He or she oversees the various corporate bodies of the company to ensure they are working smoothly and, in particular, that the Directors are in a position to fulfil their required duties.

The Board of Directors determines the amount, methods of calculation and payment of the Chairman's compensation, if any.

The Chairman of the Board of Directors may also assume the General Management of the company, in accordance with Article 19 of the Articles of Association.

6.5.1.7 Non-voting members (Article 20 of the Articles of Association)

The Board of Directors may appoint one or more non-voting members (natural persons or legal entities). It defines their term of office and any compensation if they are assigned a particular mission.

The non-voting members of the Board of Directors attend meetings of the Board as observers and may be consulted by the Board. They must be called to every meeting of the Board of Directors, which may task them with specific missions.

The Board of Directors may decide to pay the non-voting members a share of the remuneration allocated by the General Meeting to the Directors in respect of their activity and authorise the reimbursement of expenses incurred by the non-voting members in the interests of the company.

The non-voting members of the Board of Directors are subject to obligations, in particular to the confidentiality obligations stipulated by the Board of Directors in its Internal regulations.

6.5.2 General Management

6.5.2.1 General Management of the company (Article 19.1 of the Articles of Association)

The company's General Management is led, at the choice of the Board of Directors, either by the Chairman of the Board of Directors, or by another physical person appointed by the Board of Directors with the title of Chief Executive Officer.

The choice between these two methods of General Management is made by the Board of Directors, which must inform the shareholders and third parties under the conditions provided by law.

The Board of Directors' decision on the choice of General Management method is made by a majority of the Directors present or represented.

6.5.2.2 Chief Executive Officer (Article 19.1 of the Articles of Association)

When the General Management of the company is led by the Chairman of the Board of Directors, the provisions below on the Chief Executive Officer are then applicable to him or her in addition to the provisions specific to his or her role as Chairman of the Board of Directors.

When the Board of Directors chooses to separate the roles of Chairman and Chief Executive Officer, it will appoint the Chief Executive Officer, define his or her term of office and determine his or her compensation and any limits on his or her powers.

The Chief Executive Officer may be reappointed.

The age limit for holding the position of Chief Executive Officer, separate from the position of Chairman, is 67. Irrespective of the term for which it is granted, the Chief Executive Officer's office expires at the very latest at the end of the Ordinary General Meeting called upon to approve the financial statements for the previous year and held the year during which the Chief Executive Officer turns 67.

The Chief Executive Officer may be dismissed at any time by the Board of Directors. If the dismissal is decided upon without just cause, it may result in damages being paid, except when the Chief Executive Officer is also the Chairman of the Board of Directors.

The Chief Executive Officer is fully empowered to act in any situation on behalf of the company. He or she exercises these powers within the limits of the corporate purpose and subject to the powers granted expressly by law and these Articles of Association to General Meetings and the Board of Directors.

The Chief Executive Officer represents the company in its relationships with third parties. The company is also bound by the acts of the Chief Executive Officer that are not within the limits of its corporate purpose, unless it proves that the third party was aware that the act exceeded such purpose or that the third party should have been aware of this in view of the circumstances. The publication of the Articles of Association is not on its own sufficient basis for such proof.

6.5.2.3 Deputy CEO (Article 19.2 of the Articles of Association)

At the suggestion of the Chief Executive Officer, the Board of Directors may appoint, within its membership or not, one or several natural persons to assist the Chief Executive Officer, bearing the title of Deputy CEO.

The maximum number of Deputy CEOs is set at five.

In agreement with the Chief Executive Officer, the Board of Directors will determine the scope and duration of the powers granted to the Deputy CEOs.

With respect to third parties, the Deputy CEOs have the same powers as the Chief Executive Officer.

The age limit for holding the position of Deputy CEO is 67.

Irrespective of the term for which they have been granted, the functions of Deputy CEO expire at the very latest at the end of the Ordinary General Meeting called upon to approve the financial statements for the previous year and held in the year during which the Deputy Executive Officer turns 67.

The Board of Directors determines the compensation of the Deputy CEO Officers.

If the Chief Executive Officer relinquishes his or her duties or is prevented from carrying them out, the Deputy CEOs will retain their functions and powers unless otherwise decided by the Board of Directors, until such time as a new Chief Executive Officer is appointed.

Deputy CEOs may be dismissed at any time by the Board of Directors, at the suggestion of the Chief Executive Officer. If the dismissal is decided upon without just cause, it may result in damages being paid.

6.6 Information about the company and its investments

As regards the main subsidiaries and equity investments, their main activity is presented in Section 1.3 of the Universal Registration Document.

6.6.1 Group organisation

Covivio is an investor in the office real estate sector in France, Italy and Germany, with investments in commercial and residential real estate companies:

- equity investments in commercial real estate through the company Covivio Hotels (SIIC), owner of Hotel Operating properties in France, Germany, Italy, Luxembourg, United Kingdom, the Netherlands, Belgium, Portugal, Spain, Ireland, Poland, the Czech Republic and Hungary
- a holding in residential real estate in Germany through Covivio Immobilien SE (an unlisted European company).

The Group consolidated by Covivio was thus constituted on 31 December 2022 of 447 separate legal entities, of which 113 were in the Office sector, 176 companies in Hotels in Europe; 144 companies in the Residential sector; 13 service companies and one in car parking facilities.

Covivio has teams in charge of managing its development and its assets throughout the territory. Each main group company relies upon a dedicated asset management team.

This services provider activity developed within the Covivio group concentrates on enhancing portfolio value through:

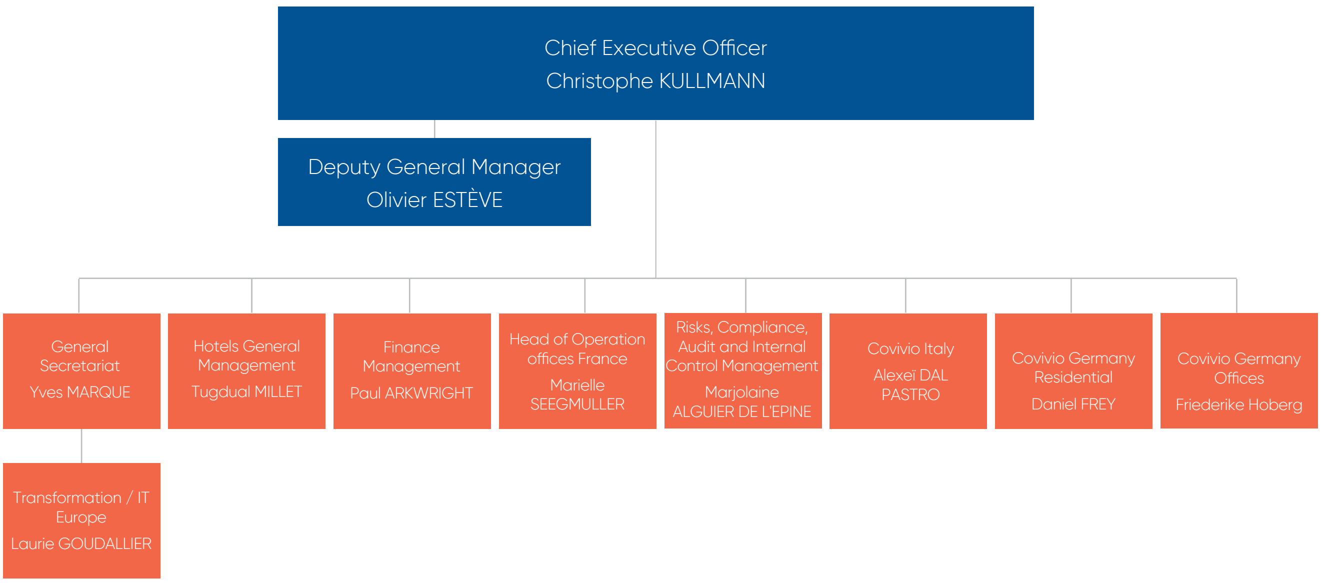
- Asset Management services: this function is focused on the real estate strategy to adopt regarding the assets held (disposal, renovations, financial management, *etc.*). Asset by asset, it consists of value creation to meet the expectations of the Group's companies by optimising the "profitability/risk" ratio
- Asset Development services: this function consists of assisting Group companies in activities to enhance the value of assets in the portfolio through real estate development. This function requires extensive expertise in real estate development.
- Property Management services: management of all aspects of the life cycle of real estate assets (payments, ongoing and preventive maintenance, service management, *etc.*). Property Management requires extensive expertise in lease management, expense management, technical management, client relations management, *etc.*

For development operations involving large projects, Covivio has a dedicated team in its subsidiary Covivio Développement.

Rental property management of Covivio and Covivio Hotels is provided by Covivio Property, a subsidiary of Covivio, a shared platform comprising central departments as well as personnel who work in the regional Offices. Rental property management of the residual accommodation of Foncière Développement Logements was outsourced to Quadral Property until Foncière Développment Logements was merged with Covivio on 30 September 2022.

The service agreements are straightforward and non-exclusive contracts.

The specialisation by type of assets of the different companies of the Covivio group as well as the procedures put in place prevent the exposure of the companies concerned to potential conflicts of interest, in terms of investments and/or divestments or asset management.



6.6.2 Equity investments

In compliance with Article L. 233-6 of the French Commercial Code, the equity investments that took place in the fiscal year are presented in Section 4.5.1.3 of the Universal Registration Document.

6.6.3 Results of subsidiaries and investments

The table of earnings of the subsidiaries and investments is shown in the separate financial statements in Section 4.5.6.6 of the Universal Registration Document.

6.6.4 Company earnings over the past five fiscal years

The table of earnings of the company over the past five fiscal years is shown in the individual financial statement in Section 4.5.6.9 of the Universal Registration Document.

6.6.5 Information on cross-shareholding

None.

6.6.6 Extraordinary events and litigation

The Group may be involved in court or administrative proceedings and is liable to be subject to a notice of deficiency from the French Tax administration.

To the company's knowledge, to date, except for the main proceedings in progress presented in Sections 4.2.2.9.2 and 4.2.5.12, in part 4 of the Universal Registration Document, there are no other extraordinary events or litigation likely to materially affect the portfolio, financial position, business or results of Covivio or its subsidiaries.

6.6.7 Ratings

In April 2022, S&P confirmed Covivio's financial rating of BBB+ with a stable outlook.

6.7 Significant agreements

During the last two fiscal years:

- no material contract was entered into by the issuer or any other member of the Group
- no contract has been entered into by any member of the Group containing provisions conferring on any member of the Group a significant obligation or right for the entire group

other than those entered into in the normal course of business, and with the exception of financial contracts outstanding at 31 December 2022 and presented below.

		ISIN code	Issue date	Nominal amount	Maturity	Rate	Outstanding at end-2022
Covivio	**Green bonds**	FR0013170834	20 May 2016	€500 M	20 May 2026	1.875%	€500 M
		FR0013262698	21 June 2017	€500 M	21 June 2027	1.500%	€595 M
		XS1698714000	17 October 2017	€300 M	17 October 2024	1.625%	€300 M
		XS1772457633	20 February 2018	€300 M	20 February 2028	2.375%	€300 M
		FR0013447232	17 September 2019	€500 M	17 September 2031	1.125%	€500 M
		FR0013519279	23 June 2020	€500 M	23 June 2030	1.625%	€500 M
	Green private placement(1)	FR0014001LV5	20 January 2021	€100 M	20 January 2033	0.875%	€100 M
	EMTN (Euro Medium Term notes) programme	EMTN bond issue programme for €4 billion authorised by the Board of Directors on 14 October 2020 and updated by decisions of the Board on 25 November 2021 and 24 November 2022, making it possible to determine the contractual framework within which Covivio's future issues will be carried out.					
Covivio Hotels		FR0013367422	24 September 2018	€350 M	24 September 2025	1.875%	€350 M
	Bond issues	FR0014004QI5	27 July 2021	€500 M	27 July 2029	1.000%	€599 M
	Private placement	FR0012741072	29 May 2015	€200 M	29 May 2023	2.218%	€200 M

(1) Private placement under the EMTN programme.

The principal financial agreements are detailed in the notes to the consolidated financial statements presented in Part 4 (Section 4.2.5.11) and Part 1 (Section 1.4) of this Universal Registration Document.

6.8 Person responsible for the Universal Registration Document

6.8.1 Person responsible for the Universal Registration Document

Christophe Kullmann

Chief Executive Officer (CEO)

6.8.2 Certification of the person responsible for the Universal Registration Document including the annual financial report

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and does not contain any omission likely to alter its scope.

I certify, to the best of my knowledge, that the financial statements have been prepared in accordance with the applicable accounting standards and give a fair view of the assets, liabilities, financial position and profit or loss of the company and all of its consolidated companies, and that the information in the management report of the Board of Directors, including the concordance table at the end of the Universal Registration Document on page 565, fairly reflects the development of the business, the profit or loss and the financial position of the company and all of its consolidated companies, as well as a description of the main risks and uncertainties they face.

Paris, 14 March 2023

Mr Christophe Kullmann
Chief Executive Officer of Covivio

6.8.3 Declaration by the person responsible for the information

Vladimir Minot,
Director of Financial Communications and Investor Relations
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6.8.3.1 Provisional timetable for financial reporting

	Date	Negative window period[1]
Publication of revenue of the first quarter of 2023	19 April 2023	4 April 2023 to 19 April 2023 inclusive
Publication of half-year results for 2023	20 July 2023	20 June 2023 to 20 July 2023 inclusive
Publication of revenue of the third quarter of 2023	19 October 2023	4 October 2023 to 19 October 2023 inclusive

(1) Corresponds to the period during which persons exercising managerial responsibilities and insiders of Covivio must refrain from any transaction involving the company's shares.

6.8.3.2 Historical financial information

Pursuant to Article 19 of European Commission regulation (EU) no. 2017/1129 of the European Parliament and of the Council of 14 June 2017 and in accordance with Annexes 1 and 2 of the delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019, the following information is incorporated by reference in this Universal Registration Document:

- the consolidated financial statement and the annual statements for the period ended 31 December 2021 and the report by the Statutory Auditors concerning same appear on pages 253 to 374 of the 2021 Reference Document filed with the AMF on 16 March 2022 under no. D.22-0108
- the consolidated financial statement and the annual statements for the period ended 31 December 2020 and the report by the Statutory Auditors concerning same appear on pages 253 to 380 of the 2020 Reference Document filed with the AMF on 15 March 2021 under no. D.21-0123.

Symbiosis Building D November
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Concordance tables

Concordance table for the Universal Registration Document

(pursuant to the sections of Appendices 1 and 2 of (EU) regulation No. 2019/980 of 14 March 2019)

8.3.	Borrowing conditions and financing structure	1.5 and 4.2.5.11	62; 315 and following
8.4.	Restriction on the use of funding	N/A	
8.5.	Financing sources needed to fulfil commitments relating to investment decisions	1.5; 4.2.5.11	62 and following 315 and following
9.	**Regulatory framework**	**2.1.2**	**104**
10.	**Information on trends**		
10.1.	Principal trends	1.1; 1.3	14; 30 and following
10.2.	Events that could influence trends	4.2.4	2 and following 300 and following
11.	**Earnings projections or estimates**	**N/A**	
12.	**Administrative, management and supervisory bodies and General Management**		
12.1.	Information on members of the administrative, management and supervisory bodies	5.3.1; 5.3.2; 5.3.3 6.5	437 and following 552 and following
12.2.	Conflicts of interest of administrative, management and supervisory bodies and General Management	5.3.2.2.4.3	464 and following
13.	**Remuneration and benefits**		
13.1.	Amounts of remuneration paid and benefits in kind	5.3.4.2 5.3.4.3 5.3.4.4	500 and following 516 and following 520
13.2.	Total amount provisioned or recognised for pension payments, retirement schemes and other benefits	4.2.5.12.2	322
14.	**Operation of the administrative and management bodies**		
14.1.	Date of expiration of current term of office	5.3.1.1 and 5.3.2.1	437; 443
14.2.	Information on service contracts linking members of the Group's administrative, management or supervisory bodies to the issuer or any of its subsidiaries	4.2.7.4	334
14.3.	Information about the Audit and the Remuneration Committees of the issuer	5.3.3.1 5.3.3.2	483 and following
14.4.	Issuer's compliance with the applicable corporate governance system in force	5.3	436 and following
14.5.	Trends that could impact the corporate governance of the Group	5.3.2.1.2	447 and following
15.	**Employees**		
15.1.	Number of employees at period-end covered by the historical financial information	3.7.2	249 and following
15.2.	Profit-sharing and stock options	6.3.7 and 6.3.9	547; 549
15.3.	Agreement providing for employee participation in the capital of the issuer	3.5.1.3.2	201
16.	**Principal shareholders**		
16.1.	Shareholders owning more than 5% of the share capital or voting rights	6.3.3	544
16.2.	Different shareholder voting rights	N/A	
16.3.	Control of the issuer	6.3.3	544
16.4.	Agreement known to the issuer whose implementation could, at a later date, result in a change of control	N/A	
17.	**Transactions with related parties**	**4.2.7.4**	**334**
18.	**Financial information concerning the portfolio, the financial position and the issuer's net income**		
18.1.	Historical financial information	4.1	277 and following
18.2.	Interim and other financial information	N/A	
18.3.	Audit of annual historical information	4.1	277 and following
18.4.	Pro forma financial information	N/A	
18.5.	Dividend distribution policy	6.4.4	551
18.6.	Arbitration and judicial proceedings	4.2.2.9	287
18.7.	Significant change in the financial or commercial position	N/A	
19.	**Additional information**		
19.1.	Share capital	6.3	544 and following
19.2.	Corporate charter and Articles of Association	6.2	539 and following
20.	**Significant agreements**	**6.7**	**557**
21.	**Documents accessible to the public**	**6.2.1.13**	**540**

Table of concordance with the annual financial report

(used to identify the information comprising the annual financial report as provided under Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF's General Regulations).

Type of information	Relevant parts	Pages
1 – Annual financial statements	**4.4; 4.5**	**346 and following**
2 – Consolidated financial statements	**4.1; 4.2**	**277 and following**
3 – management report	**6; Concordance table with the management report**	**535; 565**
4 – Statement of individuals assuming responsibility for the document	**6.8.2**	**558**
5 – Statutory Auditors' report on the annual financial statements (including the observations on corporate governance) and the consolidated financial statements	**4.3** **4.6**	**341 and following** **383 and following**
6 – report from the Board of Directors on corporate governance	**5.3**	**436 and following**

Concordance table with the management report

The table of concordance below cross-references information in this Registration Document with information in the company's and the Group's management report, as required by legal and regulatory provisions.

Type of information	Relevant parts	Pages
Presentation of the situation of the company and the Group during the past financial year (L. 232-1 II and L. 233-26 of the French Commercial Code); Analysis of changes in the business, results and financial position of the company and the Group and key financial and non-financial performance indicators (L. 225-100-1 I 1 and 2 and L. 233-6 of the French Commercial Code)	1.1 to 1.8	14 and following
Foreseeable outlook for the company and Group (L. 232-1 II and L. 233-26 of the French Commercial Code)	1.1	14 and following
Significant events occurring between the date of the end of the financial year and the date of writing of the management report (L. 232-1 II and L. 233-26 of the French Commercial Code)	4.2.9 and 4.5.6.8	340 and 382
R&D activities (L. 232-1 II and L. 233-26 of the French Commercial Code)	4.5.6.7	382
Existing subsidiaries (L. 232-1 II of the French Commercial Code)	6.2.1.5	539
Consolidated statement of non-financial performance (L. 225-102-1 and R. 225-105 of the French Commercial Code)	3	115 and following
Description of the main risks and uncertainties (L. 225-100-1 I 3 of the French Commercial Code)	2	91 and following
Financial risks linked to climate change and measures taken to reduce them (L. 22-10-35 1 of the French Commercial Code)	2.1.3	108
Main features of internal control and risk management procedures (L. 22-10-35 2 of the French Commercial Code)	2.2	109 and following
Objectives and policy in the areas of hedging and exposure to price risks, credit risks, liquidity risks and cash flow risks (L. 225-100-1 I 4 of the French Commercial Code)	1.5.5 and 2.1.2	64; 100; 101
Information relating to the company's shareholding structure (L. 233-13 et L. 247-2 III of the French Commercial Code), statement of employee shareholding at the year-end (L. 225-102 of the French Commercial Code); possible adjustments for securities providing access to the share capital (L. 228-99 and R. 228-90 of the French Commercial Code)	6.3	544 and following
Information on the number of shares purchased and sold during the financial year under a share buyback programme, and characteristics of these transactions (L. 225-211 of the French Commercial Code)	6.3.8	548
Company earnings over the past five financial years (R. 225-102 of the French Commercial Code)	6.6.4	556
Amount of dividends paid in respect of the past three financial years (French General Tax Code, Art. 243 *bis*)	6.4.3	551
Information on terms of payment (L. 441-14 of the French Commercial Code)	1.4.1.7	60 and following
Amount of sumptuary expenses (French General Tax Code, Art. 223 *quater*)	4.5.4.6	371
Non-deductible overhead expenses to be added back to taxable income (French General Tax Code, Art. 223 *quinquies*)	4.5.4.6	371
Significant equity investments or takeovers of companies based in France and activity of the company's subsidiaries (L. 233-6 of the French Commercial Code).	4.2.5.3 and 4.5.6.6	309 and following 376 and following

Type of information	Relevant parts	Pages
Report from the Board of Directors on corporate governance (L. 225-37 of the French Commercial Code)	5.3	436 and following
• Remuneration policy for corporate officers (L. 22-10-8 of the French Commercial Code)	5.3.4.1	492 and following
• Information relating to all compensation of corporate officers for the past financial year (L. 22-10-9 I of the French Commercial Code)	5.3.4.2 5.3.4.3	500 and following 516 and following
• Allocation and retention of free shares by executive corporate officers (L. 225-197-1 II of the French Commercial Code)	5.3.4.1.2.1.12	497
• List of offices and functions held in all organisations by each of the executive officers during the financial year (L. 225-37-4 1 of the French Commercial Code)	5.3.1.1 and 5.3.2.1.3	437 and following 448 and following
• Agreements between a corporate officer or a major shareholder and a subsidiary according to the Article L. 233-3 (Article L. 225-37-4 2 of the French Commercial Code)	5.3.2.2.3.1	462
• Summary of capital increase authorisations still in effect (L. 225-37-4 3 of the French Commercial Code)	5.3.5.2	520 and following
• Methods by which General Management exercises powers and limitations to the powers of the Chief Executive Officer and the Deputy CEOs (L. 225-37-4 4 and L. 22-10-10 3 of the French Commercial Code)	5.3 and 5.3.1.2	436 and 440
• Membership and conditions for preparing and organising the work of the Board of Directors (L. 22-10-10 1 of the French Commercial Code)	5.3.2.1 and 5.3.2.2	443 and following; 460
• Diversity policy applied to the members of the Board of Directors and balanced representation of women and men within the executive bodies (L. 22-10-10 2 of the French Commercial Code)	5.3.2.2.5 and 5.3.1.5	465 and following 442
• Application of the corporate governance Code for listed companies (L 22-10-10 4 of the French Commercial Code)	5.3	436
• Special procedures for shareholder participation in the General Meeting (L. 22-10-10 5 of the French Commercial Code)	5.3.5	520
• Description of the evaluation procedure for current agreements and its implementation (L. 22-10-10 6 of the French Commercial Code)	5.3.2.2.3.2	462
• Elements that could be relevant in the event of a public offer (L. 22-10-11 of the French Commercial Code)	5.3.6	522
• Summary of the operations realised by the social mandates and related parties in relation to company securities (L. 621-18-2 of the Monetary and Financial Code and L. 223-26 of the General Regulations of the AMF)	5.3.1.3 and 5.3.2.1.4	441 and 460

Glossary

EPRA NTA, NRV and NDV per share

EPRA NTA, NRV and NDV per share are calculated pursuant to the EPRA recommendations, based on the shares outstanding as at year-end (excluding treasury shares) and adjusted for the effect of dilution.

Operating assets

Properties leased or available for rent and actively marketed.

Rental activity

Rental activity includes mention of the total surface areas and the annualised rental income for renewed leases, vacated premises and new lettings during the period under review.

For renewed leases and new lettings, the figures provided take into account all contracts signed in the period so as to reflect the transactions completed, even if the start of the leases is subsequent to the period.

Lettings relating to assets under development (becoming effective at the delivery of the project) are identified under the heading "Pre-lets".

Cost of development projects

This indicator is calculated including interest costs. It includes the costs of the property and costs of construction.

Definition of the acronyms and abbreviations used:

MRC: Major Regional Cities, *i.e.* Bordeaux, Grenoble, Lille, Lyon, Metz, Aix-Marseille, Montpellier, Nantes, Nice, Rennes, Strasbourg and Toulouse

- ED: Excluding Duties
- ID: Including Duties
- IDF: Paris region (Île-de-France)
- ILAT: French office rental index
- CCI: Construction Cost Index
- CPI: Consumer Price Index
- RRI: Rental Reference Index
- PACA: Provence-Alpes-Côte-d'Azur
- LfL: Like-for-Like
- GS: Group share
- CBD: Central Business District
- Rtn: Yield
- Chg: Change
- MRV: Market Rental Value.

Average firm lease term

Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

Green Assets

"Green" buildings, according to IPD, are those where the building and/or its operating status are certified as HQE, BREEAM, LEED, *etc.* and/or which have a recognised level of energy performance such as the BBC-Effinergie®, HPE, THPE or RT Global certifications.

Unpaid rent (%)

Unpaid rent corresponds to the net difference between charges, reversals and unrecoverable loss of income divided by rent invoiced. These appear directly in the income statement under net cost of unrecoverable income (except in Italy where unpaid amounts not relating to rents were restated).

Loan-To-Value (LTV)

The LTV calculation is detailed in Part 4 "Financial Resources".

The calculation of the EPRA LTV is available in the dedicated EPRA report.

Rental income

- Recorded rent corresponds to gross rental income accounted for over the year by taking into account deferment of any relief granted to tenants, in accordance with IFRS standards.
- The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (*e.g.* acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, *i.e.* assets leased or available for rent and actively marketed.
- Annualised "topped-up" rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any relief.

Estate

The portfolio presented includes investment properties, properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value. For the Hotel Operating properties it includes the valuation of the portfolio consolidated under the equity method. For offices in France, the portfolio includes asset valuations of Euromed and New Vélizy, which are consolidated under the equity method.

Projects

- Committed projects: These are projects for which promotion or construction contracts have been signed and/or work has begun and has not yet been completed at the closing date. The delivery date for the relevant asset has already been scheduled. They might pertain to VEFA (pre-construction) projects or to the repositioning of existing assets.
- Managed projects: These are projects that might be undertaken and that have no scheduled delivery date. In other words, projects for which the decision to launch operations has not been finalised.

Yields/return

- The portfolio returns are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Value excl. duties for the relevant scope (operating or development)}}$$

- The returns on asset disposals or acquisitions are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Acquisition value including duties or disposal value excluding duties}}$$

EPRA Earnings

EPRA Earnings is defined as "the recurring result from operating activities". It is the indicator for measuring the company's performance, calculated according to EPRA's Best Practices Recommendations. The EPRA Earnings per share is calculated on the basis of the average number of shares (excluding treasury shares) over the period under review.

- Calculation:

(+) Net rental income

(+) EBITDA of hotels operating activities and coworking

(+) Income from other activities

(-) Net operating costs (including costs of structure, costs of development projects, revenues from administration and management)

(-) Depreciation of operating assets

(-) Net change in provisions and other

(-) Cost of the net financial debt

(-) Interest charges linked to finance lease liability

(-) Net change in financial provisions

(+) EPRA Earnings of companies consolidated under the equity method

(-) Corporate taxes

(=) Recurring net income

Surface area

- SHON: Gross surface
- SUB: Gross used surface

Debt interest rate

- Average cost:

$$\frac{\text{Financial cost of bank debt for the period + financial cost of hedges for the period}}{\text{Average cost of debt outstanding in the year}}$$

- Spot rate: Definition equivalent to average interest rate over a period of time restricted to the last day of the period.

Green assets

- The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$$\frac{\text{1 – Loss of rental income through vacancies (calculated at MRV)}}{\text{Rental income of occupied assets + loss of rental income}}$$

This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements. Occupancy rates are calculated using annualised data solely on the strategic activities portfolio.

The indicator "Occupancy rate" includes all portfolio assets except assets under development.

Like-for-like change in rent

This indicator compares rents recognised from one financial year to another without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties. The change is calculated on the basis of rental income under IFRS for strategic activities.

This change is restated for certain severance pay and income associated with the Italian real estate (IMU) tax.

Given specificities and common practices in German Residential, the like-for-like change is computed based on the rent in €/m^2 spot N *versus* N-1 (without vacancy impact) on the basis of accounted rents.

For operating hotels (owned by FDMM), like-for-like change is calculated on an EBITDA basis.

Restatement done:

- deconsolidation of acquisitions and disposals realised on the N and N-1 periods
- restatements of assets under works, *i.e.*
- restatement of released assets for work (realised on N and N-1 years)
- restatement of deliveries of assets under works (realised on N and N-1 years).

Like-for-like change in value

This indicator is used to compare asset values from one financial year to another without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties.

The like-for-like change presented in portfolio tables is a variation taking into account Capex works done on the existing portfolio. The restated like-for-like change in value of this work is cited in the comments section. The current scope includes all portfolio assets.

Restatement done:

- deconsolidation of acquisitions and disposals realised over the period,
- restatement of works carried out on assets under development during the N period.

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