universal registration document

EDITION 2021

COVIVIO

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COVIVIO

covivio.eu

2021 Universal registration document

including the Annual financial report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document in pdf format is a reproduction of the official version of the Universal Registration Document drawn up in xhtml format and available on the website of the French Financial Markets Authority (Autorité des Marchés Financiers) and the Company's website.

This Universal Registration Document was filed on 16 March 2022 with the Autorité des Marchés Financiers (AMF) in its capacity as 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 a securities public offering or the admission of securities to trading on a regulated market if it is supplemented by a note relating to securities and, if applicable, a 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

Europe



€27 billion
of portfolio
(total share)

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

With a portfolio of €27 billion, Covivio expresses itself on a European scale, designs the city of tomorrow through Development and asserts its Customer Culture. 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.

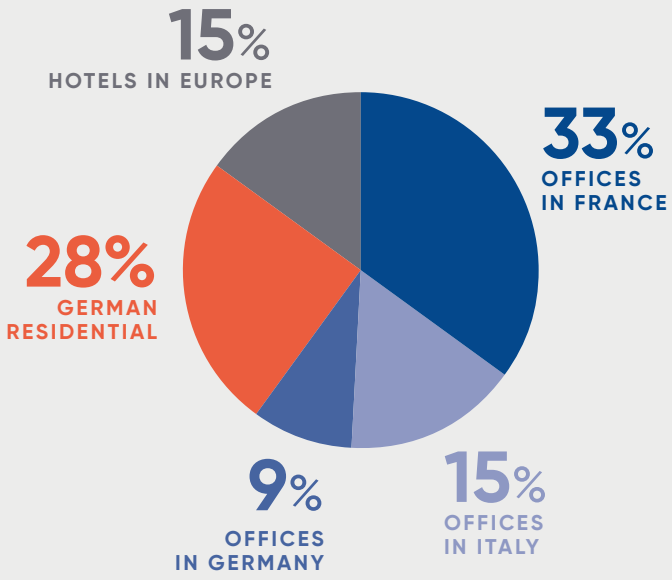
To co-create and co-manage living real estate, Covivio mobilises its expertise throughout the real estate chain, mixing uses and products – office, residential, hotel – while always prioritising the needs of its customers.

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

€607 million invested in 2021

Through its acquisitions, particularly in Residential in Germany, its development projects and the work carried out on its portfolio, Covivio invested €607 million in 2021, continuing its policy of constantly improving the quality of its portfolio in Europe.

A DIVERSIFIED PORTFOLIO THAT COMBINES USES



GLOBAL BREAKDOWN OF COVIVIO'S PORTFOLIO

Germany: **41%**

France: **38%**

Italy: **16%**

Elsewhere in Europe: **5%**

96%

of the projects pipeline located in the city centres of Paris, Milan and Berlin

These are mainly programmes for office restructuring (France, Italy, Germany), the conversion of offices into housing (France) and the development of new housing (Germany).



Setting the portfolio in motion through development

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

In 2021, Covivio delivered building D of the Symbiosis programme in Milan, Silex² in Lyon, Orange's regional headquarters in Montpellier, and more than 185 housing units in Germany. The Group also began the Noème operation in Bordeaux, consisting of transforming 45,000 m² of former IBM offices into over 700 intergenerational housing units with services.

€1.8 million of committed office pipeline by the end of 2021



Disposals and portfolio rotation

€901 million
in disposals made in 2021 with +4% margins on appraisal values



More than half 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. 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.

In 2021, Covivio won the call for tenders for the restructuring of a former switching station located in the south of Milan, near the Symbiosis area, alongside Coima SGR and Prada Holding SpA, The site covers an area of 190,000 m^2 and will host the Olympic Village for the 2026 Winter Games.

The project aims to create a new urban district, which will offer a unique mix of uses between offices, housing, student residences, services, local shops and a vast landscaped park with an ambitious cultural programme.



The customer at the heart of our attention

95%
occupancy rate in Europe

Office, residential or hotel, the search for a rewarding and quality experience is everywhere. Covivio brings together its expertise to rethink its buildings and user journeys. Our objective is to maximise the potential and comfort of our spaces to boost those of our customers. To achieve this, we involve them from the design stage of our projects to take their expectations into account and question them regularly to collect their feedback.

Example in Germany where Covivio was named for the fourth consecutive year "Fairest Landlord" by Focus-Money magazine, thus attesting to the quality of its customer relations policy.

In 2021, Covivio reviewed its customer satisfaction measurement policy. The France and Italy Offices teams, and the German Residential teams, worked together to define the challenges of this measure, the optimal pace of the surveys and jointly choose the best partners to carry them out. First results and association of Germany Offices teams expected in 2022.



PROJECTS APPROVED BY CUSTOMERS

Two awards

received at SIMI 2021 for the Silex² (Lyon) and Wellio Gobelins (Paris) projects

285,000 m²

of new office leases signed or renewed in 2021





In a disrupted economic and health 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, we can note the new head office of 38,000 m² for Moncler in the heart of the Symbiosis area, the arrival of LVMH in 4,000 m² or off-plan sales of 19,000 m² for SNAM on the same site, and lastly, the choice made by L'Oréal Italia to install its future headquarters at the heart of The Sign project.

In France, Covivio delivered the Wellio Gobelins building to Expertise France (4,500 m² in Paris) and signed the installation of the headquarters office of Roland Berger on rue Jean Goujon over 3,600 m². The year was also marked by the delivery of the Silex² complex in Lyon (31,000 m²), of which 92% of the surfaces were let on delivery.

CSR, at the heart of Covivio's business model

Sustainable development, and more broadly CSR, are an integral part of Covivio's DNA and strategy. For more than ten years, the Group's CSR performance has been praised by extra-financial rating agencies. Faced with increasingly crucial economic, social, societal and environmental challenges, Covivio is accelerating its transformation and increasing its ambitions.

At the end of 2020, Covivio had already reduced its emissions by -20% compared to 2010. Ahead of its targets, the Group is raising its ambition to achieve a -40% reduction in CO_2 emissions by 2030 (target previously set at -34%).

In 2021, Covivio retained its "Global Sector Leader" and "Overall Regional Sector Leader" status in the GRESB ranking, "Diversified Office/Residential portfolio" category with a score of 90/100, up 5 points compared to 2020.

Covivio is also at the top of the S&P Global Ratings and Vigeo Eiris' Sustainability Rating for the real estate sector, with a rating (A1+).

91%
of the portfolio certified green by the end of 2021, 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 maintains 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.

In this complex period, Covivio also 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, Covivio has created a CSR Committee whose mission is to establish, validate and monitor the Group's CSR strategy and its implementation. A complementary tool, and strongly connected to its current governance, to boost Covivio's commitment on these essential topics.

Lastly, the Group continued its discussions and actions with the Stakeholders Committee and the Covivio Foundation in order to monitor the underlying trends impacting our activities, and to step up its social and societal actions in support of the populations made most vulnerable by the effects of the health crisis.

50%
women
and
50%
men
permanent employees in Europe

4%
of the wage bill devoted to training

A budget of
€1.7 million
over five years for the Covivio Foundation

Anticipating the expectations of impact finance

Covivio's CSR policy is based on four 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.

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
- Turning each site into a biodiversity driver

E

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

S

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 parit





Wellio Milan Dante
© Covivio / DR

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1.1 Strong increase of 2021 annual results growth momentum expected to continue in 2022

"Success in development pipeline, record year for offices commercialization, strong growth for values and rents in German residential, rebound and positive outlook in Hotels: Covivio performs on all its activities. Thus, not only the quality of the portfolio continues to improve, with more than 90% of Green certified assets in Europe, but it is also our clients and partners trust in our strategy that strengthens."

Christophe Kullmann, Covivio Chief Executive Officer

A growing and constantly adapting portfolio

- €27 billion portfolio (€18 billion Group Share), increase of €1 billion year-on-year.
- Growth of 4% on a like-for-like basis driven by the German Residential and office developments.
- €901 million in new disposal commitments with a +4% margin, 80% in offices.
- Offices development pipeline success: €485 million of deliveries pre-let at 96% and €1.1 billion of new commitments already 53% pre-let.
- Selective residential acquisitions in Berlin, for €208 million, with substantial growth potential in rents and values.

Very good operating activity, which accelerated in the second half of the year

- A record year for office rentals: 180,000 m^2 let and pre-let, two-thirds of which in the 2nd half of the year.
- Recovery of the Hotels activity in the second half of the year: like-for-like revenue growth of 27%.
- Strong rental growth in the German Residential market (up 4.5%).
- Revenue up 3.2% on a like-for-like basis (vs -2.6% in H1).

ESG strategy: new progress in all areas

- Carbon trajectory: target of -40% reduction by 2030 on scopes 1, 2 and 3 (including construction).
- Increase in the share of green assets: at the end of 2021, 91% of the Covivio portfolio has environmental certification, twice as much as five years ago.
- Customer-centric strategy: very good results in the Offices tenants survey, winning the "Fairest Landlord" award in German Residential, with an average satisfaction rating on localisation of 8.8/10 in hotels.
- Launch of the Covivio Foundation: support for 12 European projects focused on promoting equal opportunities, in line with Covivio's Purpose.
- Strengthening the expertise of the Board of Directors: proposal to appoint Daniela Schwarzer as independent Director.

2021 results exceeded our goals

- Sharp decrease in LTV by two points to 39%.
- Increase in NAVs by +6% to +10% year-on-year (EPRA NTA per share of €106.4 and EPRA NDV of €97.8).
- Adjusted EPRA Earnings up 6.6% to €410 million (€4.35 and +3.3% per share) and historic net income of €924 million.
- Proposed cash dividend of €3.75 per share, up by 4.2%.

Outlook

- Adjusted EPRA Earnings guidance for 2022 of €4.5 per share, assuming that the hotel recovery continues.

1.1.1 Strong market fundamentals(1)

Offices: business recovery and market polarization

The recovery that began at the end of the first half was confirmed in the second half with a significant increase in rental activity. Greater Paris recorded take-up of 1.9 million m^2 (up 32% on 2020), of which more than a third was completed in the final quarter. In Milan, take-up was up by 32% compared to 2020, at 390,000 m^2 , 11% higher than its ten-year average. In Germany, the top six cities saw their take-up reach 3.2 million m^2 , up by 27% compared to 2020, with nearly 60% of rental agreements signed in the second half of the year.

At the same time, demand has polarized 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, up 8% in Berlin or Milan).

German Residential: positive structural trends

The structural housing shortfall in Germany increased further in 2021 to reach 400,000 housing units. The lack of supply on the market is driving the major market trends. In Berlin in particular, the vacancy rate reached an all-time low of 2.2%, and rents rose again by around 13% year-on-year (to €19.95/m^2 /month for new buildings and €12.90/m^2 for second hand). The scarcity of apartments is also driving up prices, with average prices index growing by +11% in 2021 according to Destatis, with an average price of €5,220/m^2 in Berlin and €6,250/m^2 in Hamburg.

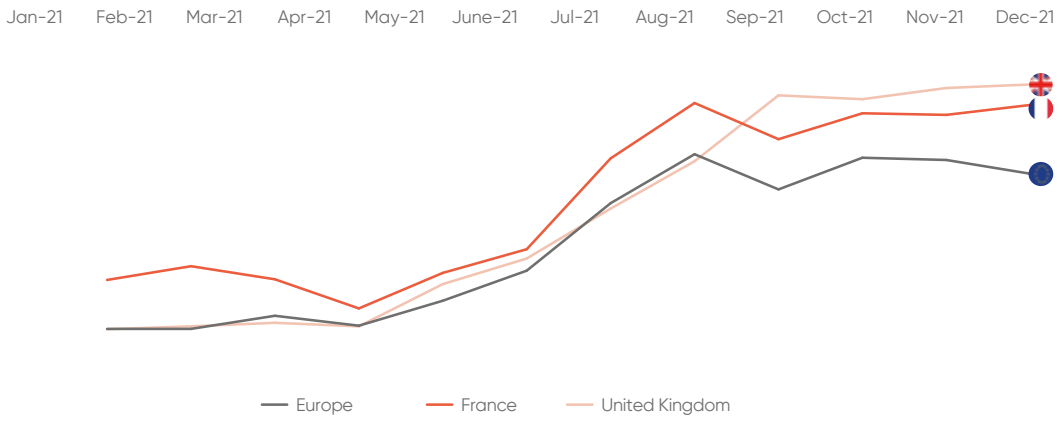
(1) Sources: Cushman & Wakefield, BNPP RE, Guthmann.de

Hotels: 2021 is the year of bounce-back and recovery for the industry

Following the first half of the year which was still heavily impacted by the pandemic and various government restrictions, the second half proved to be very dynamic, in some cases exceeding 2019 performance. Overall, in Europe, the market performance is much better than in 2020, with a RevPAR increase of 42% (although this figure is still down by 54% compared to 2019).

The performance confirmed the strong bounce-back effect in countries with high levels of domestic customers, notably France, the United Kingdom and Germany, which account for the bulk of Covivio's hotel income. Hotel fundamentals were also good, particularly the leisure segment.

2021 change in RevPAR [1] in Europe by country compared to 2019 (%)



1.1.2 Covivio: a growing and constantly adapting portfolio

With a portfolio worth €26.7 billion (€17.7 billion Group Share) in Europe, up by €1 million year-on-year, Covivio has built its development on diversification in activities in which it plays a leading role:

- **57% of the portfolio comprises offices** in France, Italy and Germany, mainly in central locations in Paris, Milan and major German cities
- **German Residential accounts for 28% of the portfolio (up 3 points on 2020)**. It is located in the city centres of Berlin, Dresden, Leipzig, 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.**

41% of buildings by value are located in Germany, compared to 38% in France and 16% 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, 97% of the properties are within a five-minute walk of public transport
2. **Development**, to deliver new buildings combining energy performance, well-being and adaptation to changing trends. Covivio is currently developing a €1.8 billion Group Share of Offices projects and nearly €437 million Group Share of housing units in Europe. The majority of these developments concern existing assets
3. **Customer culture** with a user-centric strategy. Covivio supports its tenant customers in their property strategies over the long term, by jointly defining their projects and forging strong partnerships (fixed average lease maturity of 7 years). This is reflected in a practical consulting approach, an ambitious service policy and ever more flexibility, with, for example, hybrid offers combining commercial leases and flexible contracts.

Offices development pipeline success

Covivio delivered 112,200 m² of office buildings in 2021 in Paris, Milan, Lyon, Montrouge (Greater Paris) and Montpellier, already leased at an average rate of 96% to major customers including EDF, Orange, NTT Data and Expertise France. Beyond commercial success, these assets contribute to the continuous improvement of the portfolio. The real estate managers of major French companies recognised the Gobelins buildings (Paris 5th) and Silex² (Lyon), which received SIMI 2021 Grands Prix awards. Lastly, there was a total value creation of nearly 40% compared to cost price (€485 million Group Share).

At the same time, Covivio launched 9 new development projects in 2021, already 53% pre-let to key accounts (including L'Oréal and Moncler in Italy), and mainly located in the Paris, Berlin and Milan city-centres. The total cost amounted to €1.1 billion Group Share, with a value creation goal of more than 30%.

At the end of December, the Group had a committed pipeline of 286,000 m² of offices (or mixed-use) projects, worth €1.8 billion, Group Share. 82% of this space is located in the city centres of Paris, Berlin, Milan and Lyon, and nearly 50% is pre-let.

(1) RevPAR: Revenue per available room - Source: MKG

Ramping up of residential development programmes

Residential development activity also intensified with the ramping up of the transformation of offices into housing units in France. 8 projects are under construction, covering 1,472 housing units, in Bordeaux and Greater Paris, for a cost price of €247 million and a target margin on sale of more than 10%. Adding residential development projects totalling €114 million under construction in Germany, a total of 2,000 housings are being built with nearly half of which that have been pre-sold. The property development business generated margins of €15 million in 2021.

Selective residential acquisitions in Berlin

Covivio continued to strengthen its residential exposure in Germany with €208m Group Share of acquisitions mainly located in Berlin city centre. The immediate 3.3% yield will benefit from reversion potential of 55% on average compared to regulated rents. Lastly, the purchase price of €3,400/m² on average, is much lower (55% on average) than the market retail value, while most of the units are divided in condominium.

€901 million of new disposal commitments with a margin of +4% on appraisal values

In 2021, Covivio continued its portfolio rotation strategy by signing commitments for disposals amounting to €901 million Group Share (€1.3 billion at 100%), with a margin of 3.7% on appraisal values. Almost 80% of the volume concerns office assets (€713 million signed). Since the beginning of 2020, the Group has sold office assets worth €1.4 billion, with an average margin of 4.4% on appraisal values. In December 2021, Covivio signed off the sale of the Carré Suffren buildings (25,000 m² in Paris 15th) and Campus Eiffage (33,000 m² in Vélizy-Villacoublay). These two assets, acquired in 2004 and 2010, illustrate the ability to create value over time with good quality and highly relevant development and asset management policies.

In German Residential, Covivio also saw a reversion on appraisal values with sales of €126 million (€82 million Group Share) and +26% in margins on the latest appraisal values, of which 53% on detail sales (€37 million, Group Share). In hotels, Covivio sold assets for a total of €134 million at 100% and €31 million Group Share, based on an average yield rate of 4.8% and a margin of 23% on the appraisal value.

Finally, Covivio sold the remainder of its car park concessions business and its final shopping centre in Italy.

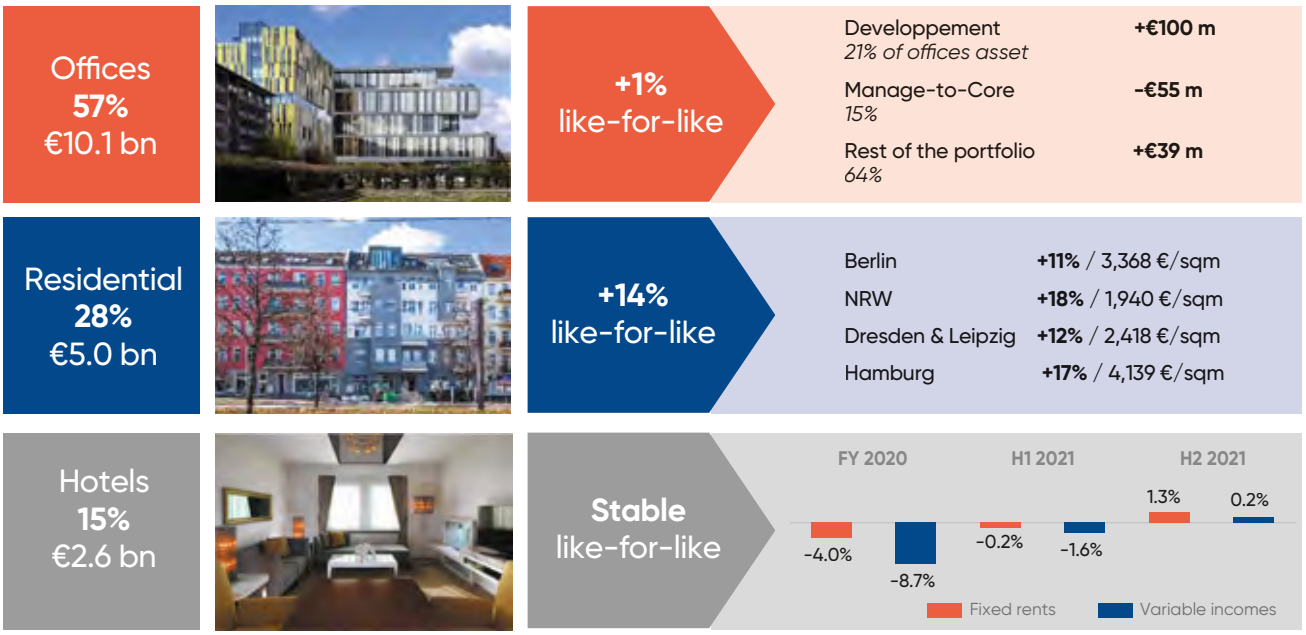
Portfolio growth of 4% on a like-for-like basis

The Group's portfolio increased by €1 billion over the half year, to €26.7 billion and €17.7 billion, Group Share (up €0.6 billion, Group Share). On a like-for-like basis, the value of assets increased by 3.8%.

In offices, asset values rose by 0.8% on a like-for-like basis. The declines in value are concentrated on a few assets facing specific rental challenges or located in locations affected by the crisis (such as La Défense, Peri-Défense or outside Milan in Italy). They are more than offset by **the very good performance of buildings delivered or under development, which posted an increase in values of 7%.**

In German Residential, appraisal values rose by 13.7% and are moving in the right direction across all regions: North Rhine-Westphalia (+18.2%), Hamburg (+16.8%), Dresden & Leipzig (+12.4%) and Berlin (+11.3%). This performance is due to a structural shortage of housing, strong appeal to investors, as evidenced by the record volume of investments made in 2021 (€51 billion), and retail values well above block values (over 50%). The average value of the portfolio is €3,370/m² in Berlin and €1,940/m² in North Rhine-Westphalia.

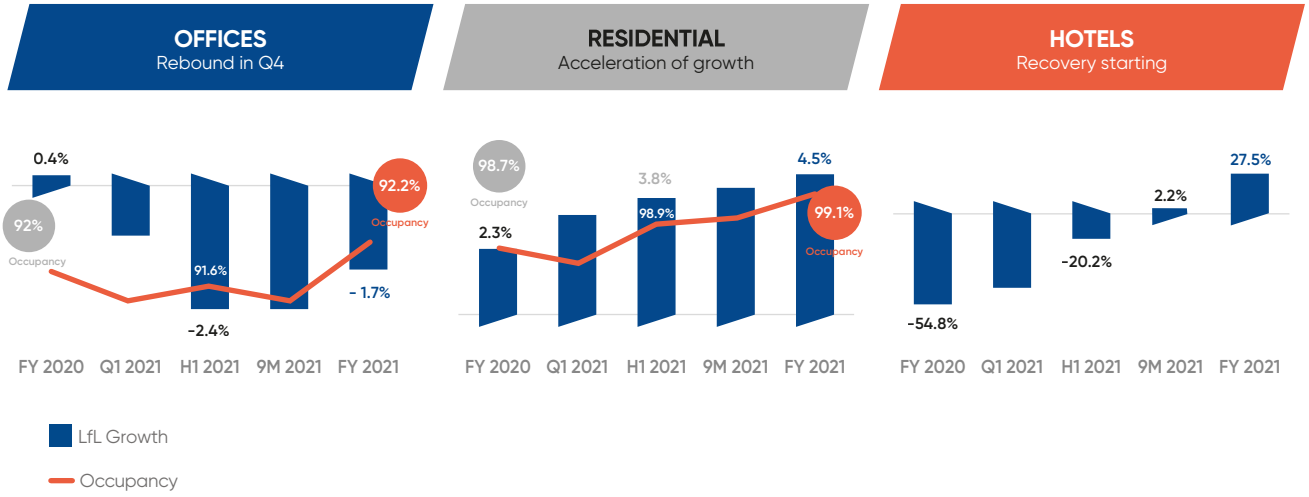
In hotels, the value of the portfolio was stable compared to the end of 2020 (down 0.3% like-for-like): the performance upturn in the second half of the year enabled leased assets to return to growth in value (up 1.3%) and operating property assets to stabilize (up 0.2%).



1.1.3 Good operating activity, which accelerated in the second half

A 3.2% increase in rental income on a like-for-like basis

2021 (In € million)	Revenues 2020 Group Share	Revenues 2021 100%	Revenues 2021 Group Share	% like-for-like change Group Share	Occupancy rate (in %)	Firm lease duration (in years)
France Offices	*207.1*	*218.7*	*189.5*	*-2.8%*	*93.2%*	*4.6*
Italy Offices	*126.8*	*152.3*	*115.5*	*-0.2%*	*96.6%*	*7.1*
Germany Offices	*49.3*	*51.3*	*44.8*	*+0.6%*	*78.8%*	*4.4*
Total Offices	383.2	422.4	349.9	-1.7%	92.2%	5.4
German Residential	157.7	260.2	168.4	+4.5%	99.1%	n.a.
Hotels in Europe	57.6	197.3	80.4	+27.5%	100%	13.3
Total Strategic activities	**598.5**	**879.8**	**598.7**	**+3.2%**	**95.0%**	**7.0**
Non-strategic (retail)	11.0	8.4	5.3	-35.7%	100.0%	8.9
TOTAL	**609.5**	**888.2**	**604.0**	**+3.0%**	**95.0%**	**7.0**



Offices: a record year for lettings

Covivio signed a record number of leases with 180,000 m² of office rental commitments, over an average fixed period of 10 years. After a first half-year impacted by pandemic restrictions (63,200 m² sold), activity accelerated sharply with two-thirds of the year's lettings carried out between July and December. These leases were mainly covered by the pre-letting of nearly 110,000 m² of assets in the development portfolio. The quality of the assets has attracted many internationally renowned companies which have decided to set up their global or regional headquarters there. This is the case for Moncler (38,000 m²), SNAM (19,000 m²), L 'Oréal (11,600 m²) and LVMH (4,000 m²) for Symbiosis and The Sign in Milan, and Samsung (10,500 m²), Roland Berger (3,900 m²) or One Point (9,100 m²) in Paris and Bordeaux.

In addition, Covivio has renewed close to 104,000 m² of leases in 2021, of which 45% in France, 45% in Italy and 10% in Germany with an average lease extension of 3 years.

On a like-for-like basis, rental income was impacted by releases in 2020 and early 2021, while the occupancy rate rose back to 92% in the second half of the year.

Hotels: business recovery in the second half of the year

Revenues from the Hotels business in Europe, which were down by 20% in the first half of 2021 compared to the first half of 2020, caught up in the second half of the year, benefiting from the market recovery that began in May 2021. Income increased by 27% on a like-for-like basis over the year, driven by the increase of 146% in variable rents (35% of the hotel portfolio, mainly let to AccorInvest) and by strong 356% recovery in operating properties (20% of the hotel portfolio). Lastly, fixed-lease assets (45% of the hotel portfolio) were down by only 1% on a like-for-like basis, due to the exemptions granted in 2020 and 2021 in exchange for the extension of the lease terms. The rental income collection rate reached 96% (85% including deferred payments and exemptions granted).

In early 2022, Covivio and InterContinental Hotels Group reviewed their agreements on the portfolio of 12 hotels in premium locations in the heart of major British cities (such as London, Edinburgh and Glasgow, representing €344 million Group Share and 2% of the Covivio portfolio). The parties signed a term sheet relating to the conclusion of amendments to the leases. This agreement provides for a readjustment of the minimum guaranteed rent and the introduction of a variable rent indexed to revenues, as well as performance tests. Binding agreement should occur by the end of March, which allows to reach a portfolio yield of 6%, after a complete recovery of the hotel activity.

Strong rental growth in German Residential

The persistent shortfall in the supply of housing in Germany (40,000 units added to the shortfall in 2021) combined with an active asset management strategy drove rents up in 2021, by 4.5% on a like-for-like basis. Rents increased in all geographical areas: Berlin (+5.0%), North Rhine-Westphalia (+4.7%), Hamburg (+2.9%) and Dresden & Leipzig (+2.3%). More than a third of the growth in rents is the result of the modernisation program undertaken for the portfolio, which tends to renovate an average of 3% of the portfolio each year. The second third is due to indexation, with re-letting counting for the remaining third.

1.1.4 ESG strategy: new progress in all areas

The new carbon trajectory approved by SBT initiative

Covivio has announced in 2021 a new carbon trajectory and raised its ambitions to reach its new target at 40% reduction in greenhouse gas emissions by 2030 (compared with previous target of 34%). This target, 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, renovation, and operation. Covivio is also targeting net zero carbon from 2030 for scopes 1 and 2.

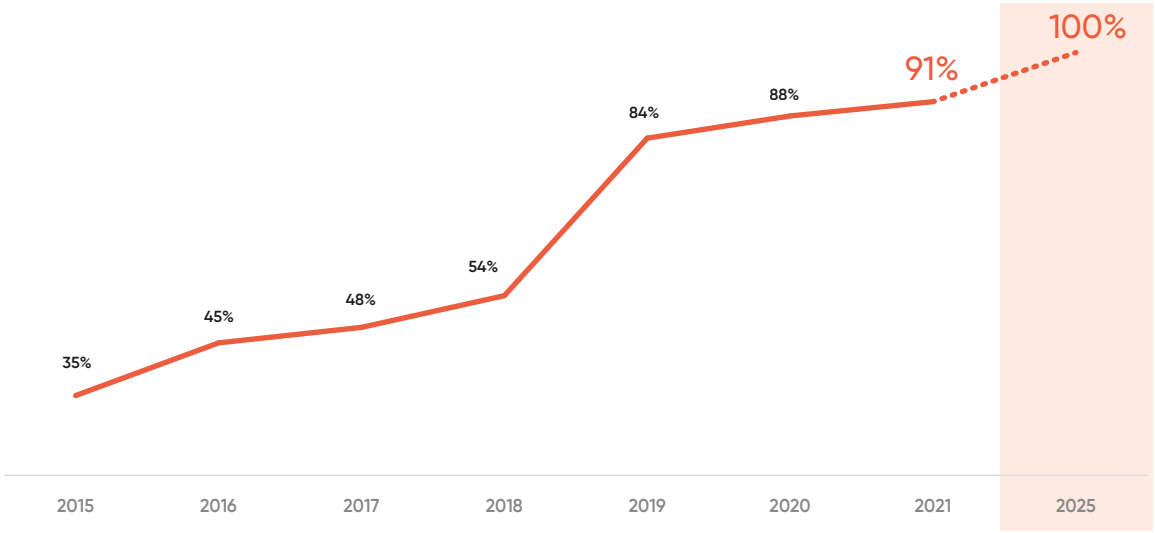
These greenhouse gas emission reduction objectives have just been approved by SBT initiative and will be published in their website on 24 February.

In addition, the average eligibility Covivio's activities to Taxonomy reaches 94.5%[1]: 89% on the turnover (the hotels in operating lease are not in the scope of the Taxonomy yet), and 100% on Capex.

91% green portfolio

Covivio continued its greening momentum: the proportion of the portfolio with HQE, BREEAM, LEED or equivalent certification, in operation and/or under construction, reached 91% (up by 3 points).

Share of Green Portfolio



This portfolio greening strategy plays an active role in achieving the new carbon trajectory. It is accompanied by a commitment to low-carbon construction on a European scale. For example, for the Silex2 project in Lyon delivered at the end of 2021, where there was a choice of redevelopment *vs* demolition, Covivio was able to save 17,500 tCO_2e compared to a demolition/reconstruction, and the building will emit up to 30 tCO_2e/year less during its operational phase, compared to an office building renovated to the RT 2012 energy level. Another example in Milan is The Sign A building, which obtained the highest LEED certification in Europe in 2021 (LEED Platinium, 90/100) and became the first building in Italy to receive the BiodiverCity label.

A user-centric strategy

Covivio has a good relationship with its customers, and regularly conducts satisfaction surveys. The results of a study carried out by OpinionWay in France on the Offices activity show a satisfaction rate of 86%[2] among new customers and 89% for existing tenants. As for the Wellio business, 96% of occupants gave a positive response and were either satisfied or very satisfied, both with the quality of the support provided by the Covivio teams and the quality of the spaces or services offered. At the same time, Covivio's Residential business was once again awarded the "Fairest Landlord" label in Germany by Focus Money magazine. Lastly, portfolio hotels received a very good rating on Booking.com of 8.8/10 for location.

Launch of the Covivio Foundation

After incorporating "Build sustainable relationships and well-being" into its Purpose, in 2020 Covivio set up its Corporate Foundation and chose to focus its actions on two main areas: promoting equal opportunities and environmental protection. In its first year of operation, the Foundation has prioritised associations and projects that help the people who have been most exposed to impacts from the pandemic. Thanks to the sourcing carried out by the Covivio teams in Europe and following the publication of a call for

(1) Figures in Group Share. Eligibility rate on total share IFRS data: 86% of turnover and 100% of Capex.
(2) Average of the scores "satisfied" or "very satisfied" given on the topics "Quality of support by Covivio", "Life in the building" and "Answers provided".

expressions of interest (AMIs) in France, 12 projects received support from the Foundation, which has access to a five-year budget of €1.7 million. In 2022, Covivio plans to launch two AMIs in Germany and Italy to ramp up the process and increase its impact.

Strengthening the expertise of the Board of Directors

At the General Meeting of 21 April 2022, the Board of Directors will propose the appointment of Daniela Schwarzer as an independent Director.

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. From 2016 to 2021 she headed the German Council on Foreign Relations, of which she is now a non-executive member of the Board of Directors. She is also a non-executive member of the Board of Directors of BNP Paribas. She is an honorary professor at Freie Universität Berlin, where she teaches courses on European integration and international affairs.

She brings her in-depth knowledge of the German economic and social context, which will help maintain the highest standards of commitment, independence and competence within the Board of Directors.

Further improvement of ESG ratings

The ratings agencies once again recognised the performance and relevance of Covivio's CSR policy. As a result, the Group has seen its ratings rise with GRESB (90/100), Sustainalytics (8.3) and MSCI (AAA), making Covivio one of the leaders in its sector.

1.1.5 2021 results exceeding goals

Sharp drop in LTV to 39%

The high rate of disposals and the good performance of appraisal values reduced the LTV ratio by two points, to 39% at the end of 2021. The average interest rate on debt fell again, to 1.2% compared to 1.3% at the end of 2020, and the ICR improved at 6.7x compared to 6.1x at the end of 2020.

Rated BBB+, outlook stable by S&P, Covivio has a solid balance sheet, with diversified and long-term debt (maturity of 5.4 years). The hedging rate reached 84% for an average hedging instrument maturity of 6.8 years.

NAVs increase of 6% to 10% year-on-year

The increase in asset values, driven by Offices and Residential development in Germany, was responsible for the 7% growth in EPRA NTA per share, to €106.4 and €10.1 billion. The EPRA NDV amounted to €9.3 billion and €97.8 (+10%) while the EPRA NRV stood at €11.1 billion and €116.9 per share (up 6%).

Adjusted EPRA Earnings up by 6.6%

Adjusted EPRA Earnings amounted to €410 million, up 6.6% year-on-year (€4.35 per share and up 3.3% following the payment of the 2020 share dividend). The decrease in rental income related to portfolio rotation, mainly in offices, was more than offset by growth in hotels and performance in German Residential. Income also benefited from the good performance of operating costs and the reduction in the cost of financial debt. In 2021, net income of Covivio reached a record level of €924 million.

Proposed cash dividend of €3.75 per share, up 4.2%

Covivio will put to the General Meeting of 21 April a vote on the cash payment of a dividend of €3.75 per share, up by 4.2% compared to 2020, *i.e.* a payout ratio of 86%. The ex-dividend date will be 25 April 2022, with payment on 27 April 2022.

1.1.6 Outlook

Over the course of 2022, Covivio intends to continue its growth momentum by focusing on three main areas:

- **continuation of the development pipeline**, which mainly involves the redevelopment of existing assets in Paris, Berlin and Milan. Located in prime areas sought after by users, these buildings also have significant rental income potential. Covivio has just pre-let the entire Anjou project, a 9,300 m^2 building located in the Paris CBD, to a large French luxury group, three years before delivery. A preliminary agreement was also signed for 9,000 m^2 on the Stream Building in Paris 17th arrondissement, with the project therefore achieving a pre-letting rate of 100%
- **asset management work to extract rental growth reserves** *via* the rental reversion in German Residential, the reduction of vacancy on manage to core assets (16% of the Offices portfolio) and a ramping up of the office services offer. In this respect, new rental agreements have been signed in recent weeks at the Wellio site in the Milan CBD, bringing the pre-letting rate to 90% three months before delivery
- **hotels recovery** The outlook for STR, MKG and Tourism Economics forecasts a return of overnight stays at 2019 levels by 2023-2024. Compared to 2019 income, the Group has €54 million in growth potential.

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

1.2 Business analysis

Changes in scope:

Two changes occurred between 2020 and 2021, with impact on Covivio's percentage of ownership of its subsidiaries:

- Covivio's stake in its hotel subsidiary, Covivio Hotels, increased following the asset contribution from Covivio to Covivio Hotels, from 43.5% at year-end-2020 to 43.8% at year-end-2021
- Covivio shared its flagship Alexanderplatz mixed-use project in Berlin which detention rate went from 100% to 55% now.

1.2.1 Revenues: €604 million in 2021

	100%			Group Share				
(In € million)	2020	2021	Change (in %)	2020	2021	Change (in %)	Change (in %) LfL[1]	% of revenue
France Offices	**237.3**	**218.7**	**-7.8%**	**207.1**	**189.5**	**-8.5%**	**-2.8%**	**31%**
Paris	87.8	80.9	-7.8%	82.3	76.3	-7.2%	-2.3%	13%
Greater Paris (excl. Paris)	103.8	100.8	-2.8%	85.4	83.2	-2.5%	-5.8%	14%
Major regional cities	35.9	30.7	-14.4%	29.6	23.7	-19.9%	+2.9%	4%
Other French Regions	9.8	6.3	-36.4%	9.8	6.3	-36.4%	-20.6%	1%
Italy Offices	**166.6**	**152.3**	**-8.6%**	**126.8**	**115.5**	**-8.9%**	**-0.2%**	**19%**
Offices - excl. Telecom Italia	85.4	77.1	-9.7%	85.4	77.2	-9.6%	-0.6%	13%
Offices - Telecom Italia	81.2	75.2	-7.4%	41.4	38.3	-7.4%	+0.6%	6%
German Offices	**60.3**	**51.3**	**-14.9%**	**49.3**	**44.8**	**-8.9%**	**+0.6%**	**7%**
Berlin	10.2	10.0	-2.2%	7.2	6.9	-3.7%	+0.2%	1%
Other cities	50.1	41.4	-17.5%	42.1	37.9	-9.8%	+63.8%	6%
German Residential	**245.6**	**260.2**	**+6.0%**	**157.7**	**168.4**	**+6.8%**	**+4.5%**	**28%**
Berlin	118.5	127.2	+7.3%	76.7	83.4	+8.8%	+5.0%	14%
Dresden & Leipzig	24.6	22.9	-6.8%	15.7	14.8	-5.9%	+2.3%	2%
Hamburg	16.3	17.1	+4.9%	10.7	11.2	+5.2%	+2.9%	2%
North Rhine-Westphalia	86.2	93.0	+7.9%	54.6	59.0	+8.0%	+4.7%	10%
Hotels in Europe	**147.2**	**197.3**	**+34.0%**	**57.6**	**80.4**	**+39.6%**	**+27.5%**	**13%**
Hotels - Lease Properties	139.3	175.4	+25.9%	54.3	71.0	+30.8%	+18.2%	12%
France	50.9	58.1	+14.1%	16.1	19.8	+23.2%	25.9%	3%
Germany	30.7	29.5	-3.9%	13.1	12.7	-2.9%	-0.5%	2%
UK	0.0	12.0	n.a.	0.0	5.2	n.a.	n/a	1%
Spain	29.6	29.1	-1.8%	12.9	12.7	-1.0%	-2.4%	2%
Belgium	8.9	10.2	+14.1%	3.9	4.5	+15.0%	11.3%	1%
Others	19.2	36.6	+90.6%	8.3	16.0	+92.0%	0.5%	3%
Hotels - Operating Properties (EBITDA)	**7.9**	**21.9**	**+176.4%**	**3.3**	**9.4**	**+185.2%**	**356.0%**	**2%**
Total strategic activities	**857.0**	**879.8**	**+2.7%**	**598.5**	**598.7**	**+0.0%**	**+3.2%**	**99%**
Non-strategic	17.7	8.4	-52.7%	11.0	5.3	-51.8%	-35.7%	1%
Retail Italy	5.4	2.9	-47.3%	5.4	2.9	-47.3%	n.a.	0%
Retail France	11.9	5.5	-54.0%	5.2	2.4	-53.5%	-35.7%	0%
Other (France Residential)	0.4	0.0	-91.7%	0.4	0.0	-91.7%	n.a.	0%
Total revenues	**874.7**	**888.2**	**+1.5%**	**609.5**	**604.0**	**-0.9%**	**+3.0%**	**100%**

(1) LfL: Like-for-Like.

Group Share revenues stand at €604 million *vs* €609 million in 2020 under the following effects:

- **the revenues of strategic activities increase by +3.2% (+€16.1 million) on like-for-like basis due to:**
  - **Hotels activity,** the like-for-like revenues increased by 27.5% (+€14.5 million) due to the start of recovery in H2 2021 with a like-for-like evolution of +356% on the operating properties EBITDA and +146% on variable rents
  - German Residential +4.5%, driven by strong rental reversion
  - Office portfolio -1.7% on like-for-like with mainly increase in vacancy in 2020 in France

- **deliveries of new assets** (+€20.6 million), mainly in France with five deliveries in 2021 (+€14.7 million) in major regional cities and in the 1st ring, and in Milan with two buildings (+€5.8 million)
- **acquisitions** (+€16.2 million) especially in Hotels (+€7.8 million), and German residential (+4.3 million) German Offices (+€4.0 million) through Godewind
- **asset disposals:** (-€41.4 million), especially:
  - In France Offices (-€16.7 million), in 2020 and 2021 of mature assets in Western Crescent and French regions
  - In Italy (-€15.4 million) non-core and mature assets
  - In German Residential (-€3.8 million) mainly involving a portfolio of mature assets in Berlin and Leipzig in 2020 as well as some privatisations in Berlin
  - In Hotels (-€0.6 million)
  - Non-strategic assets (-€4.9 million) mainly retail in Italy and France
- **vacating for redevelopment** (-€12.8 million), mainly in Paris and Milan CBDs
- other effects (-€4.3 million), mainly from We Work indemnity accounted for in 2020.

1.2.2 Lease expiries and occupancy rates

1.2.2.1 Annualized lease expires: 7.0 years average lease term

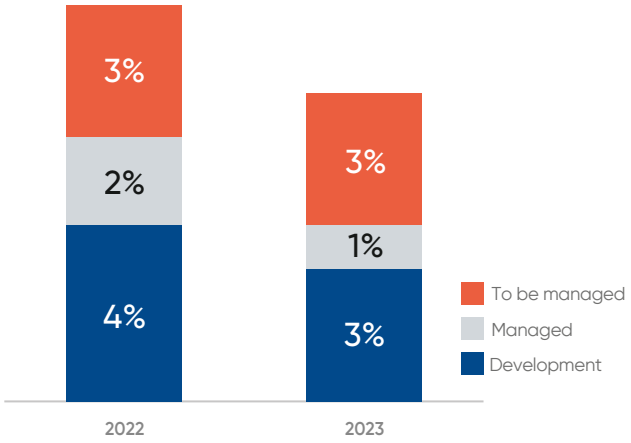
1.2.2.1.1 Average lease duration by activity

(Years) Group Share	By lease end date (1st break)		By lease end date	
	2020	2021	2020	2021
France Offices	4.6	4.6	5.5	5.5
Italy Offices	7.4	7.1	7.9	7.5
Germany Offices	4.9	4.4	5.8	5.2
Hotels in Europe	14.2	13.3	15.7	14.6
Total strategic activities	**7.3**	**7.0**	**8.2**	**7.8**
Non-strategic	7.4	8.9	7.7	9.4
TOTAL	**7.3**	**7.0**	**8.2**	**7.8**

The average firm residual duration of leases stays stable at 7.0 years at end December 2021.

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
2022	66	9%	56	8%
2023	51	7%	29	4%
2024	25	4%	19	3%
2025	51	7%	34	5%
2026	15	2%	16	2%
2027	34	5%	27	4%
2028	37	5%	36	5%
2029	10	1%	30	4%
2030	74	11%	84	12%
2031	20	3%	31	4%
Beyond	113	16%	134	19%
Total Offices and Hotels leases	**495**	**71%**	**495**	**71%**
German Residential	**174**	**25%**	**174**	**25%**
Hotel Operating properties	**31**	**4%**	**31**	**4%**
TOTAL	**701**	**100%**	**701**	**100%**



Out of the €66 million of lease expiries scheduled for 2022, representing 9% of Covivio annualized revenues:

- 4.1% relate to assets to be redeveloped after the tenant departure, including 3 mature assets in Paris CBD occupied by Orange
- 2.4% relate to tenants with no intent to vacate the property
- 2.7% to be managed of which:
  - 2% relate to core assets, mostly located in Paris CBDs, and fully accessible in public transports
  - 0.7% relate to Manage-to-core Assets, located in major European cities.

In 2023, the €51 million of lease expiries representing 7% of Covivio annualized revenues are mainly split as follow:

- 3.8% is already managed due to assets that will be vacated for redevelopment (2.5%), mostly located in Paris CBD or to break option that will not be exercised and disposal
- 3.2% to be managed in France (61%), Italy (11%) and Germany (28%), of which:
  - 2.1% related to assets well located in Paris, Lyon, Milan, and Berlin CBDs, and with good accessibility in public transports
  - 1.1% relate to Manage-to-core Assets, mainly located in the Western Crescent, La Défense and other major European cities.

1.2.2.2 Occupancy rate: 95%

(in %) Group Share	Occupancy rate 2020	 2021
France Offices	93.1%	93.2%
Italy Offices	96.8%	96.6%
German Offices	76.7%	78.8%
German Residential	98.7%	99.1%
Hotels in Europe	100.0%	100.0%
Total strategic activities	**94.7%**	**95.0%**
Non-strategic	*99.4%*	*100.0%*
TOTAL	**94.8%**	**95.0%**

The occupancy rate is slightly increasing to 95.0% for strategic activities.

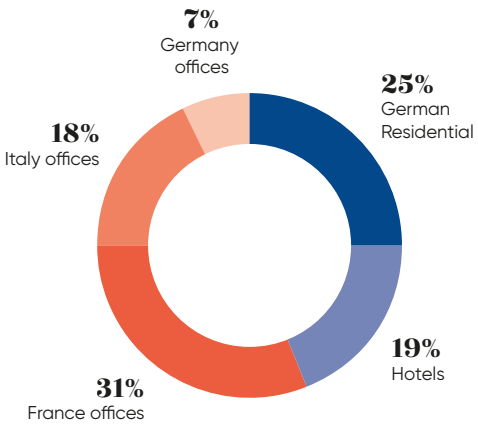
1.2.3 Breakdown of annualized revenues

By major tenants

Group Share (In € million)	Annualized revenues* 2021	%
Telecom Italia	35	5%
Orange	34	5%
Accor	34	5%
Suez	21	3%
IHG	19	3%
NH	19	3%
B&B	14	2%
Tecnimont	14	2%
Dassault	13	2%
Thalès	12	2%
Vinci	10	1%
Natixis	8	1%
EDF/Enedis	6	1%
Fastweb	6	1%
Eiffage	6	1%
Creval	6	1%
Cisco	5	1%
Intesa San Paolo	5	1%
Hotels lease properties	21	3%
Other tenants < €5 M	240	34%
German Residential	174	25%
TOTAL	**701**	**100%**

* The hotels annualized revenues are based on the 2021 fixed revenues and 2019 variable revenues.

By activity



Covivio can rely on a strong tenant base, with approximately 90% of large corporates in offices, resilient revenue base in German residential and partnerships with major hotel operators in Hotels.

1.2.4 Cost to revenue ratio by business

Group Share (In € million)	France Offices 2021	Italy Offices (incl. retail) 2021	Germany Offices 2021	German Residential 2021	Hotels in Europe (incl. retail) 2021	Other (Mainly France Residential) 2021	Total 2020	Total 2021
Rental Income	189.5	118.4	37.9	175.4	73.4	0.0	606.2	594.6
Unrecovered property operating costs	-12.3	-13.2	-6.6	-1.5	-0.9	-0.1	-30.3	-34.7
Expenses on properties	-2.9	-6.1	-1.4	-13.0	-0.4	0.1	-21.5	-23.7
Net losses on unrecoverable receivable	0.4	1.9	-0.4	-2.0	-5.6	0.1	-15.4	-5.5
Net rental income	**174.8**	**101.0**	**29.5**	**158.8**	**66.6**	**0.1**	**539.0**	**530.7**
Cost to revenue ratio	**7.8%**	**14.6%**	**22.2%**	**9.4%**	**9.3%**	**n.a**	**11.1%**	**10.7%**

1.2.5 Reserves for unpaid rent

Collection rate: 96% for hotels excluding rent free and deferred payment.

Provisions: At December-2021, a €5.5 million provision has been accounted for and is focused on hotels.

1.2.6 Disposals: €901m of new agreements in 2021 with 3.7% margin

(In € million)		Disposals (agreements as of end of 2020 closed) (I)	Agreements as of end of 2020 to close	New disposals FY 2021 (II)	New agreements FY 2021 (III)	Total FY 2021 = (II) +(III)	Margin *vs* 2020 value	Yield	Total Realized Disposals = (I) + (II)
	100%	295	22	106	599	705	2.8%	4.2%	401
France Offices	Group Share	251	22	106	350	456	2.8%	4.2%	357
	100%	32	-	234	52	286	2.3%	6.9%	265
Italy Offices	Group Share	26	-	145	51	196	1.8%	6.8%	171
	100%	-	-	-	-	-	0.0%	n.a.	0
Germany Offices	Group Share	-	-	61	-	61	0.0%	n.a.	61
Germany	100%	14	-	104	22	126	26.0%	2.8%	118
Residential	Group Share	9	-	68	14	82	26.0%	2.5%	77
	100%	13	19	-	134	134	21.1%	4.9%	13
Hotels in Europe	Group Share	6	8	-	31	31	22.7%	4.8%	6
	100%	21	1	57	41	98	-6.1%	9.4%	78
Non-strategic	Group Share	10	1	35	39	74	-7.7%	10.9%	45
TOTAL	**100%**	**375**	**42**	**500**	**847**	**1,348**	**5.4%**	**5.2%**	**875**
	GROUP SHARE	**302**	**31**	**415**	**485**	**901**	**3.7%**	**5.5%**	**717**

New disposals and agreements were signed for €901 million Group Share (€1,348 million at 100%) with 3.7% average margin on last appraisal values. Covivio maintained its strategy of mature offices' disposals on which the value creation potential is fully extracted, together with disposal of non-core assets. In details, the disposals agreements include:

- **mature assets and sharing of development project:** €651 million Group Share (€944 million in 100%):
  - Core Mature offices €460 million Group Share with a 4.1% margin on average, in Milan (6 assets), Paris, Paris inner ring and Lyon
  - some privatizations and bloc sales in German residential: €82 million Group Share, generating a 26.0% margin on average compared to last year market value
  - Alexanderplatz: €61 million (share of development project)
  - other Italian disposal agreements for €48 million
- **non-core assets**: €145 million Group Share (€172 million at 100%) in secondary French and Italian locations, and disposals of Telecom Italia assets
- **hotels**: €31 million Group Share (€134 million at 100%) with +23% margin
- **non-strategic assets**: €74 million Group Share (€98 million at 100%), mainly retail stores in Italy and in France (Jardiland and Courtepaille).

1.2.7 Investments: €607m realized in 2021 Group Share

€607million Group Share (€825 million at 100%) of investments were realized in 2021:

- reinforcement in German residential with €208 million (€262 million at 100%) acquisitions:
  - 4 portfolios in Berlin, totaling 1071 units on 32 assets at a 3.3% yield. Almost all of the assets are divided in condominium and offer a high growth potential, both on price (acquisition price of approximately €3,400 per sqm, while the median condominium price in Berlin is €5,220/m²) and rent (reversion potential of +24% *vs* Federal rental brake and +55% *vs* average market rate) and
  - Buyback shares of some minority stake in German residential portfolios
- Capex in the development pipeline total €279 million Group Share (€390 million at 100%), mostly related to:
  - Development projects in France, mainly in Paris (€164 million Group Share)
  - Development projects in Milan (€53 million Group Share)
  - Development projects including land (€54 million Group Share), mainly in Berlin, to fuel future Residential and Office developments
- €120 million Group Share (€173 million at 100%) works on the operating portfolio were realized including €56 million (€87 million at 100%) of Capex in German Residential (see next pages for more details on German residential Capex).

1.2.8 Development projects

1.2.8.1 Deliveries: 112,200 m2 of offices delivered in 2021

Seven projects were delivered in 2021 totaling 112,200 m² of office spaces in France and Italy with an average occupancy rate of 96%. These were:

- **Flow** in Montrouge (23,500 m²), 100% let to Edvance (EDF Group)
- **Gobelins** in Paris (4,400 m²), 100% let to Expertise France
- **two buildings** in Montpellier (18,000 m²), one fully let to Orange and the other one, also a 100% let building with services
- **Silex 2** in Lyon (30,900 m²), 91% let mainly to Solvay
- **the Sign B+C** in Milan (16,900 m²), 100% let mainly to NTT Data
- **Symbiosis D** in Milan (18,500 m²), offices section 100% let to LVMH and Boehringer.

The gross yield on costs achieved upon delivery of these projects is about 6.5% at full occupancy.

1.2.8.2 Committed Office Pipeline: €1.8 bn Group Share pre-let at 47%

Covivio has a pipeline of office buildings in France, Germany, and Italy:

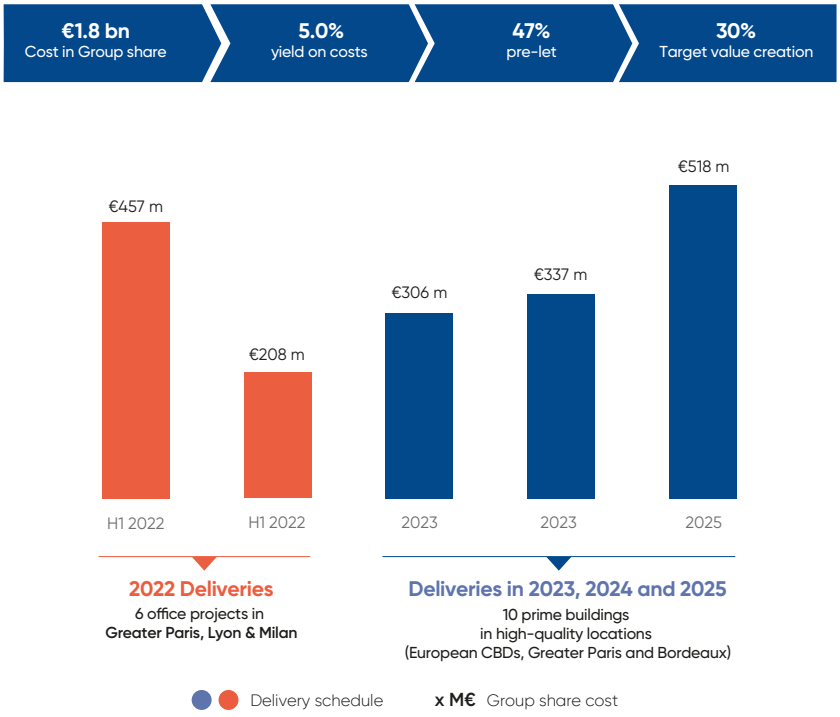
Committed projects	Surface[1] (in m²)	Total Budget[2] (in €M, 100%)	Total Budget[2] (in €M, Group Share)	Pre-let (in %)	Target yield[3] (in %)
France Offices	141,350	1,360	1,090	54%	4.6%
Italy Offices	77,300	420	420	67%	5.9%
Germany Offices	67,600	562	317	0%	5.1%
TOTAL OFFICES	**286,250**	**2,342**	**1,827**	**47%**	**5.0%**

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

- Nine projects were committed in 2021: Paris Anjou (100% pre-let), Paris Madrid St-Lazare (100% pre-let), Bordeaux Jardin de l'Ars (51% pre-let), Lyon Sévigné, Milan Corso Italia, Milan The Sign D (100% pre-let), Milan Symbiosis G+H (100% pre-let), Berlin Loft and Berlin Alexanderplatz.
- The current pipeline is composed of 16 projects representing 286,250 m², a total cost of €1.8 billion Group Share (€2.3 million at 100%) with currently an average occupancy rate of 47% and a 5.0% target yield on costs.

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

Pipeline at end-2021



Committed projects	Location	Project	Surface[1] (in 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]
Jean Goujon	Paris	Regeneration	8,600 m²	2022	930	58%	196	196	4.0%
N2 Batignolles (50% share)	Paris	Construction	15,600 m²	2022	575	26%	168	84	4.2%
So Pop (50% share)	Paris	Regeneration	31,300 m²	2022	400	33%	230	114	5.7%
Alis	Levallois	Regeneration	19,800 m²	2022	500	0%	208	208	4.8%
Sévigné	Lyon	Regeneration	4,200 m²	2022	240	10%	17	17	5.4%
To be delivered in 2022			**79,500 m²**			**27%**	**818**	**618**	**4.6%**
DS Campus Ext. (50% share)	Vélizy	Construction	27,500 m²	2023	325	100%	141	71	7.2%
Madrid - St Lazare	Paris	Regeneration	5,850 m²	2023	800	100%	101	101	
Jardins de l'Ars	Bordeaux	Construction	19,200 m²	2024	220	51%	72	72	6.1%
Anjou	Paris	Regeneration	9,300 m²	2025	890	100%	227	227	3.5%
To be delivered in 2023 and beyond			**61,850 m²**			**90%**	**542**	**472**	**4.5%**
TOTAL FRANCE OFFICES			**141,350 M²**			**54%**	**1,360**	**1,090**	**4.6%**
Unione	Milan	Regeneration	4,500 m²	2022	480	100%	47	47	4.6%
To be delivered in 2022			**4,500 m²**			**100%**	**47**	**47**	**4.6%**
Corso Italia	Milan	Regeneration	11,600 m²	2023	500	0%	109	109	5.0%
The Sign D	Milan	Construction	13,200 m²	2024	300	92%	64	64	
Vitae	Milan	Construction	10,000 m²	2024	315	18%	42	42	
Symbiosis G+H	Milan	Construction	38,000 m²	2024	319	100%	159	159	6.5%
To be delivered in 2023 and beyond			**72,800 m²**			**64%**	**373**	**373**	**6.0%**
TOTAL ITALY OFFICES			**77,300 M²**			**67%**	**420**	**420**	**5.9%**
Loft (65% share)	Berlin	Regeneration	7,600 m²	2023	280	0%	40	26	5.3%
Alexanderplatz (55% share)	Berlin	Construction	60,000 m²	2025	449	0%	522	291	5.1%
To be delivered in 2023 and beyond			**67,600 m²**			**0%**	**562**	**317**	**5.1%**
TOTAL GERMANY OFFICES			**67,600 M²**			**0%**	**562**	**317**	**5.1%**
TOTAL COMMITTED PIPELINE			**286,250 M²**			**47%**	**2,342**	**1,827**	**5.0%**

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

1.2.8.3 Committed Residential Pipeline – Germany

- Two projects were delivered in Berlin in 2021 for a total budget of €11 million (€17 million at 100%) generating a €6 million value creation with an average yield on cost 5.9%.
- Five residential projects build-to-let were committed, mainly located in Berlin, totaling 133 residential units and for a total cost of €22 million Group Share.
- At end of 2021, the pipeline is composed of 13 projects, mainly located in Berlin, totaling 419 residential units and a total cost of €76 million Group Share with a value creation target of 18%. €42 million Group Share remains to be spent.

Committed projects	Units	Total Budget* (in €M, 100%)	Total Budget* (in €M, Group Share)	Target Yield
Berlin - Müllerstraße NB	57	18	12	5.0%
Berlin - PrenzlauerPromenadeL	113	32	21	4.3%
To be delivered in 2022	**170**	**50**	**33**	**4.6%**
To be delivered in 2023 and beyond (11 projects)	**249**	**66**	**43**	**4.6%**
TOTAL GERMANY RESIDENTIAL (BUILD TO LET)	**419**	**116**	**76**	**4.6%**

* Including land and financial costs.

1.2.8.4 Build-to-sell pipeline

Germany

- Two projects were delivered and sold in 2021 for a total budget of €17 million (€25 million at 100%), generating a €8 million promotion margin.
- One residential project build-to-sell was committed in Berlin totaling 92 residential units and for a total cost of €14 million Group Share.
- At end of 2021, the pipeline is composed of five projects all located in Berlin, totaling 534 residential units and a total cost of €114 million Group Share with a target promotion margin of 26%.

Committed projects	Units	Total Budget* (in €M, 100%)	Total Budget* (in €M, Group Share)	Pre-sold rate (in %)
Berlin - Biesdorf NB	106	36	24	66%
Berlin - PrenzlauerPromenadeS	165	45	29	30%
To be sold in 2022	**271**	**81**	**53**	**46%**
Berlin - Großbeerenstraße	73	12	8	-
Berlin - Markelstraße	92	21	14	-
Berlin – Iceland sales	98	60	40	-
To be sold in 2023 and beyond	**263**	**93**	**61**	**-**
TOTAL GERMANY RESIDENTIAL	**534**	**174**	**114**	**22%**

* Including land and financial costs

France

- The current pipeline is composed of eight projects located mainly in the Greater Paris and Bordeaux, representing 88,500 m², a total cost of €247 million Group Share, with a target margin of above 10%.

Committed projects	Units	Total Budget* (in €M, 100%)	Total Budget* (in €M, Group Share)	Pre-sold rate (in %)
Le Raincy	97	20	20	100%
Meudon Observatoire	26	12	12	100%
Saint-Germain-lès-Corbeil	83	13	13	100%
To be sold in 2022	**206**	**45**	**45**	**100%**
Chartres Sully	110	15	15	64%
Bordeaux Lac Tr1	199	39	39	90%
Bordeaux Lac Tr2	405	55	55	0%
Bordeaux Lac Tr3	122	26	26	0%
Saint-Germain-en-Laye	24	12	12	90%
Fontenay-sous-Bois Tr1	248	64	32	73%
Bobigny CT	158	34	23	90%
To be sold in 2023 and beyond	**1,266**	**245**	**202**	**49%**
TOTAL FRENCH RESIDENTIAL	**1,472**	**290**	**247**	**59%**

* Including land and financial costs.

1.2.8.5 Managed Pipeline

Offices to be committed in 2022

- Covivio will launch 3 projects with an estimated total cost including land at €330 million, of which €150 million of remaining Capex to spend. Two of those projects are located in European CBDs (Paris & Berlin), and the other is a dedicated development for a Covivio's historical tenant.
- In 2023-2024, Covivio plans to launch additional projects for an estimated total cost of ~€740 million.

Landbanks

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

- in Greater Paris (70,000 m²) and Major French Cities (110,000 m²) mainly for turnkey developments
- in Milan with Symbiosis (20,000 m²) and Porta Romana (70,000 m²)
- in Germany with the potential for a second tower of 70,000 m² in Alexanderplatz in Berlin
- and more than 50,000 m² in Berlin, Leipzig and Dresden.

CITY-CENTERS: €1.7BN BUDGET / €0.6BN VALUE CREATION

68%
€0.4bn current book value

City-center projects to be launched in the short-term
[2022 – 2023]


Scalo, ~70,000 m² project in Milan

32%
€0.2bn current book value

City-center projects to be launched in the mid-term
[2024 – 2025]


CAP 18, ~90,000 m² mixed-use project in Paris

LANDBANKS IN TOP BUSINESS DISTRICTS

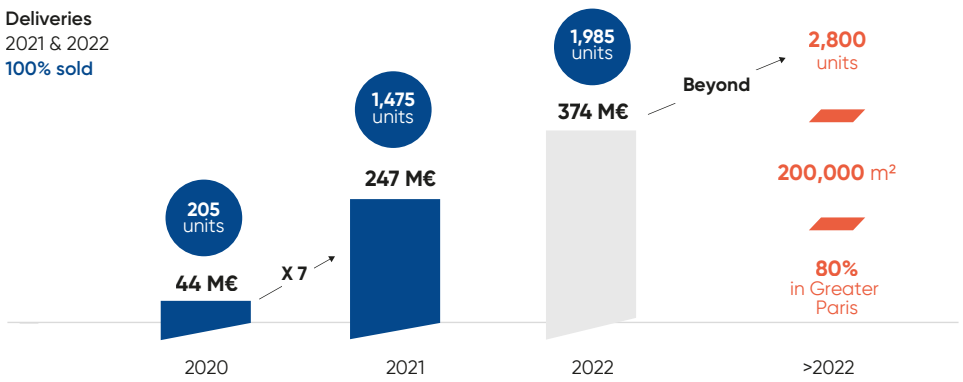
>200,000 m² of landbanks

Potential commitment subject to significant pre-let

French residential managed projects

- Since 2017 Covivio has been constantly looking for opportunities to transform its secondary location offices into residential. To date 71,000 m², corresponding to 1,040 flats, are to be committed as from 2022.
- In addition, approximately 200,000 m² are under study with the will to progressively be launched after 2022. This pipeline amounts to 2,800 flats, 80% of which being in Greater Paris while the remainder is located in major regional cities.

247 M€ / Pipeline of 100,000 m² in France at end 2021

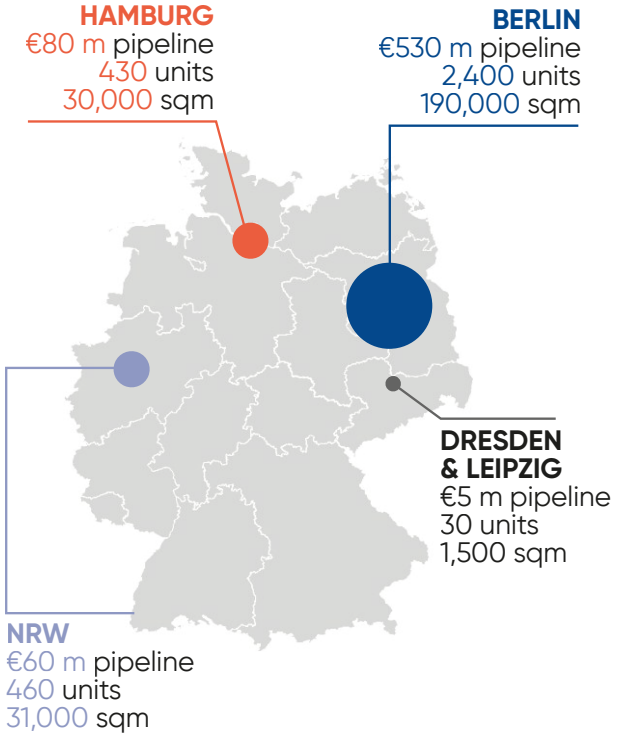


Total of 5,000 units to be developed over the next ~7 years
Ramp-up of development margin to reach ~10-15 M€ per year from 2022 until ~2028

Germany residential managed projects

Covivio continues to strengthen its medium term pipeline thanks to existing landbanks and acquisition of new lands

- ~130,000 m² of residential area with a letting strategy, in order to generate high reversion and increase values. This project will be gradually launched from 2022 representing a total cost of ~€520 million (€340 million Group Share)
- ~40,000 m² of residential area with a sales strategy, in order to generate more promotion margins. It represents a total cost of ~€170 million (€111 million Group Share).



70% with a letting strategy

20% value creation and 4.5% yield-on-costs

30% with a sales strategy

€50 M promotion margin (c. 25%) (€75m at 100%)

€200 M already committed (€300m at 100%)

All committed projects to be delivered by 2024

1.2.9 Portfolio

1.2.9.1 Portfolio value: +3.8% like-for-like growth

(In € million, Excluding Duties)	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL[1] 12 months change	Yield[2] 2020	Yield[2] 2021	% of portfolio
France Offices	5,933	7,236	5,880	+1.6%	4.8%	4.6%	33%
Italy Offices	2,719	3,244	2,653	+0.2%	5.2%	5.3%	15%
German Offices	1,541	1,772	1,515	-1.0%	3.4%	3.4%	9%
Residential Germany	4,257	7,730	5,010	+13.7%	3.7%	3.5%	28%
Hotels in Europe	2,532	6,584	2,578	-0.3%	5.5%	5.3%	15%
TOTAL STRATEGIC ACTIVITIES	**16,982**	**26,566**	**17,636**	**+3.9%**	**4.4%**	**4.4%**	**100%**
Non-strategic	123	102	68	-9.3%	9.4%	7.1%	0%
Total	**17,104**	**26,669**	**17,703**	**+3.8%**	**4.5%**	**4.4%**	**100%**

(1) LfL: Like-for-Like.

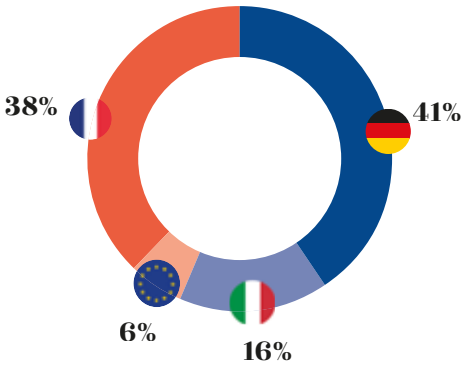
(2) Yield excluding development projects. Yield on hotels based on 2021 fixed revenues and 2020 variable revenues.

The portfolio grew by €0.6 billion to reach €17.7 billion Group Share (€26.7 billion in 100%) mostly due to the increase in value of the German Residential portfolio. At constant scope, Covivio proved its solidity with a +3.8% increase explained by:

- +6.5% driven by the office development pipeline, as an acknowledgement for Covivio's development strategy for high quality assets in attractive locations
- +13.7% like-for-like growth on German residential. All German cities where Covivio's residential portfolio is located showed like-for-like growth: in Berlin (+11.3%), in North Rhine-Westphalia, the second largest exposure (+18.2%), Hamburg (+16.8%) and Dresden & Leipzig (+12.4%).

Geographical breakdown of the portfolio in 2021

94% in major European cities and +3 pts in Germany vs 2020



1.2.10 List of main assets

The value of the ten main assets represents almost 15% of the portfolio Group Share, stable *vs* end 2020.

Top 10 Assets	Location	Tenants	Surface (in m²)	Covivio share
CB 21 Tower	La Défense (Greater Paris)	Suez, Verizon, BRS	68,100	75%
Garibaldi Towers	Milan	Maire Tecnimont, LinkedIn, etc.	44,700	100%
Herzogterassen	Düsseldorf	NRW Bank, Deutsche Bank, Mitsui	55,700	94%
Jean Goujon	Paris 8th	Roland Berger, etc.	8,700	100%
Dassault Campus	Velizy (Greater Paris)	Dassault Systèmes	97,000	50%
Carré Suffren	Paris 15th	AON, Institut Français, OCDE	25,200	60%
Frankfurt Airport Center	Frankfurt	Lufthansa, Fraport, Operational Services	48,100	94%
Zeughaus	Hamburg	Universitätsklinikum Hamburg-Eppendorf	43,500	94%
Art&Co	Paris 12th	Wellio, Adova, Bentley, AFD	13,500	100%
Alis	Levallois (Greater Paris)	In development	19,800	100%

1.3 Business analysis by segment

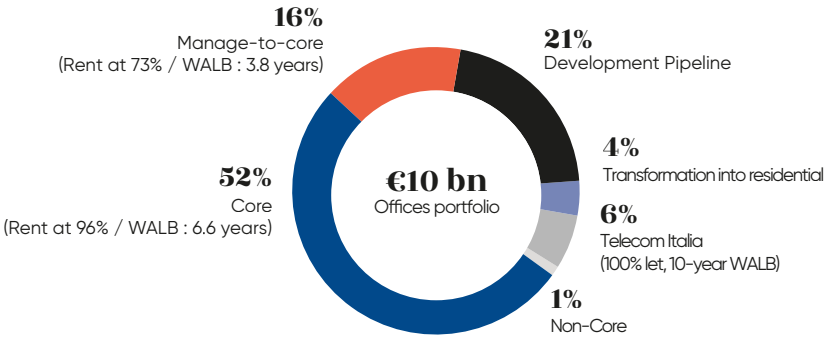
1.3.1 Offices: 57% of Covivio's portfolio

The offices' market is recovering after 2 years of crisis, marked by strong transformation and structural changes. To adapt to the market trends, Covivio is continuing improving its portfolio quality, focusing on attractive locations (city-centers and well-connected business districts) and develops high-quality assets offering a full range of services that ensure optimal well-being for its tenants.

Covivio owns offices in France (33% of Covivio's portfolio), Italy (15%), and Germany (9%) with a portfolio of €12.3 billion (€10.0 billion Group Share) at end-2021. For several years now, the Group has implemented an active asset rotation policy based on selective acquisitions and development, reinforcing its footprint on strategic locations.

Thus, Covivio's portfolio has been strategically split as follows:

- **Core assets** (**52%** of Covivio's office portfolio): including assets with strong value resiliency and liquidity, in good locations (60% in city-centers and 40% in well-connected top-business districts), with high occupancy (96%) and long WALB (6.7 years). They benefit from a strong asset management work to catch their reversionary potential before strategically disposing to finance new acquisitions and development Capex.
- **Manage-to-Core assets** (**16%**): including assets with good fundamentals but high vacancy (28%) or short-term lease expiries. They are mostly in established areas (84% in major Business Districts) with attractive locations (83% < 5 min to public transports). These assets can provide significant upside potential, that is why they benefit from strong asset management initiatives to turn them into 'Core' assets.
- **Development Pipeline** (**21%**): this bucket includes current and future office developments with high value creation potential (>30% value creation).
- **Transformation into residential** (**4%**): gathers obsolete office assets in France with opportunities to be converted into residential on a build to sell strategy.
- **Telecom Italia portfolio** (**6%**): includes Italian assets, fully let to Telecom Italia on a long-term basis (10-year WALB).



Core assets (52%; €5.2 billion, Group Share)

Core assets in City-centers in Paris, Milan, Top German cities and French regional cities

€3.2 bn
Market value

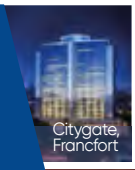
96%
Occupancy

5.4 years
WALB

89%
Green assets

90%
<5 min from metro

Selected examples of our portfolio


Citygate, Francfort


Wellio Gare de Lyon, Paris

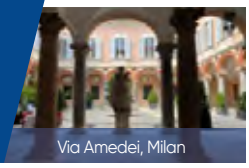

Wellio Montmartre, Paris

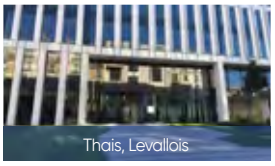

Steel, Paris


Wellio Miromesnil, Paris


Wellio Via Dante, Milan


Marquette, Toulouse


Via Amedei, Milan


Thais, Levallois


Wellio Gobelins, Paris

Core assets in Top business districts: Attractive locations

€2 bn
Market value

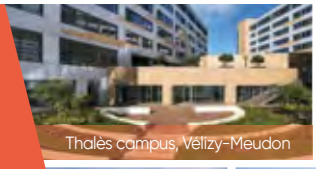
96%
Occupancy

8.1 years
WALB

84%
Green assets

76%
<5 min from metro (88% excl. Symbiosis)

Selected examples of our portfolio – ~70% of our core assets in top business districts


Thalès campus, Vélizy-Meudon


The Sign, Milan


Symbiosis School, Milan


Dassault campus, Vélizy-Meudon


Symbiosis A&B, Milan

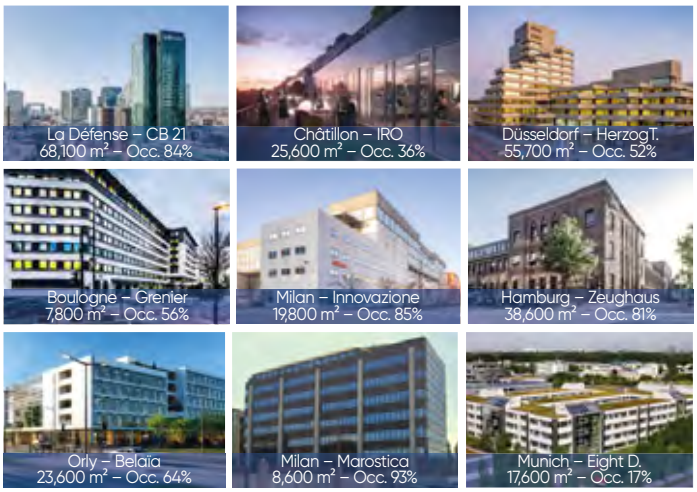

Sunsquare, Munich


Ecole Ducasse, Vélizy-Meudon


Frankfurt Airport Center


Flow, Montrouge

Manage-to-core assets (16%; €1.6 billion, Group Share)



60%
of total offices
vacancy

& **Asset management ca. €50m refurbishment capex**

€20M
potential annualized rents

Development pipeline (21%; €2.1 billion, Group Share)

COMMITTED PIPELINE

€1.8 bn
Total budget GS
€0.8bn remaining capex

€0.5 bn
Value creation
€350m remaining to be booked

MANAGED PIPELINE IN CITY-CENTERS

€1.7 bn
Total budget GS
€1.1bn remaining capex

€0.6 bn
Value creation



1.3.1.1 France Offices: 33% of covivio's portfolio

Covivio owns an office portfolio in France of €7.2 billion (€5.9 billion Group Share) located:

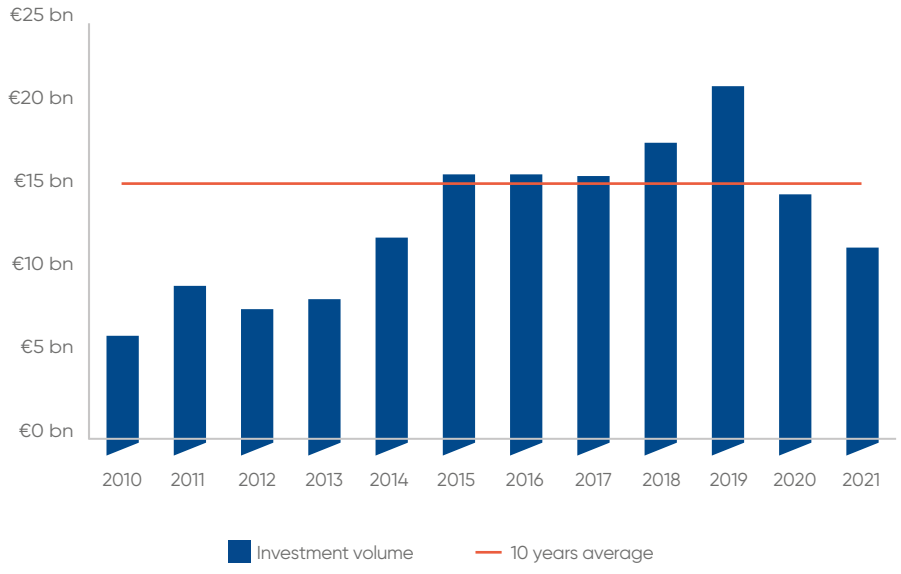
- 51% in Paris & Neuilly/Levallois
- 36% in top business districts of Greater Paris
- 12% in the centre of major regional cities.

1.3.1.1.1 Rebound in letting activity with investment traction restored

2021 was marked by the pandemic and its two lockdowns in the first half and a notable rebound of rental activity in the second half of the year. Overall, the investment activity remained dynamic through the year:

- **take-up** in Paris region reached 1.9 million m² (+32% YoY), thanks to an acceleration of recovery in the fourth quarter that amounts to 631,000 m² (+29% YoY):
  - **in Paris**, take-up increased by 49% to 791,700 m²
  - **in Greater Paris** (excl. 2nd ring), the take-up (860,200 m²) increased by 26% excluding the Total transaction in La Défense which has driven take-up in this area last year (126,000 m²)
  - the number of transactions for surfaces over 5,000 m² has doubled up to 56 (*vs* 20 in 2020)
  - good performance of major regional cities, where the Take-up increased by 34% in Lyon and remained stable in Bordeaux compared to 2020
- **the vacancy rate** increased to 7.4% from 6.8% at end-2020, still close to its 10-year average of 6.7%. The immediate supply is now up to 4 million m². The new spaces represent 34% of this vacancy:
  - in **Paris**, the vacancy remained stable at 3.27% (*vs* 3.21% in 2020) of which 3.1% in Paris CBD
  - in **La Défense**, the vacancy rate stood at 12.86%
  - in **major regional cities**, where the vacancy rates stood at: 4.92% in Lyon and 4.83% in Bordeaux
- **future available supply** at end-2021 decrease from 2.4 million m² stock under construction in 2020 to 1.7 million m² in 2021, with 31% pre-let
- average **headline rents for new or restructured space** rose by 1.5% year-on-year to €414/m² and for second-hand space by 3.0% to €415/m²:
  - prime rents in Paris remains at its all-time high of €930 m²/year (record reached by Covivio in one of its flagship development projects in Paris CBD)
  - incentives in the Paris region increased by 20.8% over the year to 24.4%, above the 5-year average of 21%
- **office investments** in Greater Paris totalled €12.5 billion in 2021, down 20% YoY and still below the last 10-years average (€15.1 billion). However, this asset class largely remains the most popular among investors, accounting for 85% of total investments in Greater Paris. Prime yields remain stable YoY at 2.5% in Paris CBD.

Investment volume since 2010 and 10-year average



Sources: Immostat, CBRE, Crane Survey

At end December 2021, the France Offices activity was marked by:

- **+1.6% like-for-like value growth** over one year, thanks mainly to value creation on our development projects offsetting decreases on temporary challenging assets
- Deliveries of 5 assets in Paris, Montrouge, Lyon and Montpellier (2 buildings including a Service building), with average occupancy of 96%.

1.3.1.1.2 Accounted rental income: -2.8% at a like-for-like scope

(In € million)	Rental income 2020 100%	Rental income 2020 Group Share	Rental income 2021 100%	Rental income 2021 Group Share	Change (in %) Group Share	Change (in %) LfL[1] Group Share
Paris Centre West	35.5	35.5	29.3	29.3	-17.4%	+1.4%
Paris South	31.7	26.2	31.1	26.5	+1.4%	-6.4%
Paris North- East	20.6	20.6	20.5	20.5	-0.6%	-0.6%
Total Paris	**87.8**	**82.3**	**80.9**	**76.3**	**-7.2%**	**-2.3%**
Western Crescent and La Défense	51.0	48.7	39.2	37.8	-22.5%	-7.5%
First ring	49.5	33.4	59.0	42.8	+28.1%	+1.1%
Second ring	3.3	3.3	2.7	2.7	-18.5%	+0.6%
Total Paris Region	**191.6**	**167.7**	**181.8**	**159.6**	**-4.8%**	**-3.0%**
Major regional cities	35.9	29.6	30.7	23.7	-19.9%	+2.9%
Other French Regions	9.8	9.8	6.3	6.3	-36.4%	-20.6%
TOTAL	**237.3**	**207.1**	**218.7**	**189.5**	**-8.5%**	**-2.8%**

(1) LfL: Like-for-Like.

Overall, rental income evolution, mainly as a result of:

- **disposals** (-€16.7 million), in 2020 and 2021 of mature assets in Western Crescent and French regions
- **decrease of rental performance** (-€5.1 million) with -2.8% on a like-for-like basis mostly driven by releases of 2020 in Paris South (Carré Suffren) and La Défense partially re-let since then
- **deliveries** (+€14.7 million) in 2020 and 2021 in major regional cities and in the 1st ring
- **releases of assets, essentially for redevelopment** (-€10.7 million), half from last year releases and half from releases of 2021 (€5.1 million) especially in Paris Centre West.

1.3.1.1.3 Annualized rents: €216.2 M Group Share

(In € million)	Surface (in m²)	Number of assets	Annualized rents 2020 Group Share	Annualized rents 2021 100%	Annualized rents 2021 Group Share	Change (in %)	% of rental income
Paris Centre West	89,557	11	33.4	20.8	20.8	-38%	10%
Paris South	43,253	8	25.7	35.8	29.7	16%	14%
Paris North- East	139,658	7	20.8	21.4	21.4	3%	10%
Total Paris	**272,468**	**26**	**79.8**	**78.0**	**71.9**	**-10%**	**33%**
Western Crescent and La Défense	182,923	11	61.3	59.2	52.5	-14%	24%
First ring	446,440	23	46.3	87.8	58.3	26%	27%
Second ring	38,951	12	3.1	2.6	2.6	-15%	1%
Total Paris Region	**940,781**	**72**	**190.5**	**227.7**	**185.3**	**-3%**	**86%**
Major regional cities	395,562	37	33.2	39.1	28.0	-16%	13%
Other French Regions	78,401	26	8.3	2.9	2.9	-65%	1%
TOTAL	**1,414,744**	**135**	**232.0**	**269.7**	**216.2**	**-6.8%**	**100%**

Thanks to the restructuring of the asset portfolio in the past years, the portfolio is now focused on:

- 26 assets in Paris, new or with high potential for redevelopment (46% of portfolio value)
- 62 assets of high quality in Greater Paris and centre of major regional cities (52% of portfolio value)
- 27 non-core assets, of which 7 are under disposal agreements (1%)
- 20 assets under study for residential development (1%).

The 7% decrease is mainly explained by the following variations:

- in the Western Crescent including La Défense (-14%). This decrease is explained by the disposal of EDO
- the decrease in Paris Center West (-38%) is mainly due to release for restructuring of 3 main Parisian assets (Paris Madrid St Lazare, Paris Monceau and Paris Anjou) in last quarter of 2021
- partially offset by deliveries in the First Ring (+26%) and in Paris South (+16%).

1.3.1.1.4 Indexation

The indexation effect is +€0.6 million (Group Share). For current leases:

- 88% of rental income is indexed to the ILAT (Service Sector rental index)
- 11% to the ICC (French construction cost index)
- The balance is indexed to the ILC or the IRL (rental reference index).

1.3.1.1.5 Rental activity: 116,000 m2 renewed or let during 2021

	Surface (in m²)	Annualized Top up rents 2021 (in €M, GS)	Annualized rents 2021 (€/m²,100%)
Vacating	93,427	24.7	274
Letting	38,230	8.2	253
Pre-letting	32,621	10.1	407
Renewals	45,185	9.6	343

Covivio proved its ability to sign contracts in a challenging environment, and benefitted from the market acceleration in H2:

- **more than 45,000 m² were renegotiated or renewed** in 2021 with a +3-year lease extension on average. Covivio has notably renegotiated more than 33,000 m² in Velizy with Eiffage at the same level of rent with a 10-year lease
- **70,900 m² have been let or pre-let** in 2021, including 32,600 m² on development projects, with:
  - **10,500 m² on So Pop**, to be delivered in 2022 and 33% pre-let with a 9-year lease to Samsung
  - **9,100 m² on Jardin de l'Ars in Bordeaux**, to be delivered in 2024 and 50% pre-let with a 12-year lease to Onepoint
  - **5,500 m² on Stream Building**, to be delivered in 2022 and 26% pre-let with a 12-year lease to Zoku through a management contract
  - **5,100 m² on Jean Goujon in Paris CBD**, to be delivered in 2022 and now 58% pre-let with a 9-year lease to Roland Berger and a 6-year lease to an executive search firm
  - **10,400 m² in Silex 2 in Lyon**, to Axa, Archimed and Accenture, in a building in the heart of the Part-Dieu district, now 92% let
  - **3,400 m²** in La Défense-CB 21 with 5 new tenants
- **93,400 m² were vacated,** mostly in major regional cities (40,000 m²), Paris Centre West (23,600 m²), and Western Crescent & La Défense (11,300 m²) including:
  - 64,000 m² for redevelopment (47,625 m² and €15 million of top up GS) or residential (13,324 m² & €1.4 million of Top up GS) and mixed (2,624 m² and €0.2 million of Top up GS) redevelopment, mostly in Paris Centre West and major regional cities (Montpellier, Nice)
  - 21,000 m² on well positioned assets in central locations mainly in Paris, La Défense and Levallois, and well connected to public transports (in front of metro stations)
  - 9,000 m² to be sold in regional cities (Creil, Le mans).

1.3.1.1.6 Lease expiries and occupancy rate

1.3.1.1.6.1 Lease expiries: firm residual lease term of 4.6 years

(In € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	40.1	19%	32.0	15%
2023	34.4	16%	19.8	9%
2024	13.9	6%	6.5	3%
2025	33.7	16%	27.8	13%
2026	3.4	2%	1.9	1%
2027	20.1	9%	13.4	6%
2028	6.9	3%	18.0	8%
2029	5.2	2%	22.1	10%
2030	37.9	18%	45.9	21%
2031	2.6	1%	10.1	5%
Beyond	18.0	8%	18.6	9%
TOTAL	**216.2**	**100%**	**216.2**	**100%**

The firm residual duration of leases was stable *vs* year-end-2020 (4.6 years).

In 2022, the €40 million of lease expiries representing 6% of Covivio annualized revenues are split as follow:

- 3.7% of Covivio annualized revenues (€26 million) already managed due to assets that will be vacated for redevelopment (€25 million), mostly located in Paris CBD (€15 million)
- 2.0% of Covivio annualized revenues (€14 million) to be managed:
  - 1.4% relate to Core Assets, well located in Paris CBD and in the first rim, and with good accessibility in public transports
  - 0.5% relate to Manage-to-core assets, mainly located in Western Crescent and La Défense.

1.3.1.1.6.2 Occupancy rate: 93.2% at end 2021

(in %)	2020	2021
Paris Centre West	99.8%	99.9%
Southern Paris	95.3%	99.6%
North Eastern Paris	95.3%	98.6%
Paris	97.1%	99.4%
Western Crescent and La Défense	92.9%	90.1%
Inner ring	87.3%	89.2%
Outer ring	86.8%	96.2%
Total Paris Region	**92.9%**	**93.3%**
Major regional cities	96.8%	96.4%
Other French Regions	84.1%	65.9%
TOTAL	**93.1%**	**93.2%**

- In Paris, the occupancy rate is exceptionally high and close to 100% at end-2021, with no vacancy excepted for few spaces in Cap 18, a tertiary activity area in the North of Paris that aims to be fully redeveloped in the coming years.
- In the Western Crescent, the vacancy increase is mainly related to the releases happened on CB 21 at the beginning of the year: 81% occupancy rate in 2021 *vs* 89% in 2020.
- The main variations in the outer Rim and in other French regions compensate each other and represent less of 1% of Covivio annualized rents.

1.3.1.1.7 Disposals: €705 M secured in 2021

	Disposals (agreements as of end of 2020 closed)	Agreements as of end of 2020 to close	New disposals 2021	New agreements 2021	Total 2021	Margin *vs* 2020 value	Yield	Total Realized Disposals
(In € million)	1		2	3	= 2 + 3			= 1 + 2
Total Paris	-	11	3	388	392	n/a	3.0%	3
Total Paris Region	147	6	2	190	192	n/a	5.7%	149
Major regional cities	109	2	94	-	94	5.7%	4.6%	202
Other French Regions	39	4	7	21	27	-10.7%	9.1%	46
TOTAL 100%	**295**	**22**	**106**	**599**	**705**	**2.8%**	**4.2%**	**401**
TOTAL GROUP SHARE	**251**	**22**	**106**	**350**	**456**	**2.8%**	**4.2%**	**357**

Covivio secured €705 million of disposals (€456 million Group Share), enabling it to finance development projects with strong value-creation potential.

- **4 Core mature assets**: €420 million Group Share
  - €327 million in Paris and Vélizy (share deal of respectively 60% on Carré Suffren and 50% on Velizy) on mature assets and
  - €94 million located in Lyon and Lille on which Covivio extracted the full potential of value creation through the entire real estate cycle: development, full letting at delivery achieving top rent, asset management and disposal
- **20 non-core assets** in French regions: €36 million Group Share. Now, only 33 non-core assets remain in the portfolio, equivalent to 1% of the France Offices portfolio, with 16 under disposal agreements.

1.3.1.1.8 Portfolio values

1.3.1.1.8.1 Change in portfolio values: -€53 million in Group Share since 2020

(In € million, Including Duties Group Share)	Value 2020	Acquis.	Invest.	Disp.	Value creation on acquis./disp.	Change in value	Change in scope	Value 2021
Assets in operation	4,898	-	84	-357	6	23	227	4,880
Assets under development	1,036		120	-	-	70	-227	1,000
TOTAL	**5,933**	**-**	**203**	**-357**	**6**	**93**	**-**	**5,880**

The portfolio value decreased by -€53 million since year-end-2020 (-0.9%) mainly driven by:

- +€93 million from **like-for-like value growth**, mostly resulting from development assets
- +€203 million invested in **development projects** and in **upgrading work** on assets in operations
- -€357 million from **disposals** that allowed Covivio to crystallize the value from mature assets and to finance investments in the development pipeline.

1.3.1.1.8.2 Like-for-like portfolio evolution: +1.6%

(In € million, Excluding Duties)	Value 2020 100%	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL (in %) change[1] 12 months	Yield[2] 2020	Yield[2] 2021	% of SubTotal
Paris Centre West	1,287	1,233	1,466	1,389	+8.4%	3.4%	3.1%	24%
Paris South	861	711	898	743	+3.2%	3.9%	4.0%	13%
Paris North- East	617	515	680	554	+1.3%	5.0%	5.0%	9%
Total Paris	**2,764**	**2,459**	**3,044**	**2,686**	**+5.4%**	**3.9%**	**3.9%**	**46%**
Western Crescent	1,432	1,281	1,298	1,148	-3.2%	5.3%	5.4%	20%
Neuilly/Levallois								*6%*
La Défense/Péri Défense/Rueil								*10%*
Issy-les-Moulineaux/Boulogne								*3%*
Inner ring	1,789	1,262	1,810	1,271	-1.1%	5.1%	5.1%	22%
Montrouge/Malakoff/Châtillon								*7%*
Vélizy/Meudon								*10%*
Other								*5%*
Outer ring	54	54	40	40	-2.2%	5.6%	6.5%	1%
Total Paris Region	**6,038**	**5,056**	**6,192**	**5,145**	**+1.7%**	**4.6%**	**4.6%**	**87%**
Major regional cities	**1,107**	**774**	**991**	**682**	**+2.0%**	**5.5%**	**4.3%**	**12%**
Lyon/Marseille/Bordeaux								6%
Other								6%
SubTotal	**7,145**	**5,830**	**7,183**	**5,827**				**99%**
Other French Regions	**103**	**103**	**53**	**53**	**-7.5%**	**8.0%**	**5.5%**	**1%**
TOTAL	**7,249**	**5,933**	**7,236**	**5,880**	**+1.6%**	**4.8%**	**4.6%**	**100%**

(1) LfL: Like-for-Like.

(2) Yield excluding assets under development.

Covivio's France Office portfolio locations breaks down as follows:

- 51% in Paris and Neuilly Levallois
- 36% in top business districts in Greater Paris
- 12% in top locations in major regional cities (Lyon, Marseille, Bordeaux).

The high quality of the portfolio explains the increase in values by 1.6% on a like-for-like basis at end of December 2021 despite the crisis, further illustrating Covivio's secured profile in France Offices made up of:

- a dynamic **development portfolio** with significant value increase (+7.5%) explained by its strong and attractive locations
- increases on assets delivered in the year 2021 in Paris CBD, Greater Paris, or major regional cities, highlighting Covivio's ability to bear development projects and successfully extracting value creation in every area of France with an average +6.4% LFL:
  - Paris Gobelins, delivered in March already fully occupied by Expertise France through our Wellio brand
  - Montrouge Flow delivered in March already fully let to a subsidiary of Edvance (EDF Group)
  - Two buildings in Montpellier, one already fully let to Orange and the other one dedicated to services
  - Silex 2 in Lyon, delivered in July, 91% let mainly to Solvay
- decreases on the temporarily **challenged assets** mainly in La Défense/Peri-Defense/Rueil area.

1.3.1.1.9 Assets partially owned

Partially owned assets are the following:

- CB 21 Tower (75% owned) in La Défense
- Carré Suffren (60% owned) in Paris, under disposal agreement at year end
- the Silex 1 and 2 assets in Lyon (50.1% owned and fully consolidated)
- So Pop project in Paris 17th (50% owned and fully consolidated)
- N2 Batignolles project in Paris 17th (50% owned and fully consolidated)
- the Eiffage (Under sales agreement) and 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)
- Bordeaux Armagnac (34.7% owned and accounted for under the equity method - Exchange process with Icade completed in Jan 2022)
- Cœur d'Orly in Greater Paris (50% owned and accounted for under the equity method).

1.3.1.2 Italy Offices: 15% of covivio's portfolio

Covivio's Italy strategy is focused on Milan, where the Group's acquisitions and developments are concentrated. At end-December 2021, the Group owned offices worth €3.2 billion (€2.7 billion Group Share) composed of:

- 77% (€2.0 billion) of offices in Milan, mostly in the CBD and centre of the city
- 17% (€0.5 billion Group Share) Telecom Italia assets, 100% occupied with 9.8 years firm lease
- 6% (€0.2 billion) non-core assets outside Milan.

1.3.1.2.1 Milan Office market: Strong market fundamentals

- Milan Office **take-up** stood at 390,000 m² at end 2021 (+32% *vs* 2020) 11% above 10-year average, with an increase in the number of transactions from 162 to 267.

Grade A buildings were the most in demand, representing 73% of the take-up.

- The **vacancy rate** increased to 11.1% (*vs* 9.4% at the end-2020), with strong disparity between the center where most of Covivio's portfolio is located (6.1% in the CBD; 5.5% in semi-center) and the periphery (14.3%).
- **prime rents** in Milan increased by +8.3% in the CBD to €650/m². This evolution is mainly due to the search for centrality and quality spaces.
- **Total investment volumes** in Milan reached €1.8 billion, down 30% year-on-year but still close to the 10-year average.
- Prime yields slightly decreased to 3.0% (*vs* 3.1% at end-2020) as investors have been focusing on core assets.

Investment volume since 2010 and prime yield



Covivio's activities in Italy in 2021 were marked by:

- a resilient **occupancy rate of 97%**
- acceleration of **non-core disposals**, with €108 million Group Share, from Telecom Italia assets and non-core properties outside Milan
- success of the development pipeline (lettings in Symbiosis D, Symbiosis GH, built to sell for SNAM)
- stability of values with a +1.1% like-for-like in Milan.

1.3.1.2.2 Accounted rental income: -0.2% like-for-like

(In € million)	Rental income 2020 100%	Rental income 2020 Group Share	Rental income 2021 100%	Rental income 2021 Group Share	Change (in %)	Change (in %) LfL[1]	% of total
Offices - excl. Telecom Italia	85.4	85.4	77.1	77.2	-9.6%	-0.6%	50.6%
of which Milan	*68.9*	*68.9*	*61.8*	*61.8*	*-10.3%*	*-0.7%*	*40.6%*
Offices - Telecom Italia	81.2	41.4	75.2	38.3	-7.4%	0.6%	49.4%
TOTAL	**166.6**	**126.8**	**152.3**	**115.5**	**-8.9%**	**-0.2%**	**100%**

(1) LfL: Like-for-Like.

Overall, rental income decreased by €11.3 million compared to 2020 due to:

- **disposals** of non-core and core-mature assets (-€15.4 million);
- **stable like-for-like rents** (-€0.2 million) mainly because of:
  - vacancy on high street retail spaces in Milan Via Dante and Symbiosis AB (-0.9%)
  - partially offset by new leases on Garibaldi Complex (+0.4%) with +41% LFL on IFRS rent *vs* old rents
  - inflation impact mostly on Telecom Italia portfolio (+0.2%)
- **deliveries** of The Sign B and The Sign C in Milan (+€5.8 million)
- **vacating for redevelopment** (-€1.5 million), in Milan CBD.

1.3.1.2.3 Annualized rental income: €128 million Group Share

(In € million)	Surface (in m²)	Number of assets	Annualized rents 2020 Group Share	Annualized rents 2021 100%	Annualized rents 2021 Group Share	Change (in %)	% of total
Offices - excl. Telecom Italia	373,559	43	83.9	92.8	92.8	10.6%	73%
Offices - Telecom Italia	826,371	92	40.9	68.5	34.9	-14.5%	27%
Development portfolio	89,492	5	0.0	0.0	0.0	-	n.a
TOTAL STRATEGIC	**1,289,423**	**140**	**124.7**	**161.3**	**127.7**	**2.4%**	**100%**

(In € million)	Surface (in m²)	Number of assets	Annualized rents 2020 Group Share	Annualized rents 2021 100%	Annualized rents 2021 Group Share	Change (in %)	% of total
Milan	452,605	45	75.3	92.3	85.2	13.2%	67%
Rome	66,510	11	4.2	8.3	4.2	1.4%	3%
Turin	69,918	6	6.9	7.0	5.8	-16.0%	5%
North of Italy (other cities)	405,832	45	27.5	32.4	21.0	-23.4%	16%
Others	294,558	33	10.9	21.2	11.4	4.7%	9%
TOTAL STRATEGIC	**1,289,423**	**140.0**	**124.7**	**161.3**	**127.7**	**2.4%**	**100%**

Annualized rental income increased by 2.4% mainly due to the disposal.

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 the 2021, the average monthly change in the CPI was +1.9%.

1.3.1.2.5 Rental activity: 88.500 m2 let or prelet in 2021

(In € million)	Surface (in m²)	Annualized Top up rents 2021 Group Share	Annualized rents 2021 (100%, €/m²)
Vacating	11,857	4.6	390
Lettings on operating portfolio	11,806	6.0	511
Lettings on development portfolio	57,737	17.0	295
Renewals	45,809	10.3	225
Sell to end-user	19,036	n.a	n.a

In 2021, around **88,500 m² of new leases** were signed:

- 11,800 m² on the operating portfolio, of which 2,400 m² on the Garibaldi complex with a 41% increase *vs* old IFRS rent
- 57,700 m² pre-letting on development portfolio. Of which 4,000 m² on Symbiosis D to LVMH Italia, highlighting the recognized quality of Covivio's buildings; 11,600 m² on The Sign D to L'Oréal Italia with expected delivery in 2024; 37,600 m² on Symbiosis G+H fully let to Moncler showing the great attractiveness of the area around Scalo di Porta Romana that will be redeveloped in the coming years and will host 2026 winter Olympic village
- 19,000 m² in a sell to end-user deal with SNAM

Additionally, 31,300 m² have been renewed with a duration extension of 2.8 years, mostly on one building in Milan, let to a large Italian group.

11,900 m² were vacated during 2021 in Milan:

- 10,300 m² have already been re-let or sold
- 1,600 m² are under negotiation, located in excellent locations.

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
2022	16.6	13%	17.5	14%
2023	4.9	4%	3.2	3%
2024	4.3	3%	3.1	2%
2025	8.5	7%	2.7	2%
2026	4.9	4%	7.6	6%
2027	7.3	6%	8.5	7%
2028	15.8	12%	16.1	13%
2029	2.7	2%	3.5	3%
2030	24.9	19%	19.9	16%
2031	12.1	9%	10.0	8%
Beyond	25.9	20%	35.7	28%
TOTAL	**127.7**	**100%**	**127.7**	**100%**

The firm residual lease term stabilized at 7.1 years thanks to new deliveries (The Sign B and The Sign C) and the renewal signed in Milan.

In 2022, the €16.6 million of lease expiries representing 2.4% of Covivio annualized revenues are split as follows:

- 2.2% of Covivio annualized revenues (€15.5 million) already managed due to break option not exercised and new contracts already signed (€12.1 million) and also vacating for redevelopment (€3.5 million)
- 0.1% of Covivio annualized revenues (€1.0 million) to be managed.

1.3.1.2.6.2 Occupancy rate: a high-level of 96.6%

(in %)	2020	2021
Offices - excl. Telecom Italia	95.4%	95.4%
Offices - Telecom Italia	100.0%	100.0%
TOTAL	**96.8%**	**96.6%**

1.3.1.2.7 Disposal agreements: €286 M secured in 2021

(In € million, 100%)	Disposals (agreements as of end of 2020 closed) (I)	Agreements as of end of 2020 to close	New disposals 2021 (II)	New agreements 2021 (III)	Total 2021 = (II) +(III)	Margin vs 2020 value	Yield	Total Realized Disposals = (I) + (II)
Milan	19	-	25	50	74	3.8%	4.8%	44
Rome	-	-	-	-	-	n.a.	n.a.	-
Other	13	-	209	2	211	1.8%	7.3%	222
TOTAL 100%	**32**	**-**	**234**	**52**	**286**	**2.3%**	**6.9%**	**265**
TOTAL GROUP SHARE	**26**	**-**	**145**	**51**	**196**	**1.8%**	**6.8%**	**171**

During 2021, Covivio signed new agreements for €196 million of disposals of mature assets in Milan and non-core assets outside Milan (mostly Telecom Italia portfolios) at a 1.8% margin, in line with Covivio's strategy to focus on Milan.

1.3.1.2.8 Portfolio values

1.3.1.2.8.1 Change in portfolio values

(€ million, Group Share Excluding Duties)	Value 2020	Acquisitions	Invest.	Disposals	Change in value	Transfer	Value 2021
Offices - excl. Telecom Italia	1,678	-	15	-58	-8	178	1,805
Offices - Telecom Italia	704	-	-	-95	5	-	615
Development portfolio	337	-	66	-	9	-178	234
TOTAL STRATEGIC ACTIVITIES	**2,719**	**-**	**81**	**-153**	**6**	**-**	**2,653**

1.3.1.2.8.2 Portfolio in Milan: 93% of the portfolio excluding Telecom Italia

(In € million, Excluding Duties)	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL[1] change	Yield[2] 2020	Yield[2] 2021	% of total
Offices - excl. Telecom Italia	1,678	1,805	1,805	-0.4%	5.0%	5.2%	68%
Offices - Telecom Italia	704	1,206	615	0.9%	5.8%	5.7%	23%
Development portfolio	337	234	234	4.1%	n.a.	n.a.	9%
TOTAL STRATEGIC ACTIVITIES	**2,719**	**3,244**	**2,653**	**0.2%**	**5.2%**	**5.3%**	**100%**

(1) LfL: Like-for-Like.

(2) Yield excluding development projects.

(In € million, Excluding Duties)	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL[1] change	Yield[2] 2020	Yield[2] 2021	% of total
Milan	1,983	2,203	2,049	1.1%	4.6%	4.7%	77%
Turin	123	121	102	-4.2%	5.6%	6.2%	4%
Rome	88	175	89	0.3%	4.7%	4.7%	3%
North of Italy	309	426	242	-2.7%	7.6%	8.4%	9%
Others	216	319	172	0.1%	6.8%	7.1%	6%
TOTAL	**2,719**	**3,244**	**2,653**	**0.2%**	**5.2%**	**5.3%**	**100%**

(1) LfL: Like-for-Like.

(2) Yield excluding development projects.

The weight of Milan Offices now represents 77% of the portfolio (+4.3 pts *vs* end-2020) and 93% excluding Telecom Italia assets. Milan's exposition is in line with Covivio's strategy to focus on major European cities.

- Milan portfolio values have grown (+1.1%), sustained by the development portfolio's good performance (+4.1%) despite some value adjustments on high street retail surfaces (-3.1%).
- Telecom Italia portfolio slightly increased (+0.9%), relying on its strong fundamentals:
  - 100% occupancy
  - 9.9 years average lease term.
- Non-core offices (outside Milan) continue to show a decrease (-14.9%) due to the general market situation. Covivio has greatly reduced its exposure in the last few years to these assets, which now represent only 6% of the portfolio.

1.3.1.3 Germany Offices: 9% of Covivio's portfolio

1.3.1.3.1 Stable letting market, appetite for investments

- **Take-up** in German's top six markets in 2021 increased by 27% year-on-year to 3.2 million m^2, with strong disparity between the cities: Cologne (+60%), Hamburg (+43%), Frankfurt (+40%), Berlin (+17%), Munich (+16%) and Düsseldorf (+14%).
- **Immediate supply** increased by 17% to 4.7 million m^2. The vacancy rate stood at 4.3% on average (+0.80 pts compared to 2020) with strong disparities, Berlin displaying the tightest vacancy level at 2.5%, Munich (4.0%) Frankfurt (7.5%) and Düsseldorf (7.1%).
- **Future supply** is also limited, with around 3.7 million m^2 under construction of which 1.9 million m^2 will be delivered by the end of 2022 in German top six cities:
  - little risk of oversupply in short-term: high pre-let ratio of 48%
  - future available space until 2022 represents 1.2 year of take-up (2021).
- **Prime rents** have continued growing at an overall 3.7% rate with +8% in Berlin (€516/m^2) +9% in Munich (€516/m^2) and +3% in Hamburg (€396/m^2).
- **Investment in German Offices** in 2021 amount to €30.7 billion of which €23.8 billion in the top six cities (+23% compared to 2020), +30% above the 10-year average.
  - Berlin (+22%), Munich (+125%) and Frankfurt (+20%) showed great dynamism being the most attractive cities in Germany.
  - The office prime yield of 2.7% in the top six cities offers is stable year-on-year.

1.3.1.3.2 Accounted rental income: - €4.5 million Group Share in 2021

(In € million)	Rental income 2020 100%	Rental income 2020 Group Share	Rental income 2021 100%	Rental income 2021 Group Share	Change (in %) LfL* Group Share	% of rental income
Berlin	10.2	7.2	10.0	6.9	+0.2%	15%
Frankfurt	19.7	16.0	19.1	17.5	+0.0%	39%
Düsseldorf	15.5	14.1	9.0	8.5	+83.2%	19%
Hamburg	10.5	8.7	9.0	8.5	-4.4%	19%
Munich	2.6	2.2	2.4	2.3	+0.0%	5%
Other	1.8	1.2	1.9	1.2	+2.7%	3%
TOTAL	**60.3**	**49.3**	**51.3**	**44.8**	**+0.6%**	**100%**

* LfL: Like-for-Like.

Rental income amounted to €44.8 million in Group Share, down by €4.5 million compared to 2020 due to:

- break-up fee from We Work received in 2020 following the cancellation of their lease agreement on Herzogterrassen in Düsseldorf
- rental income increased by €2.1 million, thanks to the full-year impact of the acquisition of Godewind assets executed in 2020. The rental income deriving from this portfolio was fully consolidated in FY 2021 whilst it amounted to 84% on average in FY 2020.

LFL on rental income excludes Godewind, bought in 2020, and therefore covers a small scope. The +0.6% is mainly linked to relettings on small assets located in Berlin and in Düsseldorf.

1.3.1.3.3 Annualized rents: €47.4 million Group Share

Geographic breakdown

(In € million)	Surface (in m²)	Number of assets	Annualized rents 2020 Group Share	Annualized rents 2021 100%	Annualized rents 2021 Group Share	Change Group Share (in %)	% of rental income
Berlin	75,766	14	7.2	10.2	7.0	-2.1%	15%
Frankfurt	118,649	4	19.1	20.7	19.0	-0.5%	40%
Düsseldorf	68,882	2	8.3	8.8	8.3	-0.1%	18%
Hamburg	70,920	2	8.2	9.7	9.1	10.8%	19%
Munich	37,104	2	2.7	3.0	2.8	5.5%	6%
Other	21,428	3	1.2	1.9	1.2	3.8%	3%
TOTAL	**392,749**	**27**	**46.6**	**54.3**	**47.4**	**1.8%**	**100%**

1.3.1.3.4 Indexation

Rents are indexed on the German consumer price index for 42% of lease, 10% have a fixed uplift and 33% have an indexation clause id CPI goes above ana annual increase between 5% and 10% the other percent are not indexed (16%).

1.3.1.3.5 Rental activity

	Surface (in m²)	Annualized Top up rents 2021 (in €M, GS)	Annualized rents 2021 (in €/m², 100%)
Vacating	9,243	1.4	181
Letting	21,223	3.7	208
Renewals	12,974	2.6	215

The rental activity in 2021 was marked by:

- more than 21,000 m² let, of which 5,900 m² in Hamburg (Zeughaus); 3,100 m² in Munich (Sunsquare); 3,300 m² in Frankfurt (several assets)
- about 13,000 m² renewed during the past 12 months, with +7.2 years maturity, on assets in Frankfurt, Berlin, Hamburg, and Düsseldorf
- 9,200 m² of vacated space, including 1,800 m² in Munich (Eight Dornach).

1.3.1.3.6 Lease expiries and occupancy rate

1.3.1.3.6.1 Lease expiries: firm residual lease term of 4.4 years

(In € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	8.1	17%	6.2	13%
2023	7.6	16%	6.2	13%
2024	6.0	13%	6.6	14%
2025	6.3	13%	3.2	7%
2026	3.7	8%	4.0	8%
2027	6.1	13%	4.7	10%
2028	1.1	2%	1.2	2%
2029	1.8	4%	4.7	10%
2030	0.8	2%	3.8	8%
2031	0.0	0%	0.7	1%
Beyond	6.0	13%	6.2	13%
TOTAL	**47.4**	**100%**	**47.4**	**100%**

The firm residual duration of leases stands at 4.4 years (*vs* 4.9 years at end-2020).

€8.1 million of expiries are coming in 2022, representing 1.2% of Covivio annualized revenues. They include:

- 0.6% already managed, including rental agreements on small office spaces, renewed automatically once a year and made with companies in the liberal professions (*e.g.* Medical doctors' offices).
- 0.6% to be managed mainly in Frankfurt, Hamburg and Munich, among which 0.4% is expected to be renewed.

1.3.1.3.6.2 Occupancy rate of 78.8%

(in %)	2020	2021
Berlin	96.8%	94.7%
Frankfurt	86.2%	87.4%
Düsseldorf	58.3%	58.5%
Hamburg	77.4%	85.9%
Munich	51.4%	55.3%
Other	98.2%	99.7%
TOTAL	**76.7%**	**78.8%**

The occupancy rate has improved and stands at 78.8% (+2.1 pts compared to year-end 2020) due mainly to lettings in Hamburg and Munich.

73% of the vacancy (15 pts) is focused on Herzogterrassen in the centre of Düsseldorf, Zeughaus in Hamburg and Eight Dornach in Munich. A refurbishment of Herzogterrassen is ongoing in order to reposition the asset as an attractive offer in Düsseldorf city center.

1.3.1.3.7 Disposals: €61.3 M Group Share

Covivio sold 45% of its shares in Alexanderplatz development project to Covéa and Generali, a flagship development project in Berlin.

1.3.1.3.8 Portfolio values

1.3.1.3.8.1 Change in portfolio values

(In € million, Group Share, Excluding Duties)	Value 2020	Acqu.	Invest.	Disposals	Value creation on Acquis./ Disposals	Change in value	Other	Value 2021
Berlin	333	1	27	-61	0	17	1	317
Frankfurt	471	0	9	0	0	-12	1	470
Düsseldorf	317	0	3	0	0	-14	1	306
Hamburg	285	0	2	0	0	2	1	290
Munich	114	0	4	0	0	-9	0	110
Other	21	0	1	0	0	0	0	22
TOTAL	**1,541**	**1**	**45**	**-61**	**0**	**-15**	**4**	**1,515**

The portfolio value in Group Share has decreased by €26 million since year-end 2020, mainly due to the disposal of 45% of shares of the Alexanderplatz project in Berlin for €61 million, investment of €27 million into development projects and investment of €18 million into existing assets.

1.3.1.3.8.2 Like-for-like portfolio evolution: -1.0%

(In € million, Excluding Duties)	Value 2020 100%	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL* change	Yield 2020	Yield 2021	% of total value
Berlin	413	333	477	317	+5.5%	4.1%	3.7%	21%
Frankfurt	513	471	510	470	-2.5%	4.0%	4.1%	31%
Düsseldorf	337	317	325	306	-4.4%	2.7%	2.7%	20%
Hamburg	305	285	310	290	+0.8%	2.9%	3.1%	19%
Munich	121	114	117	110	-7.2%	2.3%	2.5%	7%
Other	33	21	34	22	+0.8%	5.6%	5.6%	1%
TOTAL	**1,722**	**1,541**	**1,772**	**1,515**	**-1.0%**	**3.4%**	**3.4%**	**100%**

* LfL: Like-for-Like.

Covivio Germany Office portfolio reaches a critical size with €1.8 billion of assets:

- the like-for-like change (-1.0%) includes decreases in valuation for assets in Munich and Dusseldorf which are still recovering from last year's tenant departures
- in the meantime, assets in Berlin and Hamburg registered +5.5% and +0.8% like-for-like growth respectively.

1.3.2 German residential: 28% of Covivio's portfolio

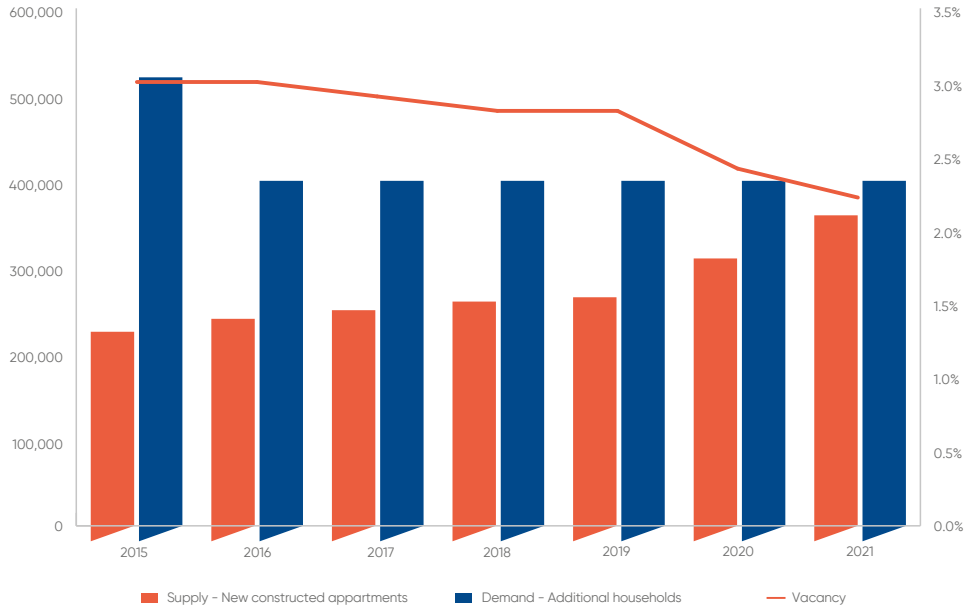
Covivio operates in the German Residential segment through its 61.7% held subsidiary Covivio Immobilien. The figures presented are expressed as 100% and as Covivio group Share.

Covivio owns around ~40,800 apartments in Berlin, Hamburg, Dresden, Leipzig and North Rhine-Westphalia, representing €7.7 billion (€5.0 billion Group Share) of assets.

1.3.2.1 Strong market fundamentals

- **The housing shortage** widens with a deficit of around 400,000 units in Germany at end-2021
  - **Especially marked in Berlin** with a lack of 229,000 units.

Imbalance between supply and demand in Berlin



- This shortage continues to drive an important **increase in rents and values** in Germany. In **Berlin** in 2021:
  - the median **asking rent** on new buildings increased by 12.7% to €19,95/m² over a year while asking rent on existing buildings increased by 12.2% to €12,90/m²
  - the median **asking price increased by 3.4%** and now stands at €5,220/m², well above the current valuation of Covivio's residential portfolio (€3,368/m² in Berlin). The square meter price for new buildings also **reached a new high** of €8,390/m² (+21.8%).
- In February 2020, Berlin implemented the Mietendeckel law to freeze housing rent for five years and in November 2020 it set rent caps on residential units. This law was cancelled in April 2021 and a petition has been launched by the citizens to expropriate big corporate landlords by over 3,000 housing units.
- The German residential market registered its **highest transaction volume** with €51 billion, +160% compared to 2020 (including the €22 billion DW/Vonovia deal and the €5 billion Heimstaden deal), which represents 47% of the German real estate investment with €111 billion in 2021.

Around 62% of the transaction are made in the top six German cities.

In 2021, Covivio's activities were marked by:

- continued rental growth: +4.5% on a like-for-life basis, driven by NRW and Berlin where the Mietendeckel has been cancelled in April
- strong value growth: +14% increase on a like-for-like basis
- acquisition of 1,071 units in Berlin for an average of €3,397/m².

1.3.2.2 Accounted rental income: +4.5% at a like-for like scope

(In € million)	Rental income 2020 100%	Rental income 2020 Group Share	Rental income 2021 100%	Rental income 2021 Group Share	Change Group Share (in %)	Change Group Share (in %) LfL[1]	% of rental income
Berlin	118.5	76.7	127.2	83.4	8.8%	+5.0%	50%
of which Residential	96.4	62.3	103.2	67.6	8.6%	+5.5%	40%
of which Other commercial[2]	22.2	14.4	24.0	15.8	9.5%	+2.9%	9%
Dresden & Leipzig	24.6	15.7	22.9	14.8	-5.9%	+2.3%	9%
Hamburg	16.3	10.7	17.1	11.2	5.2%	+2.9%	7%
North Rhine-Westphalia	86.2	54.6	93.0	59.0	8.0%	+4.7%	35%
Essen	30.8	19.1	34.0	21.2	10.8%	+4.9%	13%
Duisburg	15.4	9.6	16.2	10.1	5.8%	+3.5%	6%
Mulheim	10.2	6.5	10.6	6.7	3.8%	+2.9%	4%
Oberhausen	9.7	6.5	10.2	6.8	4.3%	+3.9%	4%
Other	20.2	12.8	21.9	14.1	9.6%	+6.5%	8%
TOTAL	**245.6**	**157.7**	**260.2**	**168.4**	**6.8%**	**+4.5%**	**100%**
of which Residential	216.0	138.5	228.0	147.3	6.4%	+4.8%	87%
of which Other commercial[2]	29.6	19.2	32.2	21.1	9.8%	+2.8%	13%

(1) LfL: Like-for-Like.

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

Rental income amounted to €168 million Group Share in 2021, up 6.8% (+€10.7 million) due to:

- in Berlin, the like-for-like rental growth is +5.0% (+€3.5 million) with the cancellation of the Mietendeckel at +2.8 pt and 2.2 pt due to the reletting and the indexation. On the residential side only, the growth is +5.5% (+€3.2 million)
- outside Berlin, like-for-like rental growth was strong in all areas (+4.1% on average, +€3.2 million) due to the reletting impact (including modernisation) and the indexation
- acquisitions mainly in Berlin in 2020 and 2021 (+€4.3 million)
- disposals (-€3.8 million) mainly involving a portfolio of mature assets in Berlin and Leipzig in 2020 as well as some privatisations with high margins in Berlin
- others (+€3.5 million) which include the increase of Covivio detention.

1.3.2.3 Annualized rental income: €174.4 million Group Share

(In € million)	Surface (in m²)	Number of units	Annualized rents 2020 Group Share	Annualized rents 2021 100%	Annualized rents 2021 Group Share	Change Group Share (in %)	Average rent (in €/m²/month)	% of rental income
Berlin	1,293,882	17,663	73.4	135.3	90.0	22.5%	€8.7/m²	52%
of which Residential	1,128,051	16,711	58.6	110.5	73.5	25.4%	€8.2/m²	41%
of which Other commercial(1)	165,831	952	14.8	24.9	16.4	11.1%	€12.5/m²	9%
Dresden & Leipzig	270,117	4,373	14.4	23.1	15.0	4.2%	€7.1/m²	9%
Hamburg	141,864	2,340	11.1	17.3	11.3	1.6%	€10.1/m²	6%
North Rhine-Westphalia	1,098,654	16,516	57.5	92.4	58.2	1.2%	€7.0/m²	33%
Essen	392,986	5,755	20.6	34.1	21.2	2.5%	€7.2/m²	12%
Duisburg	204,364	3,146	9.9	16.3	10.1	1.9%	€6.6/m²	6%
Mulheim	126,733	2,129	6.7	10.6	6.6	-0.7%	€6.9/m²	4%
Oberhausen	124,775	1,831	6.7	9.8	6.4	-4.6%	€6.5/m²	4%
Others	249,795	3,655	13.6	21.7	13.9	2.4%	€7.2/m²	8%
TOTAL	**2,804,517**	**40,892**	**156.4**	**268.0**	**174.4**	**11.5%**	**€8.0/M²**	**100%**
of which Residential	2,587,283	39,613	136.5	235.2	152.8	12.0%	€7.6/m²	88%
of which Other commercial(1)	217,234	1,279	20.0	32.9	21.6	8.3%	€12.6/m²	12%

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

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

Rental income per m² (€8.0/m²/month on average) offers solid growth potential through reversion in all our markets including, Berlin (20-25%), 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. Discussions are currently ongoing in Dresden and Leipzig to implement such a measure by the 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 subject to 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 5 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*).

1.3.2.4.3 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 99.1%

(in %)	2020	2021
Berlin	98.3%	98.7%
Dresden & Leipzig	99.3%	99.5%
Hamburg	100.0%	100.0%
North Rhine-Westphalia	98.9%	99.5%
TOTAL	**98.7%**	**99.1%**

The occupancy rate remains high, at above 99%. It has remained above 98% since the end of 2015 and reflects the Group's very high portfolio quality and low rental risk.

1.3.2.6 Disposals and disposals agreements: €126 M with a 26% margin on appraisal value

(In € million)	Disposals 2020 (agreements as of end-2020 closed) (I)	Agreements as of end-2020 to close	New disposals 2021 (II)	New agreements 2021 (III)	Total 2021 = (II) + (III)	Margin *vs* end-2020 value	Yield	Total Realized Disposals = (I) + (II)
Berlin	13	-	51	12	62	49%	1.5%	64
Dresden & Leipzig	1	-	-	-	-	-	-	1
Hamburg	-	-	-	-	-	-	-	-
North Rhine-Westphalia	-	-	53	10	63	10%	4.1%	54
TOTAL 100%	**14**	**-**	**104**	**22**	**126**	**26%**	**2.8%**	**118**
TOTAL GROUP SHARE	**9**	**-**	**68**	**14**	**82**	**26%**	**2.5%**	**77**

In 2021, Covivio secured €126 million of disposals (€82 million Group Share), with a balanced split between privatizations and bloc sales:

- privatizations (mainly in Berlin): 168 units sold for €57 million (€37 million Group Share) at 53% margin
- Bloc sales (mostly in NRW): disposal of a portfolio in NRW consisting in 472 units sold for €58 million (€38 million Group Share) with a 5% margin
- other disposals for the remaining part including the sale of empty land plots, single houses disposals and adjustment price for a 2020 operation.

1.3.2.7 Acquisitions: €208 M realized in 2021

			Acquisitions 2021 realized		
(In € million, Including Duties)	Surface (in m²)	Number of units	Acq. price 100%	Acq. price Group Share	Gross yield
Berlin	76,973	1,071	262	167	3.3%
Dresden & Leipzig	-	-	0	0	-
Hamburg	-	-	-	-	-
North Rhine-Westphalia	-	-	-	-	-
TOTAL ACQUISITIONS	**76,973**	**1,071**	**262**	**167**	**3.3%**
SHARES BUYBACK OF MINORITY STAKES			**S/O**	**41**	**N.A.**

In 2021, Covivio closedacquisitions worth €208 million in Group Share, all of them in Berlin:

- acquisition of 1,071 existing units for €167 million Group Share in the centre of Berlin at an average of €3,400/m² with a reversionary potential of near 25%
- buyback shares of some minority stake in German residential portfolio (€41 million Group Share).

1.3.2.8 Portfolio values: €7.7 billion (€5.0 billion Group Share)

1.3.2.8.1 Change in portfolio value: 17.7% growth

(In € million, Group Share, Excluding Duties)	Value 2020	Acq.	Invest.	Disposals	Value creation on Acquis./ Disposals	Change in value	Change of scope*	Value 2021
Berlin	2,387	166	17	-31	6	246	68	2,859
Dresden & Leipzig	371	-	4	-	-	43	6	424
Hamburg	327	-	5	-	-	50	2	384
North Rhine-Westphalia	1,172	-	30	-32	-	176	-4	1,342
TOTAL	**4,257**	**166**	**56**	**-63**	**6**	**515**	**72**	**5,010**

* Including shares buyback operation for €41m.

In 2021, the portfolio's value increased by +17.7%, to €5.0 billion Group Share. The growth was first driven by the like-for-like increase in value (€515 million) and second, by the contribution of acquisitions and investments net of disposals (€237 million).

1.3.2.8.2 Change on a like-for-like basis: +14% growth

(In € million, Excluding Duties)	Value 2020 Group Share	Surface 100% (in m²)	Value 2021 100%	Value 2021 (in €/m²)	Value 2021 Group Share	LfL[1] change	Yield 2020	Yield 2021	% of total value
Berlin	2,387	1,293,882	4,358	3,368	2,859	+11.3%	3.1%	3.1%	57%
of which Residential	2,054	1,128,051	3,750	3,324	2,460	+11.1%	2.9%	2.9%	49%
of which Other commercial[2]	333	165,831	608	3,666	399	+12.1%	4.4%	4.1%	8%
Dresden & Leipzig	371	270,117	653	2,418	424	+12.4%	3.9%	3.5%	8%
Hamburg	327	141,864	587	4,139	384	+16.8%	3.4%	2.9%	8%
North Rhine-Westphalia	1,172	1,098,654	2,132	1,940	1,342	+18.2%	4.9%	4.3%	27%
Essen	445	392,986	839	2,135	521	+19.3%	4.6%	4.1%	10%
Duisburg	188	204,364	354	1,730	220	+18.1%	5.3%	4.6%	4%
Mulheim	132	126,733	231	1,821	145	+13.3%	5.1%	4.6%	3%
Oberhausen	115	124,775	188	1,509	123	+18.7%	5.8%	5.2%	2%
Other	292	249,795	520	2,083	333	+18.8%	4.7%	4.2%	7%
TOTAL	**4,257**	**2,804,517**	**7,730**	**2,756**	**5,010**	**+13.7%**	**3.7%**	**3.5%**	**100%**
of which Residential	3,805	2,587,283	6,926	2,677	4,484	+13.9%	3.6%	3.4%	90%
of which Other commercial[2]	451	217,234	804	3,700	526	+12.2%	4.4%	4.1%	10%

(1) LfL: Like-for-Like.

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

Covivio's residential portfolio in Germany is valued at €2,756/m² on average, offering a significant growth potential, especially in Berlin where the current valuation of residential units stands at €3,324/m², significantly below the average asking price of condominiums (€5,220/m² at end 2021).

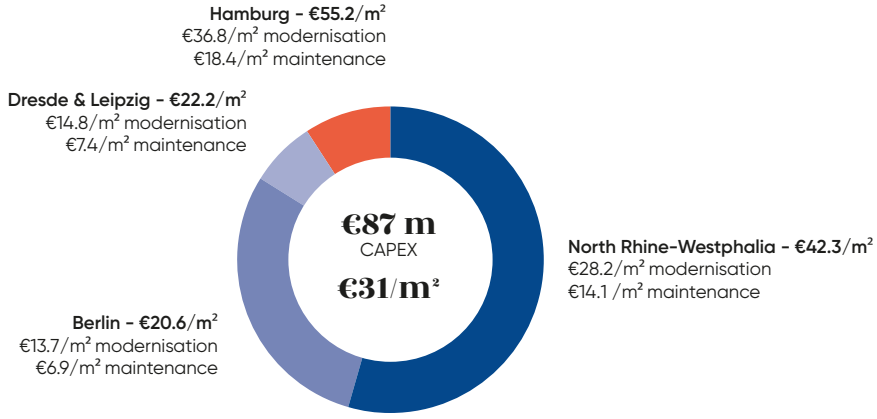
In 2021, values increased by +13.7% on a like-for-like basis since end-2020 which represents yet another very dynamic period of growth:

- +11.3% in Berlin due to the increase in values in highly sought-after locations
- strong increase in NRW (+18.2%), Hamburg (+16.8%) and Dresden and Leipzig (12.4%) thanks to the continued dynamic of rental growth and the increase in value in large German cities.

1.3.2.9 Maintenance and modernisation Capex

In 2021, Capex totalled €87 million, (€31/m²; €56 million in Group Share) and OPEX came to €19 million (€6.7/m²; €12 million in Group Share), 11% below the Capex spent in 2020.

Modernisation Capex, used to improve asset quality and increase rental income, accounts for 67% of the total (*vs* 59% in 2020). Due to a restrictive regulation in Berlin most of them were invested in NRW. The quality of the portfolio in NRW enables us to benefit both from rent and value increase in this area.



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

Covivio Hotels, a 43.8%-owned subsidiary of Covivio as of 31 December 2021, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease and Hotel Operating properties.

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

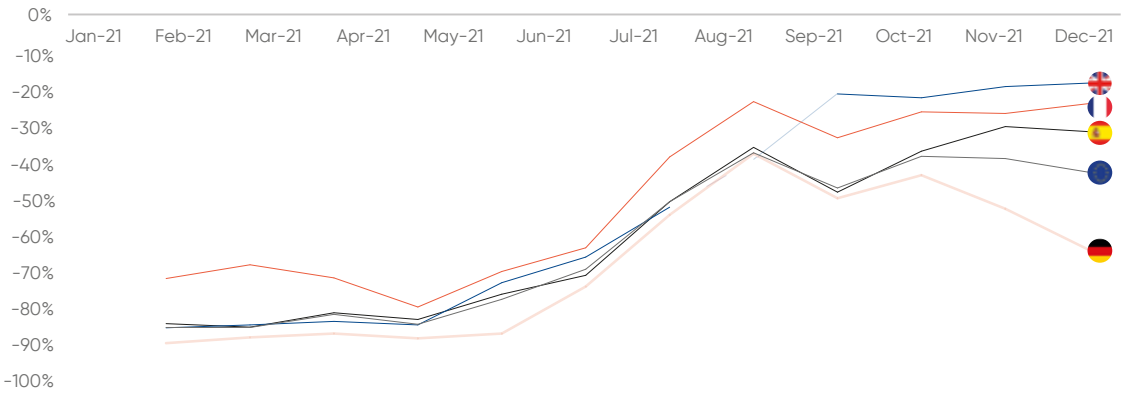
Covivio owns a high-quality hotel portfolio worth €6.6 billion (€2.6 billion in Group Share), focused on major European cities and let or operated by 16 major hotel operators such as Accor, B&B, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) and asset management possibilities *via* different ownership methods (hotel lease and Hotel Operating properties).

1.3.3.1 Sustained recovery in 2021

Continued lockdowns weighed on hotels performances at the beginning of the year, but the roll-out of the vaccination campaign coupled with the gradual lifting of restrictions and the lower impacts of Covid-19 waves led to accelerate the recovery from second half of the year.

- In Europe, the **hotel recovery** was sustained in H2, RevPar rebounding from -66% (*vs* 2019) in June to -36% in December.
- The summer performance confirmed the **strong rebound** in countries with a large domestic clientele, notably France and Germany, which account for 57% of Hotel's revenues, and testified to the good fundamentals of the hotel industry, particularly the leisure segment.
- Compared to its European neighbors, **France** and Paris in particular, recorded a strong recovery throughout the second half of the year, with RevPAR up 110% between July and November 2021, demonstrating that, in addition to leisure, business customers have also recovered rapidly.
- German growth was interrupted in November with the introduction of new restrictions (RevPar down 63% *vs* 2019). Still below 2019 levels, some other European countries benefited more from the recovery in H2:

Rebound in performances (RevPar) in H2 2021 *vs* 2019



- On the investment side, the volume of transactions recorded in Europe in 2021 amounts to €16 billion, an increase of 59% compared to 2020 (€10 billion investment volume).
- The UK and Germany represent respectively 30% and 14% of the transactions, with relatively stable average prices per room (from €200,000 to €250,000).
- Spain accounted for 15% of total transactions (*vs* 6% in 2019): the number of assets exchanged appears stable compared to 2019 (c. 50 assets), but prices were much higher (€210,000 per room on average *vs* €143,000 in 2019). The second half of the year accounted for 67% of total transaction volume.

Assets not wholly owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 90 B&B assets in France (50.2%)
- 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%)
- Club Med Samoëns (50.1%) under disposal agreement
- 32 AccorInvest assets in France (30 assets) and Belgium (2 assets), 31.2% (26 assets) and 33.3% (6 assets) owned respectively.

1.3.3.2 Recognised revenues: +27% on a like-for-like basis

(In € million)	Revenues 2020 100%	Revenues 2020 Group Share	Revenues 2021 100%	Revenues 2021 Group Share	Change (in %) Group Share	Change Group Share (in %) LfL*
Hotel Lease properties - Variable	16.2	7.0	26.7	11.7	66%	69%
Hotel Lease properties - Fixed	123.1	47.3	136.7	54.1	14%	-1%
Hotel properties - UK	0.0	0.0	12.0	5.2	n.a,	n.a,
Operating properties - EBITDA	7.9	3.3	21.9	9.4	185%	356%
Total revenues Hotels	**147.2**	**57.6**	**197.3**	**80.4**	**39.6%**	**27.5%**

* LfL: Like-for-Like.

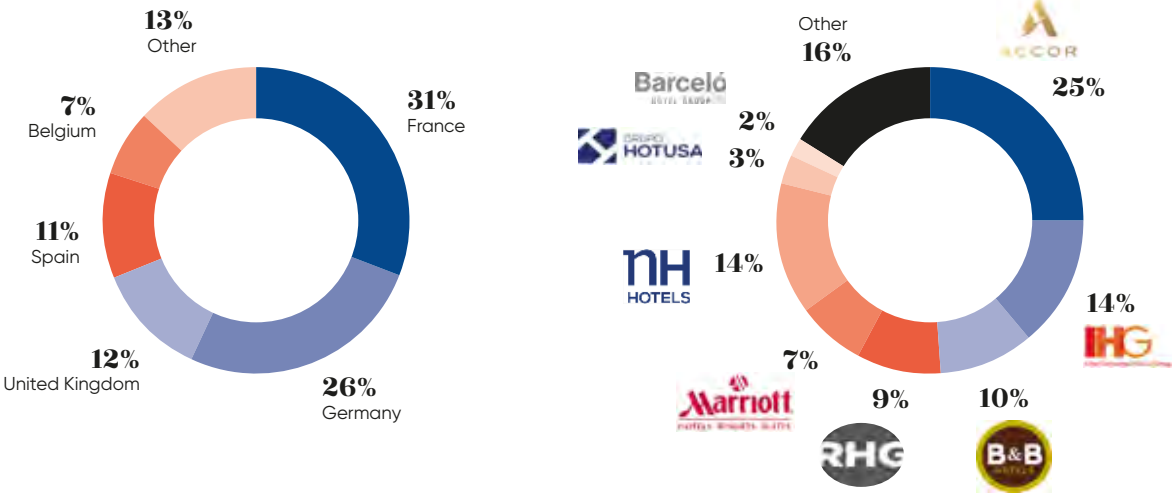
Hotel revenues increased by +40% in 2021 (+€22.8 million Group Share) compared to 2020, due to:

- **leased hotels:**
  - the **AccorInvest hotel portfolio** (22% of the hotel portfolio), which is indexed on hotel turnover, increased by 69% like-for-like compared to 2020, due to the suspension of restrictions in Europe in the third quarter of 2021. These midscale and economy hotels are located in France and Belgium.
  - **hotels located in the UK** (13% of the hotel portfolio): We note a reversal of booked rents of €12 million (*vs* 0M 2020) thanks to the re-opening in the summer 2021
  - **other leases:** increase of €6.8 million Group Share mainly due to the integration of an acquisition in September 2020. On a like-for-like basis the -1% performance is explained by free-rent periods granted to sustain our tenants
- **operating hotels:** mainly located in Germany and in the north of France. The increase is due to the less restrictive health measures in the summer of 2021. However, France recorded better performance thanks to its health crisis management (+630% *vs* 2020) than Germany (+49% *vs* 2020).

Collection rate: 96% for hotels excluding rent free and deferred payment.

1.3.3.3 Annualized revenue

Breakdown of revenues by operators and by country (based on 2021 fixed revenues and 2019 variable revenues) **which amount to** €133 million in Group Share.



Rents are split using the following breakdown: fixed (42%), variable (22%) UK (12%), and EBITDA (24%)

1.3.3.4 Indexation

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

1.3.3.5 Lease expiries: 13.3 years of firm residual lease term

Group Share (In € million)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	1.2	1%	0.0	0%
2023	4.4	4%	0.0	0%
2024	1.0	1%	2.2	2%
2025	2.0	2%	0.6	1%
2026	3.3	3%	2.3	2%
2027	0.0	0%	0.0	0%
2028	13.6	13%	0.9	1%
2029	0.0	0%	0.0	0%
2030	10.3	10%	14.6	14%
2031	3.7	4%	10.3	10%
Beyond	62.5	61%	71.0	70%
TOTAL HOTELS IN LEASE	**101.9**	**100%**	**101.9**	**100%**

The hotel firm lease duration remains very high at 13.3 years (-0.9 years *vs* end-2020), the main operation in 2021 being the renegotiation on one asset in Spain extending the lease by 8 years.

Despite the crisis, all our hotels are fully let to operators.

1.3.3.6 Disposals and disposal agreements: €134 M

(In € million)	Disposals (agreements as of end of 2020 closed) (I)	Agreements as of end of 2020 to close	New disposals 2021 (II)	New agreements 2021 (III)	Total 2021 = (II) + (III)	Margin *vs* 2020 value	Yield	Total Realized Disposals = (I) + (II)
Hotel Lease properties	13	19	-	134	134	21%	4.9%	13
Hotel Operating properties	-	-	-	-	-	-	-	-
TOTAL HOTELS -100%	**13**	**19**	**-**	**134**	**134**	**21%**	**4.9%**	**13**
TOTAL HOTELS - GS	**6**	**8**	**-**	**31**	**31**	**23%**	**4.8%**	**6**

In 2021, Covivio signed two new engagements for a total of €134 million (€31 million GS), mostly one leisure asset in French ski resort, with a staggering 21% margin. Closings of both sales are expected in H1 2022.

1.3.3.7 Portfolio values

1.3.3.7.1 Change in portfolio values

(In € million, Excluding Duties, Group Share)	Value 2020	Acquis.	Invest.	Disposals	Change in value	Others	Value 2021
Hotels - Lease properties	2,022	-	12	-6	-8	37	2,057
Hotels - Operating properties	510	-	8	-	-1	4	521
TOTAL HOTELS	**2,532**	**-**	**20**	**-6**	**-9**	**41**	**2,578**

At the end of December 2021, the portfolio amounted to €2.6 billion Group Share, up €47 million compared to year-end 2020, essentially explained by the positive impact of the GBP variation (+€25 million) and the investments realized during the year (+€20 million).

1.3.3.7.2 Change on a like-for-like basis: -0.3%

(In € million, Excluding Duties)	Value 2020 Group Share	Value 2021 100%	Value 2021 Group Share	LfL[1] change	Yield[2] 2020	Yield[3] FY 2021	% of total value
France	**716**	**2,283**	**730**	**+0.6%**	**5.0%**	**4.9%**	**28%**
Paris	304	827	304				12%
Greater Paris (excl. Paris)	132	498	133				5%
Major regional cities	187	583	193				7%
Other cities	93	374	100				4%
Germany	**269**	**650**	**280**	**+3.5%**	**4.9%**	**4.7%**	**11%**
Frankfurt	31	74	31				1%
Munich	21	48	21				1%
Berlin	30	73	34				1%
Other cities	187	454	193				8%
Belgium	**112**	**283**	**112**	**-1.5%**	**6.2%**	**6.3%**	**4%**
Brussels	35	100	35				1%
Other cities	77	183	77				3%
Spain	**276**	**630**	**276**	**-1.4%**	**5.5%**	**5.2%**	**11%**
Madrid	119	283	124				5%
Barcelona	98	213	93				4%
Other cities	59	134	59				2%
UK	**340**	**785**	**344**	**-6.4%**	**5.5%**	**4.8%**	**13%**
Italy	**113**	**265**	**116**	**+1.2%**	**5.2%**	**5.1%**	**4%**
Other countries	**196**	**454**	**199**	**+3.0%**	**5.2%**	**5.2%**	**8%**
Total Hotels lease properties	**2,021**	**5,351**	**2,057**	**-0.4%**	**5.3%**	**5.0%**	**80%**
France	**111**	**261**	**114**	**-0.1%**	**5.5%**	**5.4%**	**4%**
Lille	47	106	47				2%
Other cities	63	155	68				3%
Germany	**347**	**847**	**352**	**-0.3%**	**6.8%**	**6.7%**	**14%**
Berlin	242	596	248				10%
Dresden & Leipzig	82	198	82				3%
Other cities	23	53	22				1%
Other countries	**52**	**125**	**55**	**+0.9%**	**7.3%**	**7.1%**	**2%**
Total Hotels Operating properties	**510**	**1,234**	**521**	**-0.1%**	**6.4%**	**6.3%**	**20%**
TOTAL HOTELS	**2,532**	**6,584**	**2,578**	**-0.3%**	**5.5%**	**5.3%**	**100%**

(1) LfL: Like-for-Like.

(2) Yield excluding assets under development; EBIDTA yield for Hotel Operating properties.

(3) Yields calculated on the basis of 2021 fixed revenues and 2019 variable revenues.

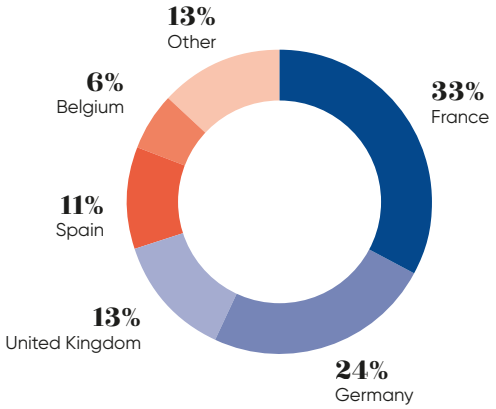
At the end of December 2021, Covivio held a unique hotel portfolio of €2.6 billion (€6.6 billion at 100%) in Europe. This strategic portfolio is characterised by:

- **high-quality locations**: average Booking.com location grade of 8.8/10.
- **diversified portfolio:** in terms of countries (12 countries, none representing more than 33% of the total portfolio), and segment (69% economic/midscale and 31% upscale)
- **major hotel operators** with long-term leases: 16 hotel operators with an average lease duration of 13.3 years

The portfolio value decreased by -0.3% Like-for-Like a mix of:

1. **value adjustments on the UK portfolio (13% of hotels):** a -6.5% decrease was accounted during H1 on these 12 assets leased to IHG. Values remained stable during H2 (+0.1%) and take into consideration the new lease agreement found with IHG
2. **slight increase on other leased assets (+0.9%):** resilience on these assets, in line with the high margin on new disposal agreements and slightly better visibility on Accor variable rent cash-flows (+0.6%)
3. **stable values on operating portfolio (-0.1%):** resilience on these assets, thanks to excellent locations and start of recovery in H2.

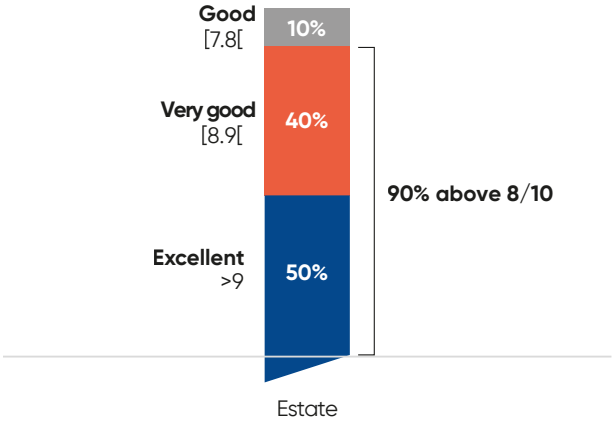
Portfolio breakdown by value and geography



88% in major European destinations



Distribution of portfolio in terms of location rating on Booking.com (8.8/10 average)



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 2021, Covivio's scope of consolidation included companies located in France and several European countries. The main equity interests in the fully consolidated but not wholly owned companies are as follows:

Subsidiaries	31/12/2020	31/12/2021
Covivio Hotels	43.5%	43.8%
Covivio Immobilien	61.7%	61.7%
Covivio Office 6 GmbH	89.7%	89.9%
Covivio Office GmbH (Godewind)	99.8%	100.0%
Sicaf (Telecom Italia portfolio)	51.0%	51.0%
OPCI CB 21 (CB 21 Tower)	75.0%	75.0%
Fédérimmo (Carré Suffren)	60.0%	60.0%
Covivio Alexanderplatz	50.1%	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%
SCI 11, Place de l'Europe (Campus Eiffage)	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%

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 22 February 2022.

1.4.1.3 Simplified income statement - Group Share

Group Share (In € million)	2020	2021	var.	%
Net rental income	539.0	530.7	-8.3	-2%
EBITDA from Hotel Operating activity & flex-office	9.0	17.6	+8.6	+96%
Income from other activities (incl. Property development)	31.5	42.8	+11.3	+36%
NET REVENUE	**579.5**	**591.1**	**+11.6**	**+2%**
Net operating costs	-83.2	-77.6	+5.6	-7%
Amortisations of operating assets	-41.5	-49.5	-8.0	+19%
Net change in provisions and other	1.7	7.7	+6.0	n.a.
CURRENT OPERATING INCOME	**456.5**	**471.7**	**+15.2**	**+3%**
Net income from inventory properties	-3.8	-2.1	+1.7	n.a.
Income from value adjustments	148.3	553.9	+405.6	n.a.
Income from asset disposals	-1.1	-1.3	-0.2	n.a.
Income from disposal of securities	8.1	-1.2	-9.3	n.a.
Income from changes in scope & other	-13.8	-10.6	+3.2	n.a.
OPERATING INCOME	**594.2**	**1,010.4**	**+416.2**	**+70%**
Cost of net financial debt	-101.0	-94.7	+6.3	-6%
Interest charges linked to financial lease liability	-6.6	-6.9	-0.3	+5%
Value adjustment on derivatives	-79.5	86.4	+165.9	n.a.
Discounting of liabilities-receivables, and Result of change	-0.2	-0.3	-0.1	n.a.
Early amortisation of borrowings' cost	-0.7	-2.1	-1.4	n.a.
Share in earnings of affiliates	7.8	21.4	+13.6	+174%
INCOME BEFORE TAX	**413.9**	**1,014.1**	**+600.2**	**+145%**
Deferred tax	-34.8	-67.0	-32.2	+93%
Corporate income tax	-19.3	-23.5	-4.2	+22%
NET INCOME FOR THE PERIOD	**359.8**	**923.6**	**+563.8**	**+157%**

1.4.1.3.1 €591.1 M net revenue (+2.0%)

Net rental income in Group Share increased mainly due to recovery in hotels activity and rental growth in german residential.

Group Share (In € million)	2020	2021	Var.	%
France Offices	193.5	174.7	-18.8	-9.7%
Italy Offices (incl. retail)	109.1	101.0	-8.1	-7.4%
German Offices	35.4	29.5	-5.9	-16.7%
German Residential	148.5	158.8	+10.3	+6.9%
Hotels in Europe (incl. retail)	52.3	66.6	+14.3	+27.3%
Other (incl. France Residential)	0.3	0.1	-0.2	-66.7%
TOTAL NET RENTAL INCOME	**539.0**	**530.7**	**-8.3**	**-1.5%**
EBITDA from Hotel Operating activity & flex-office	9.0	17.6	+8.6	+95.6%
Income from other activities	31.5	42.8	+11.3	+35.9%
NET REVENUE	**579.5**	**591.1**	**+11.6**	**+2.0%**

France Offices: decrease mainly due to the sale of assets.

Italy Offices: decrease due to the disposals in secondary locations outside Milan.

Germany Offices: -€5.9 million due to the one-off indemnity received from Wework in 2020.

German Residential: increase driven by acquisition and continuing rental growth.

Hotels in Europe: increase in variable revenues in H2 following the recovery in the activity.

- **EBITDA from the Hotel Operating activity and flex-office:** The first 4 months of 2021, the hotel activity remained heavily impacted by the health crisis and various government restrictions. The recovery was sustained in the 2nd half of 2021. 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:** net income from other activities comes from the income generated by the property development activity (€15 million), asset and development fees on partnerships (€22 million) and marginally by car park activity (€5.2 million).
- **Net operating costs:** -€77.6 million including +€25.1 million in property management fees.

Net operating costs decreased by €1.1 million (-21.8%) due to savings on staff costs and travel expenses.

- **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 increase for the year is mainly due to a refurbishment in our own-occupied building (Gobelins operated under our Wellio flexible workspace brand).

- **Net change in provision and other:**

Before the application of IFRS 16, ground lease expenses and ground lease recharge were reported within net rental income. Because of the application of IFRS 16 "Leases", there is no longer a ground lease expense (this expense is replaced by an interest charge), therefore the ground lease recharge is reported under "Net change in provision and other" so as to not artificially increase Net rental income. During 2020 there was no ground lease recharge in UK companies whereas the amount is €2.8 million in 2021.

- **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 (+€553.9 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 -€2.5 million during the year. This loss is mainly in Italy Office activity with depreciation of receivables relating to disposal (-€5.6 million).

- **Income from changes in scope and other:**

This item negatively impacted the income statement by around -€10.6 million. It includes costs linked to the acquisition of a Germany Offices listed company (squeeze-out costs) and goodwill depreciation tied to the Hotel Operating activity (-€7.8 million).

- **Cost of net financial debt:**

The cost of net financial debt decreased thanks to continuous debt restructuring efforts.

- **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 -€5.5 million.

- **Value adjustment on derivatives:**

The fair value of financial instruments (hedging instruments) is positively impacted by an average 50 bps increase in the long term interest rates. For the year, the P&L impact is a revenue of +€86.4 million, while for 2020 it was -€79.5 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 (in %)
OPCI Covivio Hotels	8.6%	2.9	38.8	6.9%
Lénovilla (New Vélizy)	50.1%	8.6	65.0	4.2%
Euromed	50.0%	0.3	31.4	-44.1%
Cœur d'Orly	50.0%	6.1	30.4	18.0%
Bordeaux Armagnac (Orianz/Factor E)	34.7%	1.7	17.4	11.0%
Phoenix (Hotels)	14.6%	1.8	46.9	3.9%
TOTAL		**21.4**	**230.1**	**-9.8%**

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.
- Lénovilla: the New Vélizy campus (47,000 m²), 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. One office building (Astrolabe) has been sold in the first half of 2021.
- Coeur d'Orly in Greater Paris: two buildings in the Orly airport business district in partnership with ADP.
- Bordeaux Armagnac: development project, delivered in 2019 in partnership with Icade, of three buildings near the new high-speed train station. In early 2022, the partnership has been closed by exchanging the respective interests in the assets. Covivio owns since January 2022 100% of one office building.
- Phoenix hotel portfolio: 32% stake held by Covivio Hotels (43.8% subsidiary of Covivio) in a portfolio of 32 Accor Invest hotels in France & Belgium.

1.4.1.3.3 Taxes

The corporate income tax corresponds 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 -€23.5 million, including taxes on sales (-€16 million).

1.4.1.3.4 Adjusted EPRA Earnings increased by +7% to €410.5 million (+€25.5 million vs 2020)

	Net income Group Share	Restatements	Adjusted EPRA E. 2021	Adjusted EPRA E. 2020
NET RENTAL INCOME	**530.7**		**530.7**	**539.0**
EBITDA from the Hotel Operating activity & flex-office	17.6		17.6	9.0
Income from other activities (incl. Property development)	42.8		42.8	31.5
NET REVENUE	**591.1**	**0.0**	**591.1**	**579.5**
Net operating costs	-77.6		-77.6	-83.2
Management & administration income	25.1		25.1	21.8
Operating costs	-102.7		-102.7	-105.1
Amortisations of operating assets	-49.5	29.1	-20.4	-22.6
Net change in provisions and other	7.7	-2.9	4.8	-1.1
OPERATING INCOME	**471.7**	**26.3**	**498.0**	**472.6**
Net income from inventory properties	-2.1	2.1	0.0	0.0
Income from asset disposals	-1.3	1.3	0.0	0.0
Income from value adjustments	553.9	-553.9	0.0	0.0
Income from disposal of securities	-1.2	1.2	0.0	0.0
Income from changes in scope & other	-10.6	10.6	0.0	0.0
OPERATING RESULT	**1,010.4**	**-512.4**	**498.0**	**472.6**
Cost of net financial debt	-94.7	4.3	-90.3	-92.9
Interest charges linked to finance lease liability	-6.9	4.2	-2.7	-2.6
Value adjustment on derivatives	86.4	-86.4	0.0	0.0
Discounting of liabilities-receivables and Foreign Exchange Result	-0.3		-0.3	-0.2
Early amortisation of borrowings' costs	-2.1	2.1	-0.1	-0.1
Share in earnings of affiliates	21.4	-7.9	13.5	13.5
PRE-TAX NET INCOME	**1,014.1**	**-596.1**	**418.0**	**390.2**
Deferred tax	-67.0	67.0	0.0	0.0
Corporate income tax	-23.5	16.0	-7.5	-5.2
NET INCOME FOR THE PERIOD	**923.6**	**-513.1**	**410.5**	**385.0**
Average number of shares			*94,334,096*	*91,383,658*
PER SHARE			**4.35**	**4.21**

- The restatement of the amortisation of operating assets (+€29.1 million) offsets the real estate amortisation of the flex-office and hotel operating activities.
- The restatement of the net change in provisions (-€2.9 million) consists of the ground lease expenses linked to the UK leasehold.
- There was a €4.3 million impact on the cost of debt due to early debt restructuring costs.
- Concerning the interest charges linked to finance lease liabilities relating to the UK leasehold, as per IAS 40 § 25, €4.2 million was cancelled and replaced by the lease expenses paid (see the amount of -€2.9 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 (+€16 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	2021
Net rental income	174.8	101.0	29.5	158.8	66.6		0.1	530.7
EBITDA from Hotel Operating activity & flex-office	6.2	2.0	0.0			9.4		17.6
Income from other activities (incl. Property development)	22.9	3.3	0.6	10.8	0.0		5.2	42.8
NET REVENUE	**203.8**	**106.4**	**30.1**	**169.6**	**66.5**	**9.4**	**5.3**	**591.1**
Net operating costs	-31.2	-7.2	-3.3	-28.0	-3.1	-1.0	-3.7	-77.6
Amortisation of operating assets	-6.9	-1.5	-0.9	-2.4		-1.9	-6.8	-20.4
Net change in provisions and other	8.0	-1.6	-1.4	-0.4	-1.3	0.7	0.8	4.8
Operating result	**173.7**	**96.0**	**24.5**	**138.9**	**62.1**	**7.2**	**-4.4**	**498.0**
Cost of net financial debt	-20.5	-14.6	-8.4	-23.1	-19.0	-5.0	0.3	-90.3
Other financial charges	-0.1	-0.2	-0.5	0.1	-1.6	-0.6	-0.3	-3.1
Finance lease interest	-0.1	0.0	-0.5	0.0	-1.3	-0.6	-0.3	-2.7
Discounted receceivable/payable					-0.3			-0.3
Irregular financial amortisation		-0.1		0.1				-0.1
Share in earnings of affiliates	11.1				2.4			13.5
Corporate income tax	-0.6		-0.3	-4.5	-1.9	-0.2	-0.1	-7.6
Adjusted EPRA Earnings	**163.6**	**81.3**	**15.4**	**111.3**	**42.1**	**1.4**	**-4.5**	**410.5**
Promotion margin	**-0.7**	**-3.3**		**-11.0**				**-15.0**
EPRA EARNINGS	**162.8**	**77.9**	**15.4**	**100.4**	**42.1**	**1.4**	**-4.5**	**395.5**

* 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)	2021
Net rental income	13.5	3.8	17.3
Net operating costs	-0.6	-0.5	-1.1
Amortisation of operating properties	0.0	0.0	0.0
Operating result	**12.8**	**3.3**	**16.2**
Cost of net financial debt	-1.7	-1.0	-2.7
Corporate income tax		0.1	0.1
SHARE IN EPRA EARNINGS OF AFFILIATES	**11.1**	**2.4**	**13.5**

1.4.1.4 Simplified consolidated income statement (at 100%)

(In € million, 100%)	2020	2021	Var.	%
Net rental income	776.1	779.3	+3.2	+0.4%
EBITDA from Hotel Operating activity & flex-office	13.6	30.1	+16.5	+121.3%
Income from other activities (incl. Property development)	26.4	28.8	+2.4	+9.1%
NET REVENUE	**816.1**	**838.2**	**+22.1**	**+2.7%**
Net operating costs	-116.5	-114.2	+2.3	-2.0%
Amortisation of operating assets	-67.3	-75.2	-7.9	+11.7%
Net change in provisions and other	4.4	17.0	+12.6	n.a.
CURRENT OPERATING INCOME	**636.7**	**665.8**	**+29.1**	**+4.6%**
Net income from inventory properties	-3.4	-2.0	+1.4	-41.2%
Income from asset disposals	-1.2	4.6	+5.8	n.a.
Income from value adjustments	128.2	835.3	+707.1	n.a.
Income from disposal of securities	12.1	-0.8	-12.9	n.a.
Income from changes in scope	-16.1	-23.3	-7.2	n.a.
OPERATING INCOME	**756.3**	**1,479.6**	**+723.3**	**+95.6%**
Cost of net financial debt	-172.4	-167.0	+5.4	-3.1%
Interest charge related to finance lease liability	-14.0	-14.8	-0.8	+5.7%
Value adjustment on derivatives	-115.5	142.6	+258.1	n.a.
Discounting of liabilities and receivables	-0.1	-0.7	-0.6	n.a.
Early amortisation of borrowings' costs	-1.2	-4.1	-2.9	n.a.
Share in earnings of affiliates	0.2	27.4	+27.2	n.a.
NET INCOME BEFORE TAX	**453.3**	**1,463.0**	**+1,009.7**	**+222.7%**
Deferred tax	-25.8	-137.7	-111.9	n.a.
Corporate income tax	-35.3	-31.5	+3.9	-10.9%
NET INCOME FOR THE PERIOD	**392.3**	**1,293.9**	**+901.7**	**+229.8%**
Non-controlling interests	-32.5	-370.3	-337.8	n.a.
NET INCOME FOR THE PERIOD - GROUP SHARE	**359.8**	**923.6**	**+563.9**	**+156.7%**

The +€563.9 million (+€156.7%) increase in net income for the period is related to the increase in value of the properties of +€128.2 million last year *vs* +€835.3 million this year (gain €707.1 million), and the positive impact of derivatives' value of -€115.5 million last year *vs* +€142.6 million this year (gain €258.1 million).

Net revenue increased by c.€22.2 million, mainly due to the recovery of activity in the hotel sector and rental growth in german residential.

(In € million, 100%)	2020	2021	Var.	%
France Offices	222.9	202.3	-20.6	-9.3%
Italy Offices (incl. Retail)	145.3	134.5	-10.8	-7.4%
German Residential	231.5	245.6	+14.1	+6.1%
German Offices	41.4	31.6	-9.8	-23.8%
Hotels in Europe (incl. Retail)	134.8	164.7	+29.9	+22.2%
Other (mainly France Residential)	0.2	0.6	+0.4	+183.5%
TOTAL NET RENTAL INCOME	**776.1**	**779.3**	**+3.2**	**+0.4%**
EBITDA from the Hotel Operating activity & flex-office	13.6	30.1	+16.5	+121.2%
Income from other activities	26.4	28.8	+2.4	+9.2%
NET REVENUE	**816.1**	**838.3**	**+22.2**	**+2.7%**

1.4.1.5 Simplified consolidated balance sheet (Group Share)

(In € million) Group Share Assets	2020	2021	Liabilities	2020	2021
Investment properties	14,127	14,640			
Investment properties under development	1,411	1,341			
Other fixed assets	903	852			
Equity affiliates	255	230			
Financial assets	408	304			
Deferred tax assets	83	94			
Financial instruments	77	45	Shareholders' equity	8,582	9,194
Assets held for sale	296	505	Borrowings	8,995	8,728
Cash	1,134	929	Financial instruments	312	142
Inventory (Trading & Construction activities)	190	153	Deferred tax liabilities	684	769
Other	395	668	Other liabilities	705	927
TOTAL	**19,279**	**19,760**	**TOTAL**	**19,279**	**19,760**

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)	2020	2021	Var.
France Offices	5,523	5,496	-26
Italy Offices (incl. Retail)	2,749	2,653	-96
German Offices	1,393	1,349	-43
German Residential	4,440	5,202	762
Hotels in Europe (incl. Retail)	2,587	2,600	13
Car parks (and other)	45	37	-8
TOTAL FIXED ASSETS	**16,737**	**17,337**	**600**

The decrease in **France Offices** (-€26 million) was mainly due to the disposals (-€314 million) and the depreciation tied to own-occupied buildings (-€11 million), partly offset by +€232.3 million of Capex and the change in fair value (+€69 million).

In Italy Offices, the change (-€96 million) was mainly due to disposals for the year (-€173 million), the slight decrease in fair value (-€2 million) due to the negative performance on assets outside Milan and non-strategic retail assets, offset by the Capex & acquisition of the year (+€86.8 million).

The increase in **German Residential** (+€762 million) was mainly due to the growth in fair value (+€529 million), Capex and acquisitions (+€234.6 million), offset by disposals for the year (-€63.6 million) and transfer from inventories (development activity) to investment properties (+€6.9 million).

German Offices (-€43 million) was mainly due to the change in fair value (-€28 million).

The decrease in the **Hotels in Europe portfolio** (+€13 million) was mainly driven by the disposals (-€30 million) and the change in fair value (-€14 million), offset by foreign currency exchange gains mainly in the UK portfolio (+€30 million) and the Capex (+€33.6 million).

1.4.1.5.2 Assets held for sale (included in the total fixed assets above), €505 million at the end of December 2021

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

- 74.3% of offices in France (mostly Carré Suffren and Eiffage campus)
- 8.7% of offices in Italy
- 8% of hotels in Europe
- 6.4% of parking.

1.4.1.5.3 Total Group Shareholders' equity

Shareholders' equity increased from €8,582 million at the end of 2020 to €9,194 million at 31 December 2021, *i.e.* +€612 million, mainly due to:

- Income for the period: +€928 million
- The dividend distribution: -€339.6 million
- Change in detention rate: +€23 million
- Change in Other Comprehensive Income +€0.6 million.

1.4.1.5.4 Deferred tax liabilities

Net deferred taxes represent €675.8 million in liabilities *versus* €601.2 million on 31 December 2020. This €74.6 million increase is mainly due to the growth of appraisal values in Germany (+€84 million).

1.4.1.6 Simplified consolidated balance sheet (at 100%)

(In € million, 100%) Assets	2020	2021	Liabilities	2020	2021
Investment properties	20,912	21,450			
Investment properties under development	1,713	1,707			
Other fixed assets	1,602	1,525			
Equity affiliates	361	340			
Financial assets	282	138	Shareholders' equity	8,582	9,194
Deferred tax assets	104	106	Non-controlling interests	3,986	4,430
Financial instruments	99	64	Shareholders' equity	12,568	13,623
Assets held for sale	335	902	Borrowings	12,296	11,834
Cash	1,246	1,063	Financial instruments	429	201
Inventory (Trading & Construction activity)	249	212	Deferred tax liabilities	1,077	1,222
Other	475	730	Other liabilities	1,009	1,357
TOTAL	**27,380**	**28,237**	**TOTAL**	**27,380**	**28,237**

1.5 Financial resources

1.5.1 Summary of the financial activity

Covivio is rated BBB+ with a stable outlook by S&P.

At end-2021, Covivio's Loan-to-Value (LTV) ratio is down by 2 pts *vs* 2020 at 39% (LTV policy < 40%) thanks to active portfolio rotation and strong value growth in German residential. Average cost of debt continues to decrease, at 1.20%, and maturity of debt is stable at 5.4 years.

The liquidity position is also strong, with €2.1 billion available at end-December 2021 on Covivio SA, including €1.3 billion of undrawn credit lines and €0.8 billion of cash.

1.5.2 Main debt characteristics

Group Share	31/12/2020	31/12/2021
Net debt, Group Share (in €M)	7,861	7,799
Average annual rate of debt	1.29%	1.20%
Average maturity of debt (in years)	5.7	5.4
Debt active hedging spot rate	81%	78%
Average maturity of hedging	6.5	6.8
LTV including duties	40.9%	39.1%
ICR	6.1	6.7

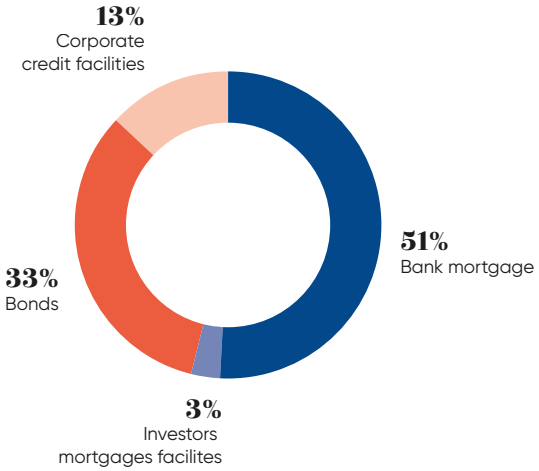
1.5.3 Debt by type

Covivio's net debt stands at €7.8 billion in Group Share at end-2021 (€10.8 billion on a consolidated basis), €0.1 billion lower compared to end-2020.

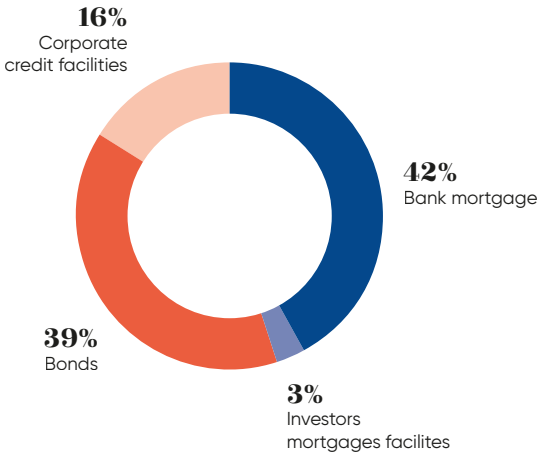
As regards the commitments attributable to the Group, the share of corporate debts (bonds and loans) grows up to 55% at end-December 2021. Additionally, Covivio had €1.5 billion in commercial paper outstanding at 31 December 2021.

Consolidated commitments

By type

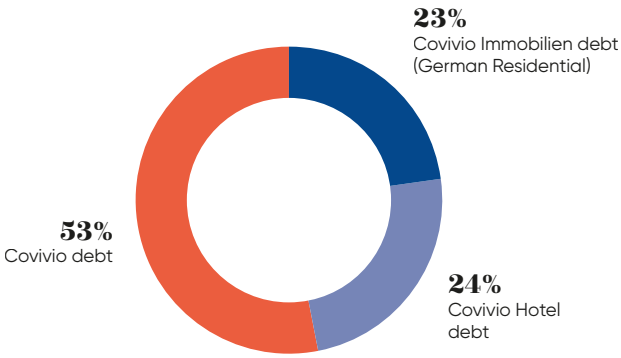


Group Share commitments

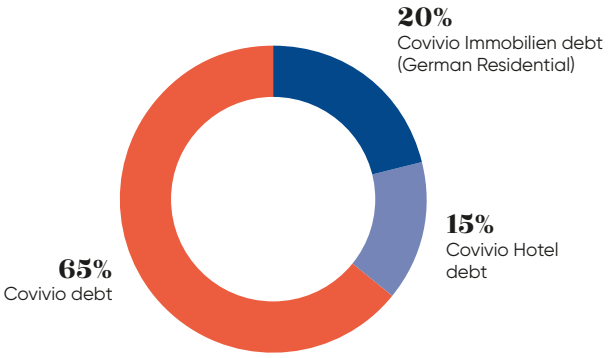


Consolidated commitments

By company



Group Share commitments

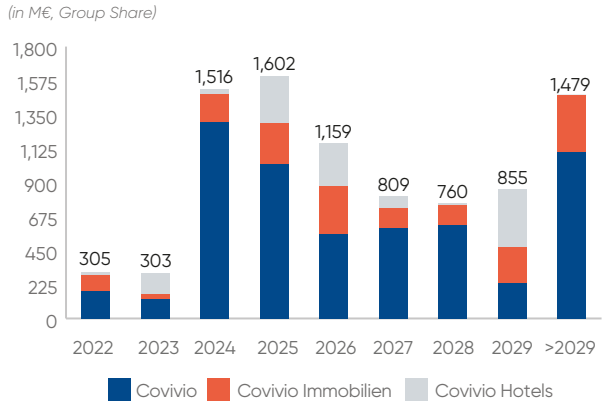


1.5.4 Debt maturity

The average maturity of Covivio's debt stands at 5.4 years at end-December 2021 (excluding commercial paper). 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 €285 million Group Share linked to the Telecom Italia portfolio.

Debt amortization schedule by company

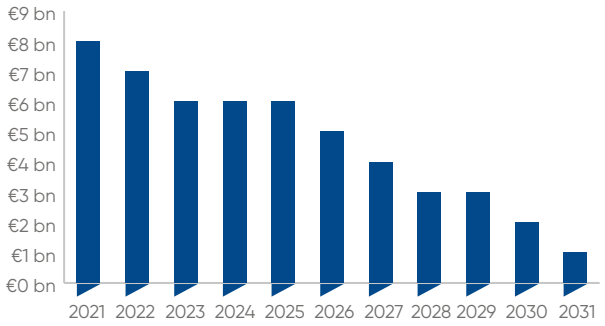


1.5.5 Hedging profile

At end-June 2021, the hedging management policy remained unchanged, with debt hedged at 85% on average over the year, at least 75% of which through short-term hedges, and all of which with maturities equivalent to or exceeding the debt maturity.

Based on net debt at 31 December 2021, Covivio is hedged at 84% with an average term of the hedges of 6.8 years Group Share.

Hedging maturities



1.5.6 Average interest rate on debt and sensitivity

The average interest rate on Covivio's debt decreased again by 9 bps to 1.20% in Group Share. For information purposes, an increase of 25 basis points in the three-month Euribor rate would have a negative impact of 0.9% (-€4,835 thousand) on the adjusted EPRA Earnings.

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 31 December 2021, to 60% for Covivio and Covivio Hotels.
- The most restrictive ICR consolidated covenants applicable to the REITs, at 31 December 2021, 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	31/12/2020	31/12/2021
LTV	60.0%	44.1%(1)	42.2%(1)
ICR	200%	605%	672%
Secured debt ratio	25.0%	4.7%	4.8%

(1) Excluding duties and sales agreements.

All covenants were fully complied with at year end 2021. No loan has an accelerated payment clause contingent on Covivio's rating, which is currently BBB+, Stable outlook (S&P rating).

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

(In € million Group Share)	31/12/2020	31/12/2021
Net book debt	7,861	7,799
Receivables linked to associates (full consolidated)	-173	-226
Receivables on disposals	-119	-110
Preliminary sale agreements	-325	-377
Purchase debt	82	72
NET DEBT	**7,327**	**7,158**
Appraised value of real estate assets (Including Duties)	17,838	18,414
Preliminary sale agreements	-325	-471
Financial assets	15	18
Receivables linked to associates (equity method)	110	105
Share of equity affiliates	255	230
VALUE OF ASSETS	**17,892**	**18,297**
LTV EXCLUDING DUTIES	**43.1%**	**41.2%**
LTV INCLUDING DUTIES	**40.9%**	**39.1%**

1.5.7 Reconciliation with consolidated accounts

1.5.7.1 Net debt

(In € million)	Consolidated accounts	Minority interests	Group Share
Bank debt	11,833	-3,105	8,728
Cash and cash equivalents	1,063	-134	929
NET DEBT	**10,770**	**-2,971**	**7,799**

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	23,157	1,207	1,701		-262	-8,571	17,232
Assets held for sale	902			-36		-395	471
TOTAL PORTFOLIO	**24,059**	**1,207**	**1,701**	**-36**	**-262**	**-8,965**	**17,703**

Duties	921
Portfolio Group Share including duties	18,624
(-) portfolio of companies consolidated under the equity method	-392
(-) Fair value of car park activity	-37
(+) Fair value of trading activities	153
(+) Right of use of operating properties	28
(+) Advances and deposits on fixed assets	37
PORTFOLIO FOR LTV CALCULATION	**18,414**

1.5.7.3 Interest Coverage Ratio

(In € million)	Consolidated accounts	Minority interests	Group Share
EBITDA (net rents (-) operating expenses (+) results of other activities)	757.3	(211.7)	545.6
Cost of debt	146.4	(65.1)	81.3
ICR			**6.72**

1.6 EPRA reporting

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

1.6.1 Change in net rental income (Group Share)

(In € million)	2020	Acquis.	Disposals	Developments (deliveries & vacating for redevelopment)	Indexation, asset management & occupancy	Others	2021
France Offices	194	0	-17	+4	-5	-1	175
Italy Offices (incl. retail)	109	0	-18	+4	0	+6	101
German Offices	35	+4	0	0	-2	-8	29
German Residential	148	+4	-3	0	+8	+2	159
Hotels in Europe (incl. Retail & excl. EBITDA from operating properties)	52	+7	-4	0	+10	+1	67
TOTAL	**539**	**+15**	**(42)**	**+7**	**+12**	**-0**	**531**

The LFL growth (including EBITDA from Hotels) is €15 million and +3% cf page XX.

Reconciliation with financial data	2021
Total from the table of changes in Net rental Income (GS)	531
Adjustments	-
TOTAL NET RENTAL INCOME GS (FINANCIAL DATA § 1.4.1.3)	**531**
Minority interests	249
TOTAL NET RENTAL INCOME 100% (FINANCIAL DATA § 1.4.1.4)	**779**

1.6.2 Investment assets – Information on leases

Annualised 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 =

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

- 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)	Annualised rents (in €M)	Surface (in m²)	Average rent (in €/m²)	vacancy rate (excluding Secured area) (in %)	ERV of spot vacant space (in €M)	ERV of the whole portfolio (in €M)	EPRA vacancy rate (in %)
France Offices	190	175	216	1,414,744	191	6.8%	20	238	8.2%
Italy Offices (incl. retail)	118	101	128	1,289,423	125	3.4%	5	136	4.0%
German Offices	38	29	47	392,749	138	21.2%	15	66	22.5%
German Residential	175	159	174	2,804,517	96	0.9%	2	175	0.9%
Hotels in Europe (incl. Retail & excl. EBITDA from operating properties)	73	67	104	n.c	n.c	-	0	104	-
TOTAL*	**595**	**531**	**670**	**5,901,433**	**174**	**5.0%**	**41**	**718**	**5.7%**

* Including French residential and others.

The spread between the vacancy rate excluding the secured area (5.0%) and the EPRA vacancy rate (5.7%) is due to the secured vacant area which are included in the EPRA vacancy as vacant even if already let.

Regarding the German Residential the € 175 million of ERV doesn't include the potential reversion in all our markets Berlin (20-25%), 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 ear	Duties	EPRA NIY
France Offices	5,880	69	270	3.5%
Italy Offices (incl. Retail)	2,654	-2	93	3.8%
German Residential	5,010	529	362	3.0%
German Offices	1,515	-28	79	2.2%
Hotels in Europe (incl. Retail)	2,605	-14	118	4.5%
Other (France Resi. and car parks)	40	0	0	n.a.
TOTAL 2021	**17,703**	**554**	**921**	**3.4%**

- 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)	2021
TOTAL PORTFOLIO VALUE (GROUP SHARE, MARKET VALUE)	**17,703**
Fair value of the operating properties	-941
Fair value of companies under equity method	-392
Inventories of real estate companies and others	34
Right of use on investment assets	121
Fair value of car parks facilities	-39
INVESTMENT ASSETS GROUP SHARE* (FINANCIAL DATA § 1.4.1.5)	**16,486**
Minority interests	7,573
INVESTMENT ASSETS 100%* (FINANCIAL DATA § 1.4.1.6)	**24,059**

* Fixed assets + Developments assets + asset held for sale

1.6.3.2 Reconciliation with IFRS

(In € million)	2021
Change in fair value over the year (Group Share)	554
Others	-
INCOME FROM FAIR VALUE ADJUSTMENTS GROUP SHARE (FINANCIAL DATA § 1.4.1.3)	**554**
Minority interests	281
INCOME FROM FAIR VALUE ADJUSTMENTS 100% (FINANCIAL DATA § 1.4.1.4)	**835**

1.6.4 Assets under development

	Ownership type[2]	% ownership (Group Share)	Fair value December 2021	Capitalised financial expenses over the year	Total cost incl. financial cost[2] (in €M, Group Share)	% progress	Delivery date	Surface at 100% (in m²)	Pre-letting	Yield (in %)
Paris So Pop (50% Share)	FC	50%		2.0	114	87%	2022	31,800 m²	33%	5.7%
N2 (50% share)	FC	50%		1.4	84	85%	2022	15,600 m²	26%	4.2%
DS Extension 2 (50% share)	FC	50%		0.2	71	63%	2023	27,500 m²	100%	7.2%
Levallois Alis	FC	100%		2.7	208	54%	2022	19,800 m²	0%	4.8%
Jean Goujon	FC	100%		4.6	196	54%	2022	8,700 m²	58%	4.0%
Paris Anjou	FC	100%		0.4	227	0%	2025	9,300 m²	100%	3.5%
Total France Offices			**860**	**11.4**	**900**	**48%**		**112,700 m²**	**52%**	**4.5%**
Unione	FC	100%		1.0	47	77%	2022	4,500 m²	100%	4.6%
Symbiosis G+H	FC	100%		1.2	159	1%	2024	37,600 m²	100%	6.5%
Corso Italia	FC	100%		1.6	109	12%	2023	11,800 m²	0%	5.0%
The Sign D	FC	100%		0.5	64	6%	2024	13,200 m²	92%	6.5%
Total Italy Offices			**187**	**4.3**	**378**	**14%**		**67,100 m²**	**70%**	**5.8%**
Alexanderplatz	FC	55%		3.8	291	45%	2026	60,000 m²	0%	5.1%
Total German Offices			**162**	**3.8**	**291**	**45%**		**60,000 m²**	**0%**	**5.1%**
TOTAL			**1,209**	**19.4**	**1,569**	**39%**		**239,800 M²**	**47%**	**5.0%**

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

The total cost of committed projects is therefore €1,827 million (see 1.2.8 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	19.4	1,569
Projects on own-occupied buildings (Paris Madrid Saint Lazare)	0.7	101
Others (Vitae + Lyon Sévigné + Bordeaux Jardin de l'Ars)	0.2	157
TOTAL OFFICES COMMITTED PIPELINE	**20.4**	**1,827**
German Residential	-	190
French Residential	-	247
TOTAL COMMITTED PIPELINE	**20.4**	**2,264**

1.6.4.2 Reconciliation with financial data

Group Share (In € million)	2021
Total fair value of assets under development	1,209
Project under technical review and non-committed projects	131
ASSETS UNDER DEVELOPMENT (FINANCIAL DATA § 1.4.1.5)	**1,341**

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	4.6	5.5	19%	16%	24%	42%	216	1.3.1.1.6
Italy Offices (incl. retail)	7.1	7.5	13%	4%	14%	69%	128	1.3.1.2.6
Germany Offices	4.4	5.2	17%	16%	34%	33%	47	1.3.1.3.6
Hotels in Europe (incl. retail)	13.2	14.5	1%	4%	6%	88%	104	1.3.3.5
Others (German Residential, Hotels EBITDA, others)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	206	
TOTAL*	**7.0**	**7.8**	**9%**	**7%**	**13%**	**70%**	**701**	

* Percentage of lease expiries on total revenues.

In 2022, 6.5% of the lease expiries are managed as 2.4% have no intention to vacate the property and 4.1% are going to be redeveloped. The other part, 2.7%, has to be managed.

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:

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

- EPRA net initial yield is the ratio of:

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

(€ million, Group share) Excluding French Residential and car parks	Total 2020	France Offices	Italy Offices (incl. Retail)	German Offices	German Residential	Hotels in Europe (incl. Retail)	Total 2021
Investment, disposable and operating properties	17,105	5,880	2,654	1,515	5,010	2,605	17,704
Restatement of assets under development	-1,347	-929	-234	-117	-39	-22	-1,340
Restatement of undeveloped land and other assets under development	-206	-229	0	-11	-	-20	-260
Duties	884	270	93	79	362	118	936
Value of assets including duties (1)	**16,436**	**5,007**	**2,513**	**1,467**	**5,333**	**2,681**	**17,040**
Gross annualized IFRS revenues	661	195	111	41	174	134	656
Irrecoverable property charge	-72	-15	-16	-9	-16	-13	-70
Annualized net revenues (2)	**589**	**180**	**95**	**32**	**158**	**122**	**586**
Rent charges upon expiration of rent free periods or other reductions in rental rates	45	21	17	6	-	1	45
Annualized topped-up net revenues (3)	**634**	**201**	**111**	**38**	**158**	**123**	**631**
EPRA Net Initial Yield (2)/(1)	**3.6%**	**3.6%**	**3.8%**	**2.2%**	**3.0%**	**4.5%**	**3.4%**
EPRA Topped-up Net Initial Yield (3)/(1)	**3.9%**	**4.0%**	**4.4%**	**2.6%**	**3.0%**	**4.6%**	**3.7%**
Transition from EPRA topped-up NIY to Covivio yield							
Impact of adjustments of EPRA rents	0.5%	0.3%	0.7%	0.7%	0.3%	0.5%	0.4%
Impact of restatement of duties	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
COVIVIO REPORTED YIELD RATE	**4.5%**	**4.6%**	**5.3%**	**3.4%**	**3.5%**	**5.3%**	**4.4%**

(a) Including French Residential.

(b) On Hotels the annualized revenues includes the 2021 fixed rents and the 2019 variable rents.

1.6.7 EPRA cost ratio

Group Share (In € million)	2020	2021
Cost of other activities and fair value	-30.3	-34.7
Expenses on properties	-21.5	-23.7
Net losses on unrecoverable receivables	-15.4	-5.5
Other expenses	-5.1	-4.0
Overhead	-99.9	-98.7
Amortisation, impairment and net provisions	-0.9	5.5
Income covering overheads	21.8	25.1
Cost of other activities and fair value	-3.9	-2.7
Property expenses	0.7	0.8
EPRA costs (including vacancy costs) (A)	**-154.5**	**-137.9**
Vacancy cost	12.8	18.8
EPRA costs (excluding vacancy costs) (B)	**-141.7**	**-119.1**
Gross rental income less property expenses	605.5	593.8
EBITDA from Hotel Operating properties & coworking, income from other activities and fair value	62.0	74.1
Gross rental income (C)	**667.5**	**667.9**
EPRA costs ratio (including vacancy costs) (A/C)	**23.2%**	**20.6%**
EPRA costs ratio (excluding vacancy costs) (B/C)	**21.2%**	**17.8%**

The EPRA cost ratio is decreasing due to the decrease of unpaid rents and improvement of overhead costs.

The calculation of the EPRA cost ratio excludes car parks activities.

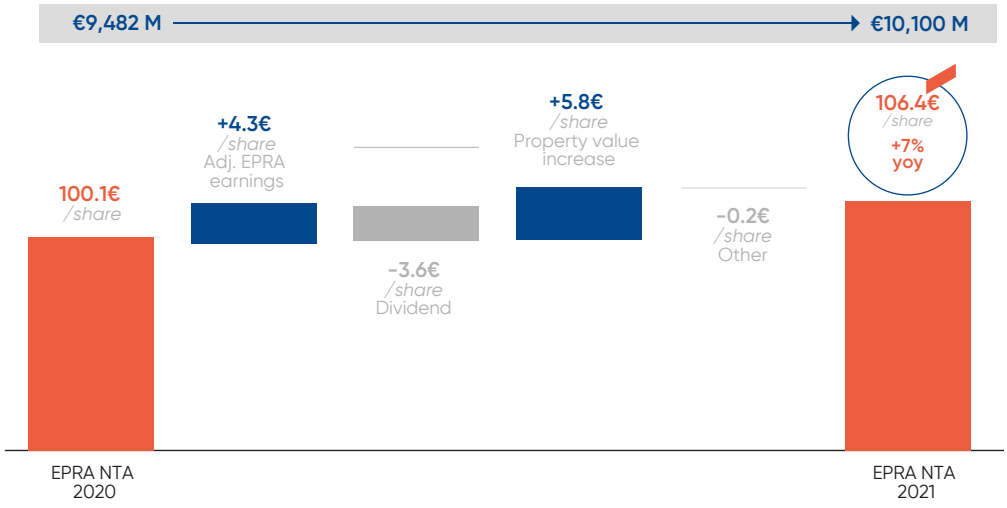
1.6.8 EPRA Earnings: €395 m in 2021

(In € million)	2020	2021
NET INCOME GROUP SHARE (FINANCIAL DATA § 3.3)	**359.8**	**923.6**
Change in asset values	-148.3	-553.9
Income from disposal	-3.2	4.7
Acquisition costs for shares of consolidated companies	13.8	10.6
Changes in the value of financial instruments	79.5	-86.4
Interest charges related to finance lease liabilities (leasehold > 100 years)	4.0	4.2
Rental costs (leasehold > 100 years)	-2.8	-2.9
Deferred tax liabilities	34.8	67.0
Taxes on disposals	14.1	15.9
Adjustment to amortisation	18.9	29.1
Adjustments from early repayments of financial instruments	8.7	6.4
EPRA Earnings adjustments for associates	5.7	-7.9
Ajusted EPRA Earnings	**385.0**	**410.5**
Adjusted EPRA Earnings in €/share	**4.21**	**4.35**
Promotion margin	-11.8	-15.0
EPRA EARNINGS	**373.2**	**395.4**
EPRA EARNINGS IN €/SHARE	**4.08**	**4.19**
Average number of shares (C)	91,383,658	94,334,096

1.6.9 EPRA NRV, EPRA NTA and EPRA NDV

	2020	2021	Var.	Var. (in %)
EPRA NRV (in €M)	10,452	11,091	639	+6.1%
EPRA NRV/share (in €)	110.3	116.9	6.6	+6.0%
EPRA NTA (in €M)	9,482	10,100	617	+6.5%
EPRA NTA/share (in €)	100.1	106.4	6.3	+6.3%
EPRA NDV (in €M)	8,464	9,279	815	+9.6%
EPRA NDV/share (in €)	89.3	97.8	8.5	+9.5%
Number of shares	94,773,299	94,882,277	108,978	+0.1%

1.6.9.1 Evolution of EPRA NTA



1.6.9.2 Reconciliation between shareholder's equity and EPRA NAV

	2020 (in €M)	2020 (in €/share)	2021 (in €M)	2021 (in €/share)
Shareholders' equity	**8,582**	**90.6**	**9,194**	**96.9**
Fair value assessment of operating properties	124		175	
Duties	884		921	
Financial instruments and ORNANE	240		99	
Deferred tax liabilities	621		702	
EPRA NRV	**10,452**	**110.3**	**11,091**	**116.9**
Restatement of value Excluding Duties on some assets	-839		-886	
Goodwill and intangible assets	-82		-78	
Deferred tax liabilities	-49		-27	
EPRA NTA	**9,482**	**100.1**	**10,100**	**106.4**
Optimization of duties	-45		-35	
Intangible assets	24		28	
Fixed-rate debts	-185		-40	
Financial instruments and ORNANE	-240		-99	
Deferred tax liabilities	-572		-675	
EPRA NDV	**8,464**	**89.3**	**9,279**	**97.8**

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 31 December 2021 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 €113.9 million value adjustment was recognised in EPRA NRV.

1.6.9.2.2 Fair value adjustment for the car parks

Car parks are valued at historical cost in the consolidated financial statements. NAV is restated to consider the appraisal value of these assets net of tax. The impact on EPRA NRV was €20.8 million on 31 December 2021.

1.6.9.2.3 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 €40.2 million. The market value of these assets is determined by independent experts.

1.6.9.2.4 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 -€39,8 million at 31 December 2021.

1.6.9.2.5 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 €35.1 million at 31 December 2021.

1.6.9.2.6 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

	2020		2021	
(In € million)	100%	Group Share	100%	Group Share
Acquisitions[1]	50	30	7	4
Renovation on portfolio excl. Developments[2]	214	147	206	136
Developments[3]	379	308	359	249
Capitalized expenses on development portfolio[4] (except under equity method)	25	21	67	59
TOTAL	**668**	**507**	**639**	**448**

(1) Acquisitions including duties.
(2) Renovation on portfolio excluding developments.
(3) Total acquisition and renovation expenses (excl under equity method) on development projects.
(4) Commercialization fees, financial expenses capitalized and other capitalized expenses.

The €136 million Group Share renovation Capex on operating assets is made up of:

1. €65 million renovation to improve the quality and value of strategic offices
2. €37 million modernisation Capex on German Residential which generates revenue
3. €34 million maintenance Capex.

1.6.11 EPRA performance indicator reference table

EPRA information	Section	(in %)	Amount (in €)	Amount (in €/share)
EPRA Earnings	1.6.8	-	€395 M	€4.2/share
EPRA NRV	1.6.9	-	€11,091 M	€116.9/share
EPRA NTA	1.6.9	-	€10,100 M	€106.4/share
EPRA NDV	1.6.9	-	€9,279 M	€97.8/share
EPRA net initial yield	1.6.6	3.4%	-	-
EPRA topped-up net initial yield	1.6.6	3.7%	-	-
EPRA vacancy rate at year-end	1.6.2	5.7%	-	-
EPRA costs ratio (including vacancy costs)	1.6.7	21.0%	-	-
EPRA costs ratio (excluding vacancy costs)	1.6.7	18.2%	-	-
EPRA indicators of main subsidiaries	1.6.2 & 1.6.6	-	-	-

1.6.12 Financial indicators of the main activities

	Covivio Hotels			Covivio Immobilien		
	2020	2021	Change. (in %)	2020	2021	Change. (in %)
EPRA Earnings full-year (in €M)	38.8	99.0	+155.5%	156.6	162.5	+3.8%
EPRA NRV	3,582	3,868	+8.0%	4,595	5,470	+19.0%
EPRA NTA	3,195	3,498	+9.5%	4,147	4,953	+19.4%
EPRA NDV	2,819	3,167	+12.3%	3,397	4,134	+21.7%
% of capital held by Covivio	43.5%	43.8%	+0.3 pts	61.7%	61.7%	0.0 pts
LTV including duties	41.9%	37.1%	-4.8 pts	34.4%	32.0%	-2.4 pts
ICR	2.2	3.1	+88 bps	6.1	6.8	+66 bps

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 *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)	2021 Total	(in%)
CBRE	825,637	49%
Cushman	322,380	19%
BNPP Real Estate	180,000	11%
HVS	133,697	8%
CFE	98,030	6%
REAG	52,000	3%
MKG	48,400	3%
JLL	16,600	1%
TOTAL	**1,676,744**	**100%**

1.7.3 Abridged experts' report on the appraisal at the end of 2021 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. The rotation of the appraisers is organised by Covivio Immobilien SE.

1.7.3.1.2 Current appraisal

For France Offices, the appraisal focused on the fair value of the 115 assets in the 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 2021.

The appraised assets are located in the national territory. These are investment assets 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 41,448 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 2021. 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 2021.

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 2021

At consolidated level, Covivio had 135 office property assets at end-2021. 115 assets are recognised at their appraisal value, 20 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	267,810,000	626,780,000	50,500,000	945,090,000	13%
Cushman & Wakefield	1,234,300,000	2,025,500,000	160,895,000	3,420,695,000	53%
CBRE	1,153,559,350	298,160,000	659,273,000	2,110,992,350	33%
JLL	-	860,000	9,280,000	10,140,000	0%
TOTAL PORTFOLIO APPRAISED	**2,655,669,350**	**2,951,300,000**	**879,948,000**	**6,486,917,350**	**93%**
Assets under preliminary sale agreements	388,421,055	196,130,000	164,385,500	748,936,555	4%
Assets measured internally	-	-	-	-	2%
TOTAL PORTFOLIO	**3,044,090,405**	**3,147,430,000**	**1,044,333,500**	**7,235,853,905**	**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	21	945,090,000	945,090,000
Cushman & Wakefield	45	3,420,695,000	2,622,725,151
CBRE	44	2,110,992,350	1,892,272,210
JLL	5	10,140,000	10,140,000
TOTAL PORTFOLIO	**115**	**6,486,917,350**	**5,470,227,361**

1.7.3.3.2 General comments

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 2021

	Appraised value	Fair value	% total
Berlin	4,486,908,000	4,599,135,053	57%
Dresden & Leipzig	660,610,000	660,609,999	9%
Hamburg	590,300,000	593,600,000	7%
North Rhine-Westphalia	2,207,809,700	2,159,335,078	27%
TOTAL	**7,945,627,700**	**8,012,680,131**	**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 appraisers

Appraisers	Number of units	Appraised value 100% Excluding Duties	Fair value 100% Excluding Duties	Fair value Group Share Excluding Duties
CBRE	41,448	7,945,627,700	8,012,680,131	5,193,221,693

CBRE appraised **41,448** units owned by Covivio Immobilien SE including **39,733** housing units.

1.7.3.4.2 General comments

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.

1.8 Portfolio list

1.8.1 France Offices

Geographic area	Surface at 100%
Core assets under operation	**980,083**
Paris	225,710
Western Crescent and La Défense	162,097
Inner suburbs	352,944
Outer rim	15,479
Major regional cities	223,853
• Lyon	45,056
• Bordeaux	50,572
• Marseille	18,564
• Lille	11,201
• Montpellier	59,530
• Nantes	17,670
• Toulouse	15,975
• Metz (Covivio headquarters)	5,286
Development projects	**310,146**
Non-core assets	**187,179**

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					**913,338**
Paris/Art&Co	100%	15/17 rue Traversière	75012	Paris	13,599
Paris/Cap 18	100%	189 rue D'Aubervilliers – 73 rue de L'évangile	75018	Paris	64,034
Paris/Cherche-Midi	100%	37 rue Du Cherche Midi	75006	Paris	3,510
Paris/Gobelins	100%	40 Bd Port Royal	75005	Paris	4,442
Paris/Le Ponant	100%	19 rue Leblanc	75015	Paris	4,650
Paris/Louvre	100%	55/57 rue J.J. Rousseau	75001	Paris	4,884
Paris/Maillot	100%	18 rue Gustave Charpentier	75017	Paris	9,754
Paris/Ménilmontant	100%	26 rue Sorbier	75020	Paris	4,489
Paris/Montmartre	100%	114 rue Marcadet	75018	Paris	5,926
Paris/Percier	100%	5/7 avenue Percier	75008	Paris	8,542
Paris/Philippe Auguste	100%	42/46 avenue Philippe Auguste	75011	Paris	13,921
Paris/Quai de Jemmapes	100%	103/107 Bd Villette	75010	Paris	9,158
Paris/Steel	100%	29 rue Des Sablons	75016	Paris	3,681
Paris/The Line	100%	11 avenue Delcasse	75008	Paris	4,974
Paris/Voltaire	100%	6/10 Pas St-Pierre Amelot	75011	Paris	9,917
Paris/Carré Suffren	60%	8/12 rue Du Capitaine Scott	75015	Paris	24,938
Total Paris					**190,419**
Boulogne/Grenier	100%	32 avenue P. Grenier	92100	Boulogne-Billancourt	7,760
Issy-les-Moulineaux/Atlantis	100%	11 rue Camille Desmoulins	92130	Issy-les-Moulineaux	11,461
La Defense/CB 21	75%	16 Place De L'Iris	92400	Courbevoie	68,076
Levallois-Perret/Thais	100%	25/27/29 rue Anatole France	92300	Levallois-Perret	5,555
Levallois-Perret/Pereire	100%	37 to 43 rue Pierre Brossolette	92300	Levallois-Perret	8,156
Nanterre/Rousseau	100%	40 rue J.J. Rousseau	92000	Nanterre	4,057
Rueil/Degremont	100%	183 avenue du 18 Juin 1940	92500	Rueil-Malmaison	14,213
Rueil/Lesseps B2	100%	1 Cours de Ferdinand De Lesseps	92500	Rueil-Malmaison	27,666
Total Western Crescent & La Defense					**146,944**
Charenton/Liberté	100%	1-7 place de la coupole/ 8 avenue Winston Churchill	94220	Charenton-Le-Pont	26,590
Châtillon/IRO	100%	82-90 rue Pierre Sémard	92320	Châtillon	25,626
Fontenay-sous-Bois/Le Floria	100%	18 avenue Des Olympiades	94120	Fontenay-sous-Bois	9,175
Montrouge/Flow	100%	58/60 avenue de la Marne/ 165/173 avenue Pierre Brossolette	92120	Montrouge	23,430
Cœur D'Orly/Askia	50%	Bat 3 "Askia"	94310	Orly	18,844
Orly/Cœur d'Orly Belaïa	50%	Cœur d'Orly	94310	Orly	23,556
Saint-Denis/Pleyel	100%	171-175 boulevard Anatole France	93200	Saint-Denis	11,745
Saint-Ouen/Victor Hugo	100%	69-73 Boulevard Victor Hugo	93400	Saint-Ouen	14,814
Vélizy/Dassault Campus + extension	50%	10 rue marcel Dassault	78140	Vélizy-Villacoublay	69,396
Vélizy/Europe	50%	Place de L'Europe	78140	Vélizy-Villacoublay	33,270
Vélizy/New Vélizy	50%	10/12 rue Latécoère	78140	Vélizy-Villacoublay	49,874
Vélizy/Thales Ted	100%	2/8 rue Latécoère	78140	Vélizy-Villacoublay	41,523
Total inner suburbs					**347,843**
Massy/Paris	100%	147-149 rue de Paris	91300	Massy	5,152
Melun/Chaussy	100%	3 place A. Chaussy	77000	Melun	10,327
Total Outer rim					**15,479**
Bordeaux/Cité Numérique	100%	406 Boulevard Jean-Jacques Bosc	33130	Begles	18,462
Bordeaux/Quai 8.2	35%	ZAC Saint Jean Belcier	33000	Bordeaux	32,110
Grabels/Dual Center	100%	ZAC euromédecine ii lot 236	34790	Grabels	2,936
Lyon/Sévigné 3rd	100%	1 rue Duphot – 36 rue Mazenod	69003	Lyon	4,942

Surname	% Ownership	Address	Postal code	City/Region	Surface area at 100%
Lyon/Silex 1	50%	15 rue Des Cuirassiers	69003	Lyon	10,648
Lyon/Silex2	50%	9 rue des Cuirassiers	69003	Lyon	29,466
Marseille/Euromed	50%	52, quai du lazaret	13002	Marseille	18,564
Metz/Le Divo (Covivio headquarters)	100%	18-20 avenue François Mitterrand	57000	Metz	5,286
Montpellier/Majoria	100%	Parc De La Pompignagne – rue De Pinville	34000	Montpellier	42,125
Montpellier/Trencavel	100%	196 rue Raymond Trencavel	34000	Montpellier	8,636
Montpellier/Bat services RIE	100%	Parc De La Pompignagne – rue De Pinville	34000	Montpellier	5,833
Nantes/Gloriette	100%	6 8 rue Gaston Veil	44000	Nantes	4,489
Nantes/Tanneurs	100%	10 Bis Av Des Tanneurs	44000	Nantes	13,181
Toulouse/Marquette	100%	22 Bd De La Marquette	31000	Toulouse	4,436
Toulouse/Riverside	100%	22 Bd De La Marquette	31000	Toulouse	11,539
Total Major Regional Cities					**212,653**
Development Assets					**385,222**
Bordeaux/Terres neuves	100%	rue Marc Sangnier	33130	Begles	10,000
Montpellier/Foncier Pompignane	100%	Parc De La Pompignagne – rue De Pinville	34000	Montpellier	90,122
Lyon/Silex3	100%	5-9 rue des Cuirassiers	69003	Lyon	-
Paris/Anjou	100%	11/15 rue D'anjou	75008	Paris	9,275
Paris/Jean Goujon	100%	19-21 rue Jean Goujon	75008	Paris	8,677
Paris/Madrid - Saint Lazare	100%	11 r Edimbourg	75008	Paris	5,837
Paris/N2 Batignolles	50%	ZAC Clichy Batignolles	75017	Paris	15,694
Vélizy/Extension	50%	10 rue marcel Dassault	78140	Vélizy-Villacoublay	27,548
Velizy/Land	50%	0	78140	Vélizy-Villacoublay	17,230
Levallois-Perret/Alis	100%	35 rue Baudin	92300	Levallois-Perret	20,826
Meudon/Vibe	100%	23-25 avenue Morane Saulnier/ 22-24 avenue Maréchal Juin	92360	Meudon-La-Forêt	37,224
Meudon/Canopée	100%	16-20 rue du Maréchal Juin	92360	Meudon-La-Forêt	35,500
Saint Ouen/So Pop	50%	65 Arago Street	93400	Saint Ouen	32,213
Total Committed					**310,146**
Paris/Monceau	100%	23 rue Médéric	75017	Paris	10,893
Paris/Keller-Beaugrenelle	100%	6 rue Robert Keller	75015	Paris	3,387
Paris/Bobillot	100%	95/97 rue Bobillot	75013	Paris	3,652
Paris/Grands boulevards	100%	15/17 rue Poissonnière	75009	Paris	7,346
Paris/Raspail	100%	12 Bis to 16 rue Campagne Première	75014	Paris	10,013
Rueil/Lesseps b3b4	100%	1 Cours de Ferdinand De Lesseps	92500	Rueil-Malmaison	10,720
Boulogne/Molitor	100%	25 Bis avenue André Morizet	92100	Boulogne-Billancourt	4,434
Meudon/Ducasse	100%	16-20 rue du Maréchal Juin	92360	Meudon-La-Forêt	5,100
Majoria O2	100%	1 rue de la Vieille Poste	34000	Montpellier	8,330
Villeneuve-D'ascq/Flers	100%	2 Ch De La Mare	59650	Villeneuve-d'Ascq	11,201
Total managed projects					**75,076**
Nice/Brancolar	100%	125 avenue Brancolar	6100	Nice	13,837
Aix en Provence/Cézanne	100%	12 14, avenue Paul Cezanne	13090	Aix-en-Provence	3,161
Marignane/Central	100%	lieu dit St Pierre	13700	Marignane	1,892
Valence/Hugo	100%	179 av Victor Hugo	26000	Valence	5,168
Toulouse/Troenes	100%	106/110 rue des troenes	31200	Toulouse	32,000
Montpellier/Rabelais	100%	38 ter avenue St Lazare	34000	Montpellier	3,856
Tours/Coty	100%	8 place du president Coty	37100	Tours	1,534
Lille/Cormontaigne	100%	34 place Cormontaigne	59000	Lille	3,573
Chalons sur Saone/Victor Hugo	100%	20 avenue Victor Hugo	71100	Chalon/saone	4,799
Le mans/Courboulay	100%	12 rue Julien Pesche	72000	Le mans	5,402

Surname	% Ownership	Address	Postal code	City/Region	Surface area at 100%
Poissy/Cu pylone	100%	47 avenue de Pontoise	78300	Poissy	1,067
Conflans-Sainte-Honorine/Cl4 Pylone	100%	126 rue Aristide Briand	78700	Conflans Ste Honorine	1,425
Limoges/Varlin	100%	27 rue Eugene Varlin cedex	87000	Limoges	4,140
Limoges/CPRI	100%	8 to 20 rue du clos jargot	87000	Limoges	1,301
Corbeil-Essonnes/Central	100%	14 boulevard Georges Michel	91100	Corbeil-Essonnes	1,193
Villebon-sur-Yvette/Central	100%	2 rue Victor Hugo	91140	Villebon-sur-yvette	1,192
Antony/Charles de Gaulle	100%	143 avenue Charles de Gaulle	92160	Antony	2,890
Saint-maur-des-Fossés/Gravelle	100%	36 boulevard Rabelais	94100	Saint Maur des fossés	3,970
Saint-Ouen l'Aumone/Gauguin	100%	8 rue Sainte-Agnes rue de la Poste	95310	Saint-Ouen-l'Aumone	786
Eaubonne/Class 3	100%	21 rue de Montmorency	95600	Eaubonne	4,326
Total residential development					**97,512**

1.8.2 Italy Offices

Synthesis

Area	Surface area at 100% (in m²)
Core assets under operation	**363,113**
CBD	109,842
Centre	5,418
Semi-centre	114,064
Periphery	133,789
Development projects	89,492
TOTAL MILAN	**452,605**
Assets outside Milan	*702,034*

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			**363,113**
VIA TONALE 11	51%	MILAN CBD	19,202
VIA PARINI 6	51%	MILAN CBD	7,082
CORSO MONFORTE 17	51%	MILAN CBD	3,415
PIAZZA S. FEDELE 2	100%	MILAN CBD	5,074
VIA AMEDEI 8	100%	MILAN CBD	6,550
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	2,342
MILANO VIA CORNAGGIA 6	100%	MILAN CBD	7,216
VIA DANTE 7 - RETAIL	100%	MILAN CBD	3,850
VIA DANTE 7 - OFFICE WELLIO	100%	MILAN CBD	4,542
PIAZZA DUCA D'AOSTA 8	100%	MILAN CBD	2,894
VIA DELL'UNIONE 1 - RETAIL	100%	MILAN CBD	2,899
PIAZZA SAN FEDELE 4	100%	MILAN CBD	3,426
VIA MERCATO 3	100%	MILAN CBD	436
LARGO PAOLO GRASSI 1	100%	MILAN CBD	2,213
Total CBD			**109,842**
CORSO MAGENTA 63	100%	MILAN CENTER	651
CORSO MAGENTA 59	100%	MILAN CENTER	4,767

Surname	% Ownership	Postal code	Surface area at 100% (in m²)
Total Centre			**5,418**
VIA MANTEGNA 11	51%	MILAN SEMICENTER	5,978
VIA CESARE BALBO 8	51%	MILAN SEMICENTER	6,014
VIA MESSINA 38 (TORRE B)	100%	MILAN SEMICENTER	4,839
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 1-3	100%	MILAN SEMICENTER	8,559
SYMBIOSIS - EDIFICIO SCHOOL	100%	MILAN SEMICENTER	7,938
THE SIGN - EDIFICIO A	100%	MILAN SEMICENTER	9,486
SYMBIOSIS - EDIFICIO AB E AUTO	100%	MILAN SEMICENTER	20,501
SYMBIOSIS - EDIFICIO D	100%	MILAN SEMICENTER	18,395
THE SIGN - EDIFICIO B	100%	MILAN SEMICENTER	12,325
THE SIGN - EDIFICIO C	100%	MILAN SEMICENTER	4,561
VIA ARESE 5/7	100%	MILAN SEMICENTER	559
Total Semi-Centre			**114,064**
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
PIAZZA MONTE TITANO 10	100%	MILAN PHERIPHERY	5,951
VIA ROMBON 11	100%	MILAN PHERIPHERY	7,064
VIA BISCEGLIE N. 120	100%	MILAN PHERIPHERY	30,233
VIALE DELL'INNOVAZIONE 3	100%	MILAN PHERIPHERY	19,826
Total Periphery			**133,789**
Development projects			**89,492**
CORSO ITALIA 19	100%	MILAN CBD	11,768
VIA DELL 'UNIONE 1 - OFFICE	100%	MILAN CBD	4,495
THE SIGN - EDIFICIO D	100%	MILAN SEMICENTER	13,185
SYMBIOSIS - EDIFICIO G + H	100%	MILAN SEMICENTER	37,553
Total Committed			**67,003**
SYMBIOSIS - EDIFICIO C + E	100%	MILAN SEMICENTER	22,490
Total managed projects			**22,490**

1.8.3 Germany Offices

Synthesis

Area	Surface area at 100% (in m²)
Core assets under operation	**363,960**
Berlin	37,780
Frankfurt	118,649
Düsseldorf	68,786
Hamburg	68,867
Munich	37,104
Potsdam	18,617
Oberhausen	12,945
Datteln	1,213
Development projects	**86,132**

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					**363,960**
Adamstr. 3	64%	Adamstr. 3	13595	Berlin	1,464
Pariser Str. 39/40	64%	Pariser Str. 39/40	10707	Berlin	1,037
Eberswalder Str. 6-9	64%	Eberswalder Str. 6-9	10437	Berlin	6,257
Fischerinsel	66%	Gertraudenstr. 18, 20	10178	Berlin	10,596
Elisabeth	68%	Knesebeckstr. 3	10623	Berlin	2,329
Kurfürstendamm 103-104	66%	Kurfürstendamm 103-104	10711	Berlin	2,700
Kurfürstendamm 96	66%	Kurfürstendamm 96	10709	Berlin	2,634
Lietzenburger Str. 90	62%	Lietzenburger Str. 90	10719	Berlin	753
Tino	100%	Tino-Schwierzina-Str. 32	13089	Berlin	10,010
Total Berlin					**37,780**
Lotte	62%	Lotte-Pulewka-Str. 22	14473	Potsdam	8,479
Lotte	62%	Edisonallee 10	14473	Potsdam	2,425
Zeppelinstr. 136	64%	Zeppelinstr. 136	14471	Potsdam	6,594
Zeppelinstr. 136	64%	Zeppelinstr. 136	14471	Potsdam	1,119
Total Potsdam					**18,617**
Essener Str. 66	62%	Essener Str. 66	46047	Oberhausen	12,945
Total Oberhausen					**12,945**
Westring 14	64%	Westring 14	45711	Datteln	1,213
Total Datteln					**1,213**
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
Herzogterrassen	94%	Herzogstraße 15	40217	Düsseldorf	55,717
Total Düsseldorf					68,786
Pentahof	94%	Suhrenkamp 71-77	22335	Hamburg	25,345
Zeughaus	94%	Christoph-Probst-Weg 1-4, 26-31	20251	Hamburg	43,522
Total Hamburg					**68,867**
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 Assets under development					**86,132**
Loft	66%	Alt-Moabit 105	10559	Berlin	7,550
Alexanderplatz D3	55%	Alexanderplatz	10117	Berlin	59,500
Total Projects Committed					**67,050**
Beagle	100%	Groß-Berliner Damm 81	12487	Berlin	4,932
Plano	100%	Wilhelm-Kabus-Straße 11-19	10829	Berlin	14,150
Total Managed projects					**19,082**

1.8.4 German Residential

Synthesis

Area	Number of units
Berlin	17,663
Dresden & Leipzig	4,373
Hamburg	2,340
North Rhine-Westphalia	16,516
• Essen	5,755
• Duisburg	3,146
• Mülheim	2,129
• Oberhausen	1,831
• Other cities	3,655
TOTAL	**57,408**

Number of units by postal code in Berlin

Postal code	Number of units	Postal code	Number of units
10115	61	10777	100
10117	27	10779	39
10119	31	10781	19
10178	133	10783	70
10179	9	10785	172
10243	97	10789	334
10245	216	10823	71
10247	200	10825	39
10249	92	10827	115
10317	267	10829	215
10365	34	10961	94
10405	271	10963	25
10409	58	10965	174
10435	11	10967	257
10437	427	10969	14
10439	102	10997	228
10551	195	10999	219
10553	129	12043	289
10555	38	12045	141
10557	320	12047	234
10559	138	12049	517
10585	77	12051	402
10587	49	12053	328
10589	83	12055	219
10623	7	12057	15
10625	86	12059	425
10627	21	12099	106
10629	44	12103	52
10707	46	12105	108
10709	244	12107	130
10711	47	12109	204
10713	122	12157	83
10715	32	12159	77
10717	23	12161	164
10719	51	12163	222

Postal code	Number of units
12165	25
12167	429
12169	97
12203	70
12205	9
12207	93
12209	13
12247	114
12249	535
12277	139
12307	8
12347	41
12351	367
12355	30
12435	6
12439	25
12459	464
12487	64
12489	40
12555	158
12557	8
12623	28
12683	205
13086	821
13088	37
13156	89
13158	11
13187	99
13189	38
13347	372
13349	48

Postal code	Number of units
13351	308
13353	465
13355	29
13357	521
13359	203
13403	280
13407	121
13409	208
13465	9
13467	8
13469	32
13507	43
13509	34
13581	44
13583	209
13585	385
13587	25
13591	49
13595	127
13597	72
13599	20
13629	90
14052	28
14059	109
14109	12
14129	26
14163	12
14165	9
14167	18
14193	17
14195	19

1.8.5 Hotels in Europe

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



Stream Building Paris
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2

Risks and control mechanisms

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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 2021 at Group level; it includes all subsidiaries and activities and takes into account changes in the business lines and the environment in which the Group operates, including the global health environment. 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 or strengthened 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.

This is carried out on the basis of interviews with each operational department and 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 VI.) 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

The realisation of the risk is likely to have an impact on the valuation of the company, its results as well as its image and/or the continuity of its activity.

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 six categories:

I. Risks linked to the environment in which Covivio operates

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

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

IV. Risks related to Covivio's growth

V. Financial risks

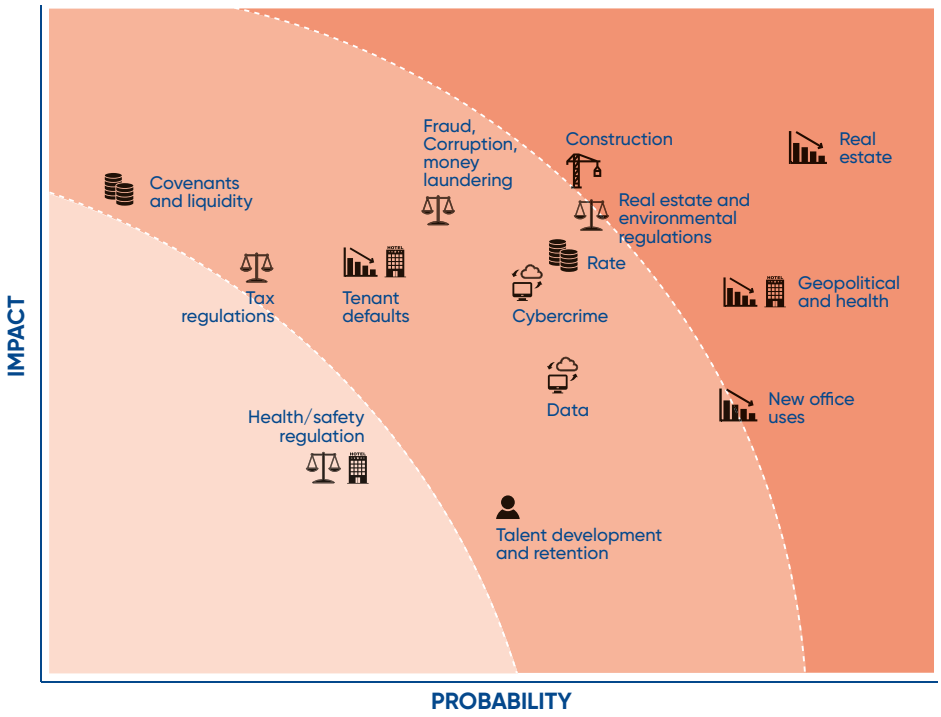
VI. HR risks

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

Risk category	Risks	Name of the risk (see graph)	RISK RATING – Impact qualification	RISK RATING – Probability qualification	RISK RATING – Overall risk qualification (impact and probability)	Trend vs Y-1
I. Risks linked to the environment in which Covivio operates	• Unfavourable development of the real estate market: decline or stagnation in values and rental income	Real estate market	■■■	■■■■	Very high	➡
	• Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest or pandemics, etc. (mainly Hotels)	Geopolitical and health	■■	■■■■	High	↘
	• Reduction in demand and risks of vacancy resulting from new practices in office sector (remote working)	New office uses	■■	■■■■	High	➡
	• Default or insolvency of tenants resulting from a deteriorated global economic environment (mainly unpaid hotel rents)	Tenant defaults	■■■	■■	Moderate	➡
II. Risks related to information systems, data security and cybercrime	• Failure of information systems, consequences of cyber attacks	Cybercrime	■■■	■■■	High	⬆
	• Theft and/or alteration of data, particularly personal data	Data	■■	■■■	Moderate	⬆
III. Risks related to the legal and regulatory framework in which Covivio operates	• Changes in real estate and environmental regulations	Real estate and environmental regulations	■■■	■■■	High	⬆
	• Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	Fraud, corruption, money laundering	■■■	■■	High	⬆
	• Unfavourable change in tax regulations	Tax regulations	■■■	■■	Moderate	➡
	• Compliance with health and safety regulations (mainly Hotels)	Health/ safety regulations	■■	■■	Weak	⬇
IV. Risks related to Covivio's growth	• Risks related to construction, property development operations: delivery delays, non-compliance with budget forecasts (construction costs, vacancy on blank operation) risks related to safety on construction sites	Construction	■■■	■■■	High	⬆
V. Financial risks	• Unfavourable change in borrowing rates	Rate	■■■	■■■	High	⬆
	• Liquidity risk and risk of non-compliance with banking covenants (LTV, ICR) related to decreases in value and/or fall in revenue	Covenants and liquidity	■■■■	■	Moderate	➡
VI. HR risks	• Organisational risks related to the non-retention of the most sought-after employees in the labour market	Talent retention and development	■	■■	Moderate	

The risk rating detailed below is presented in Covivio Group Share.
For more details, please refer to the Covivio Hotels URD: https://www.covivio-hotels.fr/

Details of specific risks related to the hotel business.	• Decline/halt in activity resulting from an unfavourable political and geopolitical environment, terrorism, social unrest, pandemics, etc.	See Geopolitical and health	■■	■■■■	High ⬇
	• Default or insolvency of our tenants resulting from a global economic context	See Tenant default	■■■	■■	Moderate ↘
	• Theft/alteration of personal data	See Data	■■	■■■	Moderate ↗
	• Compliance with health and safety regulations	See Health/safety regulations	■■	■■	Moderate ➡



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	Change/ N-1
Unfavourable development of the real estate market: decline or stagnation in values and rents	**Real estate market**	**Very High**	→

Description

- Covivio's total assets at the end of 2021 (€28.2 billion) mainly consisted of the appraisal value of the buildings, which amounted to €26.7 billion (€17.7 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 the company operates. Both rents and market prices (and consequently the capitalisation 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 2021, the Group Share value of the portfolio Group increased on a like-for-like basis by 3.8% compared to +1.3% in 2020.
- The sensitivity of asset values to yield rates (corresponding to the rent/appraisal value excluding duties) is presented in paragraph 4.2.5.1.5 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 95% at end 2021, 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 projects undertaken at the end of 2021 was 47%).
- 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, 91% of Covivio's assets benefited from certification at the end of 2021. On its existing portfolio, Covivio is also pursuing an ongoing asset management strategy to defend the value of its portfolio.
- The diversification of activities in terms of products and geography helps to reduce the impact of risk (see paragraph 1.4.3 of this Document).
- An Innovation Department and a Transformation Department have been created to integrate these topics into the heart of Covivio's real estate strategy, giving its buildings an advantageous competitive position (digitalisation, co-working spaces, full-service offerings, etc.).

Risk	See graph	Level	Change/ N-1
Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest or pandemics, etc. (mainly Hotels).	**Geopolitical and health**	**High**	↘

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 43.8%-owned subsidiary Covivio Hotels), which was particularly affected by the Covid-19 pandemic.
- 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
- At the height of the crisis, only 22% (in number of rooms) of Covivio's hotel portfolio was open.
- Valued at €2.6 billion at 31 December 2021, the hotel assets represent 15% of Covivio's portfolio and the share of the Group's assets that do not benefit from fixed rents stands at 8% *i.e.*, €1.4 billion.
- Similarly, any instability or deterioration in the economic environment in Europe could lead to a significant reduction in rental income from hotels.
- The company was faced with this situation at the end of 2018 as a result of the "Gilets jaunes" movement, during which security conditions as well as the economic situation had an unfavorable impact on hotel occupancy, leading to a decrease of 0.5 points in the occupancy rate, which had been increasing and was up +1.4 points since the beginning of the year. This phenomenon was exacerbated in Paris where the occupancy rate decreased by -3.6 points.
- 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. The collection rate for rent receipts (which mainly takes into account unpaid rent), which was close to 100% in 2019, 98% in 2020 and 96% in 2021, remains very high (for offices and residential).

Summary of potential impacts

- Decrease in variable revenues: variable rental income and hotel operating revenues.
- Financial fragility of tenants, which, in the most extreme cases can result in bankruptcy and the associated risks of unpaid rent and vacancies.

Control mechanism

- The risk reduction measures put in place by Covivio consist of:
  - develop a solid and long-term rental base by maintaining a high residual lease term (7.0 firm years at the end of 2021)
  - 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.)
  - maintain the diversification of its activities in terms of products and geographical locations: Covivio's hotel business, present in twelve countries, represents 15% of the Group's portfolio.
- In the hotel business, Covivio has chosen to forge partnerships with major hotel groups (AccorInvest, NH hotels, IHG, Marriott, B&B, Radisson, Barcelo, Hotusa, Motel One 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 hotel rental base; over the last four years, it has considerably expanded the number of its partners with IGH, NH Hotel Group, Meininger and Motel One.
- In the tourism segment, the 2021 was marked by a +27% increase in revenues compared to 2020 on a like-for-like scope (even though the change remains negative compared with 2019). The upturn in activity took place mainly in the second half of the year for assets located in France, Belgium, the United Kingdom and Germany; the recovery being driven by three main drivers:
  - markets with predominantly domestic and/or regional customers (*via* land transport), such as France, Germany and the United Kingdom
  - markets with a predominantly leisure customer base, including France, Germany, Italy and the United Kingdom
  - individual customers, who were able to take advantage of the lifting of government restrictions in H2 2021.
- 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	Change/ N-1
Reduction in demand and risks of vacancy resulting from new practices in office sector (remote working)	**New office uses**	**High**	→

Description

- As of 31 December 2021, office assets represented 57% of the Group's portfolio and 58% of rental income.
- The practice of teleworking has gradually been rolled out in companies to take into account the new expectations of employees in terms of flexibility, reduced travel time and work/life balance.
- The health crisis has accelerated this trend. Thus in France in 2020, according to a study by statistics research body DARES (Direction de l'Animation de la Recherche des Études Statistiques), produced in the last week of March 2020, a quarter of the French working population adopted teleworking with higher or lower proportions depending on the business sector.
- Whilst 2021 was marked by a gradual return to the office, companies have adopted remote working as a common mode of operation. Thus, today, it is estimated that one in three employees teleworks on a regular basis. Some companies have even decided to make the leap to "full remote" with teams that work from home.
- Given the high satisfaction rate of employees involved in teleworking, a generalisation of this phenomenon is envisaged in the coming years, even outside of any pandemic episode. This trend will likely be reinforced by the fact that companies see teleworking as an opportunity to significantly reduce their operating costs: thus, by making home work more widespread and by deploying new uses in their premises with workstation/employee ratios < 1, they can reduce the expenses represented by the cost of their premises.
- With a constant asset allocation strategy, a slight increase of office vacancy rate could occur over the next five years in France, Germany and Italy.

Control mechanism

- Covivio has opted for a demanding asset allocation strategy characterised by a long-term rental base and high property quality, favoring assets with excellent location.
- At the end of 2021, around 90% of Covivio's assets were located in large European cities with solid economic and demographic fundamentals, in prime buildings that will be the last to be affected by the risk of a drop in rental demand.
- 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 2021, 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	Change/ N-1
Default or insolvency of tenants resulting from a deteriorated global economic environment (mainly unpaid hotel rents)	**Tenant defaults**	**Moderate**	→

Description

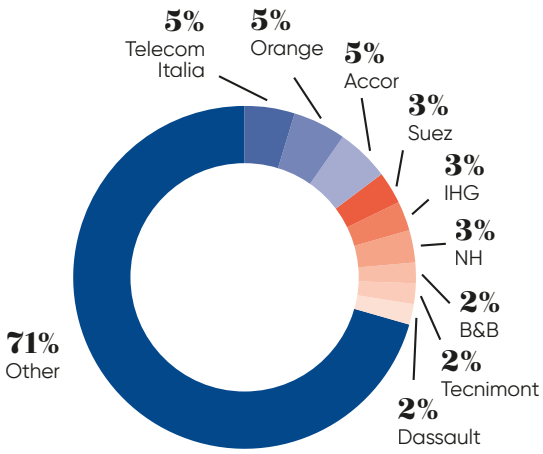
- Covivio and its subsidiaries are subject to the risk of a deterioration in the financial soundness of their tenants, which may go as far as their insolvency.
- As a reminder, in 2019, Covivio was faced with the default of one of its tenants (Sequana) who had vacated 5,900 m² in a building located in Boulogne. The financial loss was minimised to 6 months' rent because the security deposit could be retained. In 2020, faced with WeWork's financial difficulties, Covivio had to enter into an agreement resulting in the freeing up of 21,600 m² in Düsseldorf, *i.e.*, a shortfall of €7 million in rent (1% of rent).
- In the hotel scope, the risk of insolvency of Covivio Hotels tenants is mainly linked to the pandemic (see "Geopolitical and health" risk). It should be noted that for the Hotel segment Europe, €5.6 million of defaults, Group Share were provisioned at 31 December 2021, compared with €4.0 million in 2020 and €0 million in 2019.

Summary of potential impacts

- Increase in unpaid rents
- Increase in vacancy.

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 top three tenants accounted for 15% of revenues at the end of 2021, compared with 41% in 2014.
- The "Partnership Committees" allow the company to monitor changes in the business activities of its partners more closely.
- Rental guarantees, rental deposits and recourse to an external service provider carrying out tenant financial strength studies allow Covivio to monitor the risk of insolvency of it tenants. 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 information systems, data security and cybercrime

Risk	See graph	Level	Change/ N-1
Failure of information systems, consequences of cyber attacks	**Cybercrime**	**High**	↑

Description

- 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 three 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.

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 paragraph 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. This project should be finalised in 2022.

Risk	See graph	Level	Change/ N-1
Theft and/or alteration of data, particularly personal data	**Data**	**Moderate**	↑

Description

- 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

- Financial penalties related to non-compliance with regulations on the protection of personal data (data security).
- Image risk: loss of confidence of tenant/user stakeholders.

Control mechanism

- 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.
- Controlling this risk also involves securing information systems and combating malicious acts of the "cyber" type (see "Cybercrime" risk).
- More generally, information systems security measures are detailed in paragraph 2.2.2.1.2 of this document.

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

Risk	See graph	Level	Change/ N-1
Changes in real estate and environmental regulations	Real estate and environmental regulations	High	↑

Description

- Legal and regulatory changes in commercial or residential leases, particularly in terms of duration, indexation or 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%.
- Likewise, given the climate challenges, environmental regulations are very likely to be tightened in the more or less long term.
- If these changes were not sufficiently anticipated, Covivio would be exposed to the risk of obsolescence of its portfolio, which would result in a drop in valuations and a lack of competitiveness on the sales and rental markets.
- 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 paragraph 3.2.4 et seq. of this Document.

Summary of potential impacts

- Unfavourable change in rents and expenses.
- Asset obsolescence: decline in values and rents.
- Increased construction and renovation costs.

Control mechanism

- 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.
- A mapping specifically dedicated to CSR risks is regularly updated. This is detailed in paragraph 3.3 of this Document.

Risk	See graph	Level	Change/ N-1
Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	**Fraud, corruption, money laundering**	**High**	↑

Description

- 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.
- 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 paragraph 2.2.
- Measures to prevent specific risks of fraud, corruption and money laundering are detailed in paragraph 3.6.2 of this document. This system is coordinated at the European level by the Group Compliance Officer.

Risk	See graph	Level	Change/ N-1
Unfavourable change in tax regulations	**Tax regulations**	**Moderate**	→

Description

- 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 or any failure to comply with the resulting obligations could have an adverse impact on the Group's financial results.

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.

Summary of potential impacts

- Tax penalties.
- Tax increase.

Risk	See graph	Level	Change/ N-1
Compliance with health and safety regulations (mainly hotels)	**Health/safety regulations**	**Weak**	↓

Description

- 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 below), 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.

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.

Summary of potential impacts

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

IV. Risks related to Covivio's growth

Risk	See graph	Level	Change/ 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

- Covivio's share of development activities has increased considerably in recent years. The total tertiary development pipeline at the end of 2021 was €1.8 billion compared with €1.2 billion at the end of 2020. 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 increased by almost 7% over one year between Q3 2020 and Q3 2021)
  - 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
  - consideration of environmental protection standards in an increasingly stringent regulatory context.

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.
- The Russian-Ukrainian conflict is also likely to have an adverse impact on costs, cause shortages of materials and increase delivery times for buildings under development.
- Similarly, in the longer term, mismanagement of the resources required for construction (particularly natural resources) could lead to a more structural shortage and, consequently, a significant and continuous increase in 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 Strategic 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 office pipeline committed at the end of 2021, 47% were pre-let (compared to 43% at the end of 2020).
- The Group has implemented a procedure which 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.
- 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.
- At the end of 2021, while Covivio observed delays in the delivery of certain materials to its construction sites, to date these had not resulted in any additional costs or delays compared to budget forecasts.
- In addition, commitments in terms of prices and delivery deadlines are made with construction companies, including late-payment penalties.

V. Financial risks

Risk	See graph	Level	Change/ N-1
Unfavourable change in borrowing rates	**Rate**	**High**	↑

Description

- With an annual inflation rate in the euro zone of 5.0% in December 2021, economists are anticipating an increase by the ECB in key rates in the course of 2022 and also the Fed in the United States, which has already announced three successive increases.
- The Group's recourse to debt, *i.e.*, €8.7 billion at the end of 2021 (compared with €9 billion at the end of 2020), exposes it to the risk of an increase in interest rates that could lead to a significant increase in financial expenses.
- Likewise, higher financing costs would reduce Covivio's ability to finance its development.
- An increase of 25 bps in the 3-month Euribor would have an impact of 1.4% on the Group's EPRA Earnings.

Control mechanism

- The average rate on Covivio's debt decreased to 1.20% at the end of 2021 (compared with 1.29% at the end of 2020).
- The average maturity of the debt is 5.4 years.
- 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 2021, Covivio's debt is hedged at 78% with an average duration of coverage of 6.8 years.
- Sensitivity to increases in the interest rate is described in paragraph 4.2.2.3 of this document.

Summary of potential impacts

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

Risk	See graph	Level	Change/ 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**	**Moderate**	→

Description

Liquidity

- Covivio's long-term and short-term borrowings at the end of 2021 amounted to €8.7billion) of which €0.3 billion due in 2022 and €4.9 billion by the end of 2026.
- Available cash at 31 December 2021 amounted to €2.1 billion.
- 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.

Covenants

- The risks related to changes in values and rents are detailed in the section dedicated to risk "Unfavourable development of the real estate market: decline or stagnation in values and rents" (see above).
- 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 conditions of the borrowers concerned, as was observed during the financial crisis of 2008.

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 remained under control at 39.1% at the end of 2021 (compared with 40.9% à fin 2020).
- 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.

- 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 development of the real estate market: decline in values and rents"
  - "default or insolvency of tenants"
  - "unfavourable change in rates".
- At the end of 2021, Covivio's most restrictive LTV (Loan to Value) covenant stands at 60% for an effective ratio of 42.2% (bank LTV) at the end of 2021. As a result, the company could suffer a decrease in value of its assets of 30% before reaching its LTV covenant.
- At the end of 2021, Covivio's ICR (Interest Coverage Ratio) amounted to 672% for a covenant of 200%.
- For more information, please refer to in paragraph 4.2.2 of this Document.

Summary of potential impacts

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

VI HR Risks

Risk	See graph	Level	Change/ N-1
Organisational risks related to the non-retention of the most sought-after employees in the labour market	**Talent retention and development**	**Moderate**	

Description

- Marked by the pandemic, 2020 was characterised by a shutdown of activity and by a general decline in hiring at the European level. However, the deployment of strong public subsidies, in particular short-time working arrangements, helped mitigate the effects of the crisis on the labour market.
- Thus, according to DARES, the French department for employment statistics, with the lifting of health constraints, the labour market seems to be returning to its pre-crisis situation in most European countries: labour shortages reported by companies in business trend surveys have increased significantly and the unemployment rate stood at 7.5% in August 2021 in the euro zone, *i.e.*, its level at the end of 2019.
- Reflecting this phenomenon, the turnover rate of Covivio employees in the UES on permanent contracts (8.8%) increased significantly in 2021 compared to the previous two years (7% in 2020 and 6.2% in 2019).
- 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.

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.

Control mechanism

- 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 paragraph 3.5.1.4 of this document.
- These include:
  - 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, positioning as a "co-optor" by 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 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) 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).

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 *Autorité des Marchés Financiers*. 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. 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, 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:

- support employees in incident management, notably regarding incidents that have never been reported
- characterising these incidents by assessing their financial impact
- produce analysis and summary reports
- propose 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.

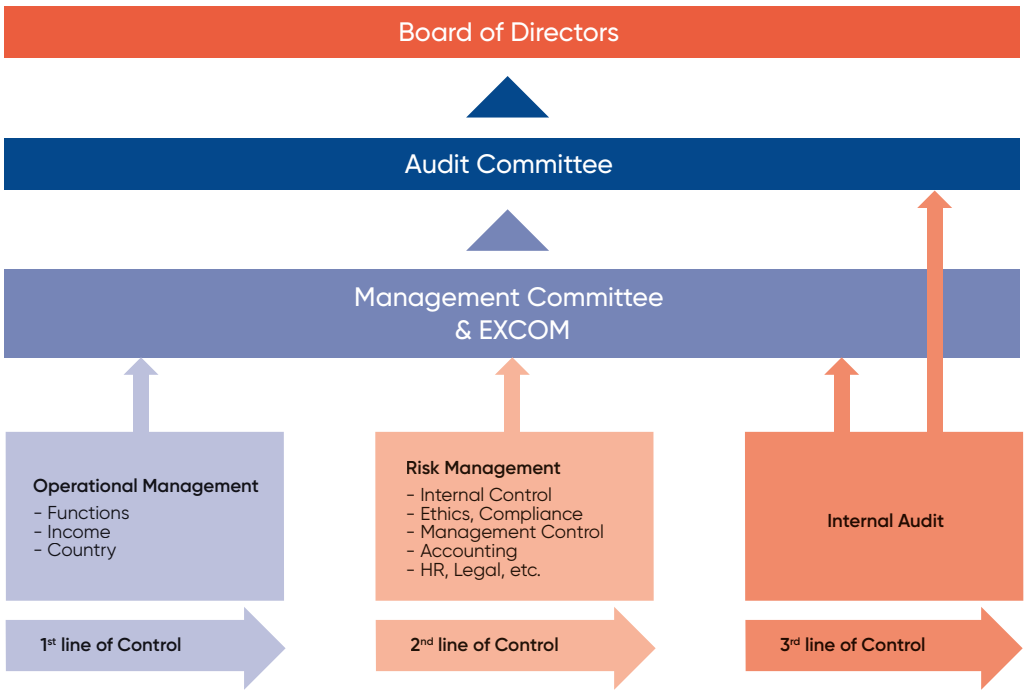
The functional departments are controlled on a monthly basis with regard to cost management and budget compliance.

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 accounts, 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 Finance Director. Responsibility for the production of the corporate and consolidated 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 accounts.

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 2021, 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, Affiliated FM, XL/Axa and Aig.

2.2.4.2 Description of levels of cover

2.2.4.2.1 Insuring the real estate portfolio

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.

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.

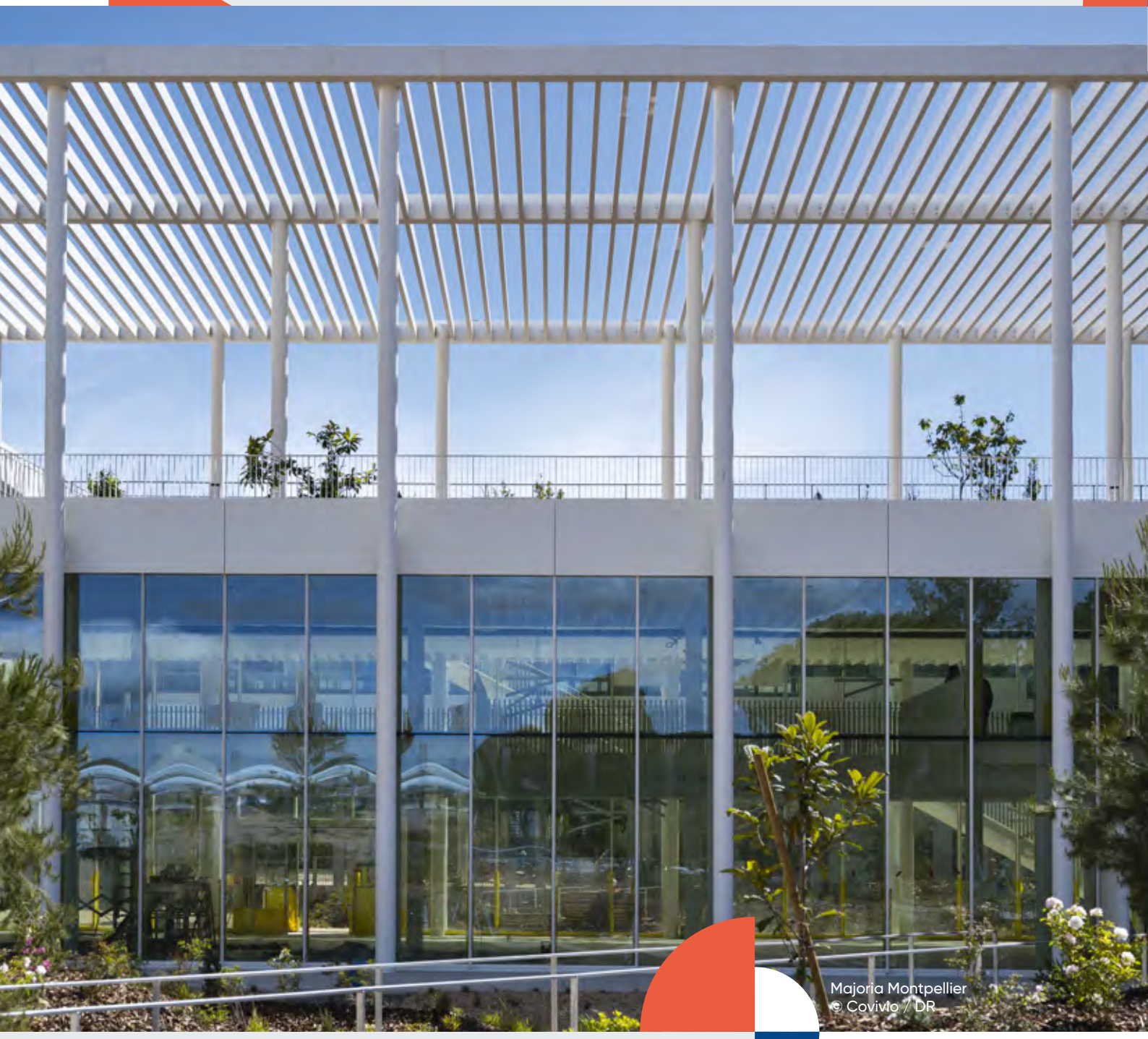
In addition, in the event of events likely to affect Covivio's image and reputation, insurance coverage for certain incidents has been taken out, enabling it to finance the intervention of a communications firm specialising in crisis management. This financial solution is part of the plan established 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 2022

As a follow-up to the actions rolled out in 2021, the Risk, Compliance, Audit and Internal Control Department will ensure the full and in-depth implementation of the year's audit plan in 2022. 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 2022.



Majoria Montpellier
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3

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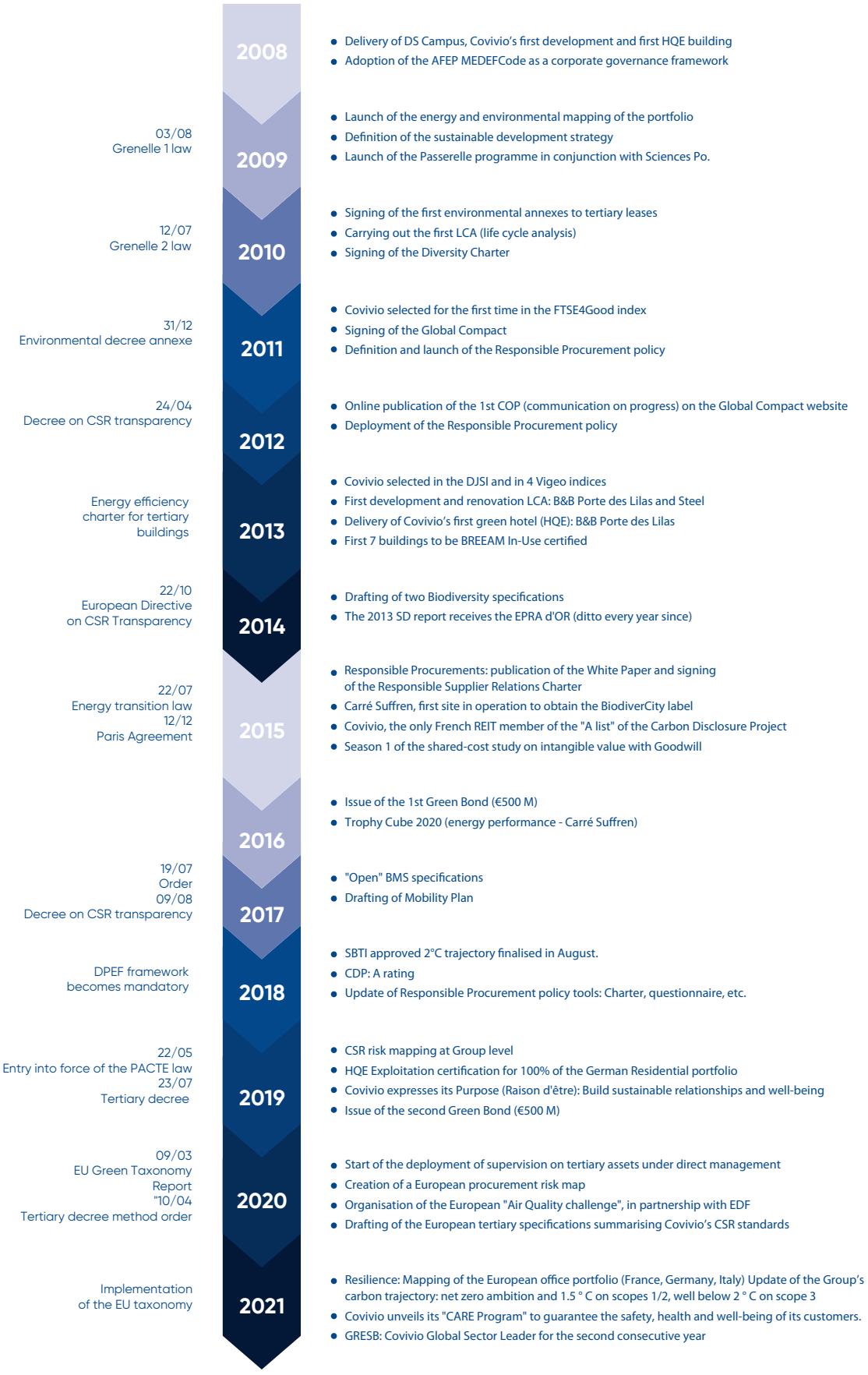
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Sustainable Development at Covivio in a few key dates



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 Statement of Non-Financial Performance (SNFP) of the Covivio group for 2021 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 and takes into account the initial recommendations published as part of the European Green Taxonomy Regulation. This SNFP was prepared with support from the Group's functional and operational departments. It is shared by the Executive Committee, then by the CSR Committee created in 2021 at the initiative of the Board of Directors, and finally within the latter. It is particularly attentive to the social and environmental issues related to the company's activity and Covivio's Purpose, giving rise to at least one annual meeting during which these topics are discussed.

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 2.7.1. Unless otherwise specified, the data presented in the SNFP is provided on a current basis.

Every year, Covivio presents an accurate 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: for a "Net Zero Carbon" contribution from 2030!

Construction is at the heart of many transitions: energy, ecological, social, digital and of course climate related. For many years, Covivio has embraced these challenges and has made the construction and management of low-carbon buildings a priority area of its strategy.

In 2021, we decided to update the Group's carbon trajectory, which was initially published and approved by the SBTi[1] in 2018. The work we carried out in the first half of 2021 enabled us to raise our ambitions across our entire portfolio. Our objective is to reduce greenhouse gas emissions by 40% (*vs* 34% previously) between 2010 and 2030 (Scopes 1, 2 and 3) in terms of carbon intensity per square metre across all our activities (office, residential, hotels) and the life cycle of buildings (construction, renovation, operation). For our tertiary portfolio under direct management, we are aiming to align it with a 1.5 ° C trajectory and achieve a "net zero emissions" contribution by 2030. This work was verified by an independent third party.

Our first climate report, published in the 2nd quarter of 2022, will provide a comprehensive overview of our carbon policy, as well as our actions in this area. This new report 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. In this context, our climate report also reports on the governance of these subjects, in particular with the creation of a CSR Committee within our Board of Directors. Decided in 2021, the creation of this Committee marks the desire to structure the Board's involvement in CSR issues, in particular so that the Group's CSR policy and its results continue to be awarded high assessments and scores by non-financial rating agencies. In 2021, Covivio obtained the status of World "Sector Leader" from GRESB[2], and also in the context of the requested ratings obtained from S&P and VE (now Moody's ESG Solutions, formerly Vigeo-Eiris). For its first ESG rating by S&P, Covivio obtained a rating of 83/100, and 73/100 for its third Sustainability Rating by VE, placing the group as a Sector Leader and in the top 10 worldwide, all sectors combined, with these two organisations.

New ESG performance criteria are emerging with the entry into force of the European "green" taxonomy. This report presents the first elements. With regard to reducing the environmental footprint and adapting to climate change, for nearly 15 years our results have been in line with our objectives. 91% of our portfolio is already certified and the resilience analyses conducted, in particular with MSCI, demonstrate the quality of our assets and their locations, guaranteeing their long-term value. The Group also continues to make new commitments, in particular by joining ACT4Nature last November, a voluntary commitment initiative in favour of biodiversity for international companies. This approach reflects the importance Covivio places on biodiversity issues.

This year, we also continued the Group's digital transformation. After several experiments in BIM (Building information modelling), we drafted BIM-BOS specifications in 2021 and are launching a first POC[3] in 2022 on the implementation of a BOS on the Silex² tower in Lyon.

Finally, 2021 was a pivotal year for our Corporate Foundation created in 2020. The call for projects initiated this year collected 109 applications. Following an analysis carried out with the Foundation's Directors, four new projects led by associations working to improve equal opportunities will be supported over a period of three years.

At the time of writing, the international pandemic is not over. Through the various actions coordinated as part of the management of buildings and with the Group's employees, we have made sure to support everyone in this particular period marked by profound changes, and in particular the development of teleworking, and the generalisation of the consideration of climate change by the financial sector.

The transformation of Covivio will continue in the months and years to come, always with a long-term vision, in order to continue to integrate the transformations necessary to achieve the ambitious objectives that we have set for ourselves in terms of sustainable development and in particular in the fight against climate change.

Christophe Kullmann

Chief Executive Officer (CEO)

(1) SBTi: Science Based Targets initiative resulting from a partnership with UNGC, WWF, CDP, WRI - https://sciencebasedtargets.org/
(2) Category "Diversified portfolio Offices/Residential - listed companies".
(3) POC: proof of concept.

With a portfolio that exceeds €26.7 billion (€17.1 billion Group Share) Covivio is the fifth largest real estate company in Europe and the leading diversified real estate company. Its success is the result of its unique decision to expand in several countries at the same time and develop several products while retaining the agility that has enabled it to seize development opportunities since it was set up 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.**

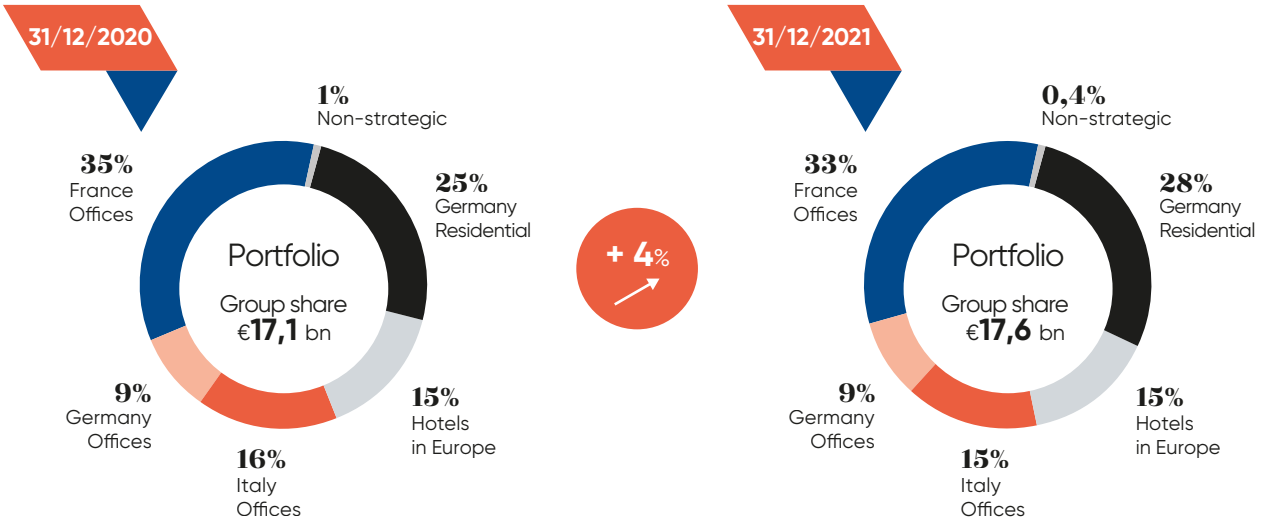
Covivio's unique profile is particularly relevant at a time when flexibility is a priority in terms of real estate, with offers such as: flexible Offices; teleworking and nomadic work; coworking, co-living and new "home-style" hotel concepts. By placing people, health and safety, the service dimension 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 opted for green 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.

The Covivio's Purpose, "Building well-being and lasting ties", expressed at the end of 2019, is part of this long-term vision. Covivio's long-term 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



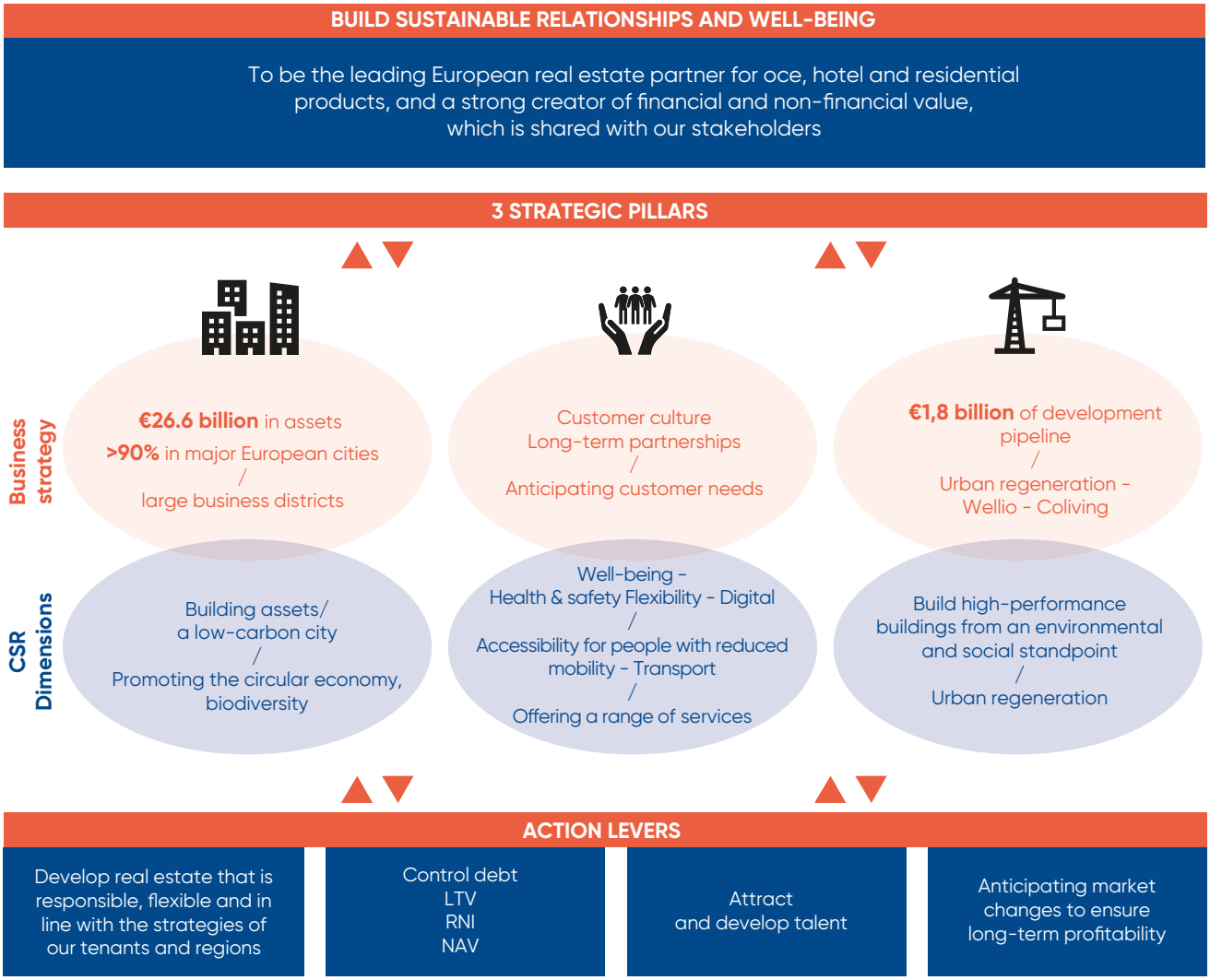
3.2.1.1 Covivio: 3 activities, 12 European countries

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

- the 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 aimed at the conversion of commercial buildings into housing
- Hotels in Europe, *via* Covivio Hotels, which supports leading players in this sector.

This product diversity is accompanied by diversification of the offer: in Offices, 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, such as revolutions in lifestyles and technologies, environmental, climate and health emergencies and the demographic explosion. Cities and buildings must become more resilient, capable of offering relevant responses to these situations. Which solutions should be chosen first to limit the acceleration of climate change and mitigate its effects on city life? How to support residents, especially the most vulnerable, and offer them solutions? 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, 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 The UN's 17 Sustainable Development Goals for 2030

So that public and private actors can provide tangible solutions to the aforementioned human and environmental challenges, in September 2015 in New York, the 193 member states of the United Nations adopted a sustainable development programme entitled "Transforming our world: the 2030 Agenda for Sustainable Development". Effective since 1 January 2016, this programme is composed of 17 Sustainable Development Goals (SDGs), broken down into 169 targets. Their aim is to fight extreme poverty, inequality, exclusion, or address climate change and the erosion of biodiversity. The opportunities opened up by the SDGs represent important challenges in terms of employment ($12 trillion of opportunities every year by 2030 according to *Better Business, Better World*[1] and an increase in investments of $5 to $7 trillion, according to UNEP-FI).

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[2]. 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) http://www.globalcompact-france.org/actualites/objectifs-de-developpement-durable-comment-aller-plus-loin-dans-leur-integration-par-les-entreprises-103.
(2) https://www.unglobalcompact.org/participation/report/cop/create-and-submit/advanced/445826

Appropriation of the nine major SDGs by Covivio

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) + concrete actions against Covid.

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. (3.5.2.5)

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. (3.5.2.5)

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. (3.3.2)

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. (3.4.2.1)

13 - Measures relating to the fight against 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)

3.2.1.4 Inventing new uses for real estate

Changes in uses, urbanisation and demographic growth, climate change, digital and technological transformation are examples of challenges which represent opportunities for innovation. Covivio's innovation strategy is at the heart of these challenges.

Innovation at Covivio focuses on uses that provide tangible benefits. In this respect, the innovation strategy addresses several issues: simplifying the daily experience of our customers and testing new solutions in terms of new materials, eco-design of buildings, energy management, the circular economy or new technologies.

The Internet of Things, a source of real estate Optimisation

Putting technical progress at the service of transition requires the deployment of new technological solutions. These include the Internet of Things (IoT). Considered to be the third stage in the evolution of the Internet, the Internet of Things and big data, when combined to collect and analyse information on a huge scale, make it possible to improve the comfort of occupants and reduce the carbon footprint of buildings or improve knowledge of the actual occupancy of spaces.

Three examples of "Internet of Things & Data" solutions deployed in Covivio's portfolio

- Better control of energy consumption: *Via* the monitoring system deployed with Delta Dore on commercial buildings managed by Covivio teams in France, and being developed in Italy and Germany, energy consumption is reported in real time on the Powerbat digital platform. This innovation makes it possible to improve the management of facilities and therefore to control rental expenses.
- Acting on indoor air quality and customer comfort: in France and Italy, Covivio is experimenting with new solutions for measuring indoor air quality, thanks to the companies Octopus Lab and Enerbrain. By installing sensors that measure, in real time, levels of CO_2 and fine particles in the ambient air, predictive algorithms make it possible to analyse and predict the quality of indoor air in spaces and therefore to act on ventilation systems to improve occupant comfort while reducing energy consumption. In France, this ongoing experiment in two buildings in the Paris region is the result of the "Air Quality Challenge" initiated by Covivio and EDF in 2020.

- Improving knowledge of the real occupancy of buildings: space management solutions that use the Internet of Things are emerging as essential to the transformation of offices. As such, this technology allows a better understanding of their uses and a rapid implementation of real estate projects expected by tenants. By installing people counters and flow sensors in the spaces, it is possible to collect and analyse a large amount of information that will feed into discussions of both the use of buildings and their technical management. This technology was installed in the SoPop building (32,000 m^2 in St-Ouen). It makes it possible to adjust the number of square metres after the signing of a lease using space occupancy data collected by the sensors and then analysed in detail *via* a specific dashboard.

BIM, BOS, artificial intelligence... new tools for the production and management of more efficient buildings.

BIM, creating a digital twin for each recent building

For several years now, Covivio has been using digital technology in the design and management of its portfolio, using "BIM" (Building Information Modelling) technology. These BIM models, also called "digital twins", can model all the technical data of a building in order to optimise its design, construction and technical management.

BOS, to add value to buildings

The BOS (Building Operating System) embodies the building data management tool for digitalising services. It ensures interoperability between solutions by providing a common repository, while bringing together all the data produced by a building, regardless of the applications installed. This tool is relevant at a time when buildings benefit from numerous digital applications focused on technical equipment and services designed for the services and comfort of occupants. The BOS thus brings additional value to the building by providing a history of its data and a way to exploit its value.

In 2021, Covivio adopted BIM-BOS specifications, drawn up with the assistance of its German, French and Italian teams. In 2022, Covivio decided to test this new technology in a new building that is emblematic of its portfolio.

Artificial Intelligence, so that the accumulation of technical and usage data brings additional value to buildings

Although artificial intelligence is still relatively underdeveloped in the real estate sector, its deployment, thanks to the rapid and massive accumulation of data, should make it possible to learn and optimise many functionalities related to the technical management or use of buildings.

During 2021, in partnership with the start-up Octopus Lab, Covivio tested the potential of this deployment of algorithms and artificial intelligence in the service of indoor air quality. Thanks to the sensors installed in two buildings, the data collected enabled the algorithms developed by Octopus Lab to anticipate ventilation intensities by taking into account multiple criteria such as the actual presence of occupants in the premises, the quality of air outside, and specific requirements related to the Covid pandemic. This varied data is fed into the artificial intelligence system, making it capable of recommending specific actions related to indoor air quality.

Covivio, a player in innovation ecosystems in order to strengthen its innovation potential

Sekoya, carbon and climate innovation platform

To accelerate its transition to low-carbon real estate, Covivio is a partner of Sekoya, the leading French platform dedicated to low-carbon issues. 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 which the most innovative companies have developed to manage carbon emissions. Initiated by Eiffage and Impulse Partners, which leads it, Sekoya aims to deploy low-carbon solutions to combat climate change.

The hub for low-carbon specifiers

Co-managed by the IFPEB and Carbone 4, this initiative aims to highlight best practices and structure them operationally, so that they can then be scaled up. The objective is therefore to build the tools and media, and finally to organise dialogue and communication to accelerate the advent of low-carbon real estate.

Two tools are already available to participants in the platform:

- an analysis database from the E+C- observatory: how are high-performance buildings constructed today?
- a tool for analysing materials: which materials should be chosen to lower the carbon footprint while limiting the extra cost?

Use start-ups to offer new products and services

Covivio collaborates with a vast ecosystem of innovative companies to offer new solutions both in terms of services to our customers and the management of our buildings. In France, Germany and Italy, Covivio teams have formed around forty specific partnerships with start-ups that have developed know-how in multiple areas:

- charging stations for electric vehicles: Wirelane, Charge IT
- automation of building access: Kiwi, Better Bell
- renovation of buildings using recycled paint: Circouleurs
- improvement of indoor air quality: Octopus Lab, Enerbrain
- digital building design: Resolving Building 360
- new catering offerings: Le bon bocal, Foodicheri, Foorban, etc.

This strategy of strengthening the Group's innovation potential thanks to these new players is also illustrated through thematic partnerships:

- in Germany *via* the Proptech One investment fund
- in France, with Impulse Partners for the sourcing of new players or support for innovation events
- in Italy with the Politecnico di Milano Foundation.

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 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.

The crisis caused by the Covid-19 epidemic was another opportunity to see the resilience of Covivio's business model: the diversification of its products and markets, combined with proximity to its stakeholders and in particular its tenants, made it possible to negotiate, under the best conditions, both the lockdown and the economic tensions affecting in particular the hotel sector, tensions which were unavoidable given the restrictions to people's movements.

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

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

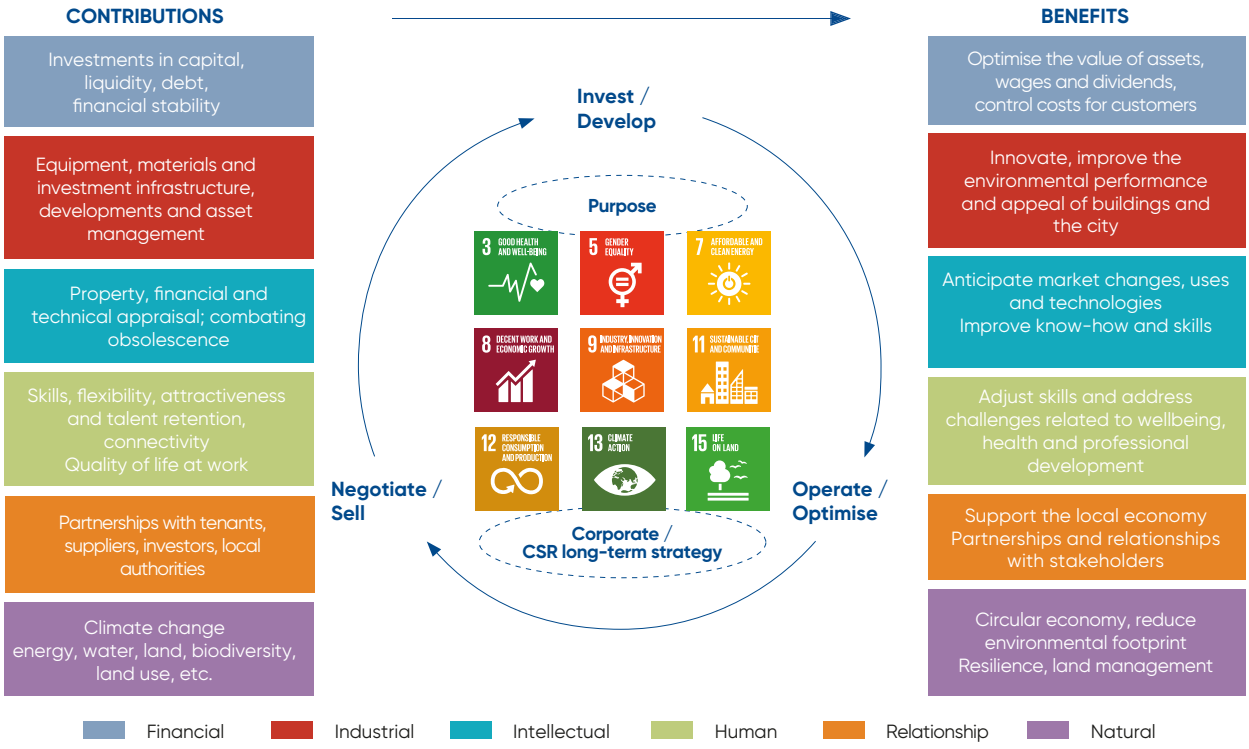
From its main platforms, historically established in France, Germany and Italy, Covivio works in markets where the Group has a significant size and is continuing to develop. Covivio completed the integration of the portfolio of 10 prime office assets in major German cities acquired in 2020, for a total value of €1.2 billion.

2021 was rich in disposals, in line with Covivio's strategy to refocus its activity on core assets in major European cities. The Group also sold mature assets with high environmental performance, sometimes following major renovation work carried out by Covivio in the past.

3.2.2.2 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 (3.2.1.3).

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.

(1) International Integrated Reporting Council (IIRC).

3.2.2.3 Creating lasting value

With an average occupancy rate of 95% at Group level, Covivio is deploying an investment strategy. The firm residual term of the leases, on average seven years at the end of 2021, gives Covivio good visibility on its future cash flows. Securing of Covivio's revenue over the long term also involves a pipeline of committed projects of €1.8 billion (Group Share), which will support European development over the coming years.

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. In a low interest rate environment, the returns offered by the real estate sector continue to attract substantial capital flows.

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.

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 **green 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 including Covivio[1]. 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).

3.2.3 A performance built jointly with stakeholders

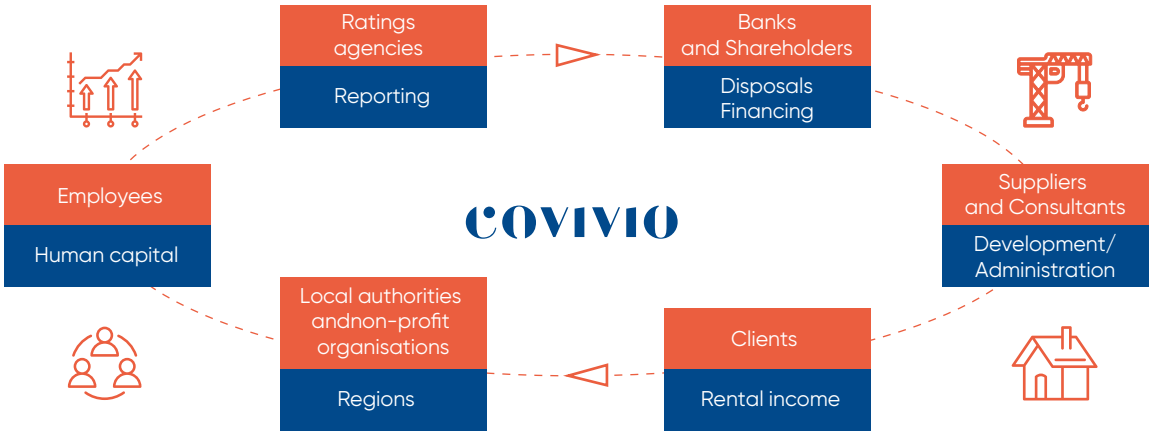
To reach high levels of financial and non-financial performance, Covivio is attentive to its stakeholders and works in close collaboration with them to develop the most appropriate real estate solutions together. Since 2012, Covivio has carried out a materiality analysis, which has been regularly updated since then. This approach relies on a good understanding of its stakeholders and the challenges that each of them face.

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 (3.3.1.2).

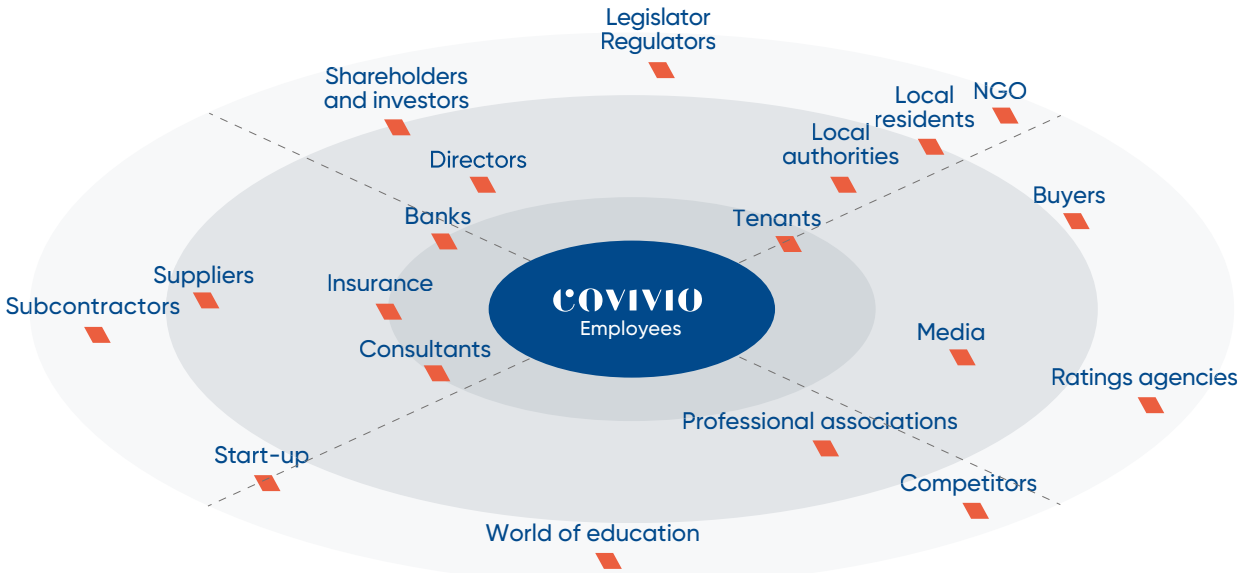
(1) In 2021: BNP Paribas RE, Bouygues Construction, Bouygues Immobilier, Covivio, Dalkia, EDF, Ivanohé Cambridge Korus, Orange, Poste-Immo, Sercib.
(2) https://www.ifpeb.fr/wp-content/uploads/2021/02/Rapport-teletravailV3_planche.pdf

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 and updated in 2015 and 2018.

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, and Yammer.

As part of the expression of its purpose, Covivio has decided to create a Stakeholders Committee.

Its objectives: 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 the reflection on the Covivio product; Monitor major disruptions and long-term trends; Review the perspectives 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 2021 (on 11/05 and 23/09), in particular to explore the evolution of cities, the transformation of buildings and neighbourhoods, urban mobility, the reversibility of real estate uses, the obsolescence of buildings, etc. The report of this Committee's work will be presented to Covivio's Board of Directors on 20 October 2022.

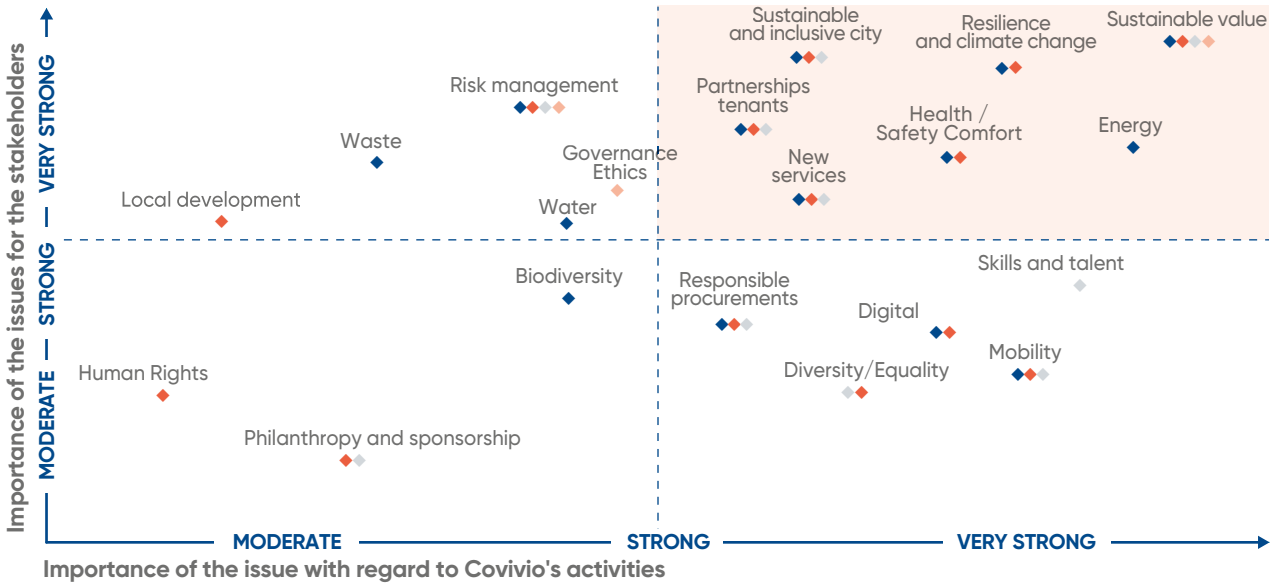
Tailored communication methods

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



E Environment / Sustainable buildings (see Chapter 3.3)

S Societal (see Chapter 3.4)
Social (see Chapter 3.5)

G Governance (see Chapter 3.6)

This matrix is gradually changing with the rise of new transformations and challenges: digital technology, new services, resilience, inclusive and sustainable cities, etc. Health and safety issues for employees, whether in offices hosting Covivio teams or in its buildings in operation or under construction, already occupied a high place in the matrix. The health crisis linked to the Coronavirus has highlighted the merits of this analysis. More generally, 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 mapping exercise carried out 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 Organisation. In addition, the Group operates in countries with highly protective laws in this area; this issue is therefore limited when performing its activities, but Covivio remains attentive to these subjects. In addition, Covivio implements an active policy in terms of philanthropy and skills-based sponsorship (3.4.1.3.3), *via* its Corporate Foundation.

The priorities in the matrix are cross-referenced with the GRI Standards in an annexe in Chapter 3.7.5.

3.2.4 Identifying risks and seizing opportunities

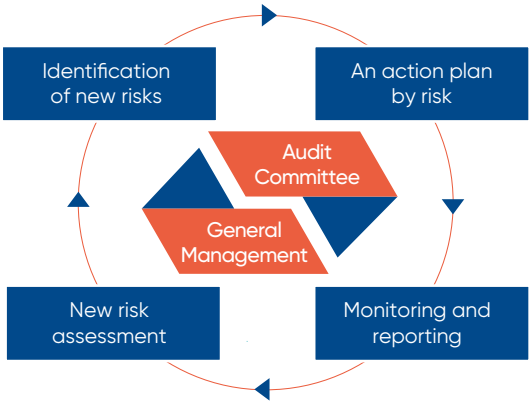
Chapter 2 of this 2021 Universal Registration Document describes the risk factors which may have a significant effect on the financial and non-financial position of Covivio or on its results. The Governance Section (3.6) details the measures taken to identify and manage these corporate risks (all the risks that the Group must face structurally). The methodology and results of this work are presented in the Risk Factors and Internal Control section of the management report.

Some of the CSR risks identified are the obsolescence of buildings or environmental, health or cyber-security issues that could, in exceptional circumstances, hinder the continuity of the company. The corresponding action plans are periodically followed up on by General Management and the Audit Committee. 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.

In accordance with the new French regulation on the transparency of non-financial information (2017) resulting from the transposition of the European Directive (2014), specific mapping of CSR risks was conducted internally at Covivio in 2018.

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 prioritising 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 map was verified by the Executive Committee and communicated to the Board of Directors at its Meeting of 21 November 2018. 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.

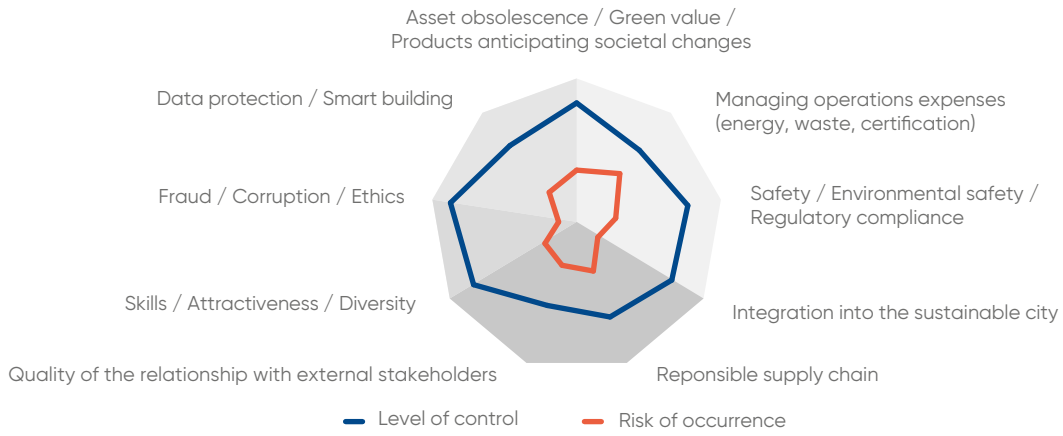
3.2.4.2 List and description of the main CSR risks and opportunities

The risk mapping study revealed nine major CSR risks:

- asset obsolescence/green value/products anticipating societal changes (3.3.1.)
- managing operating expenses (energy, waste, certifications) (3.3.2.)
- security/environmental safety/regulatory compliance (3.3.3.)
- integration into the sustainable city (3.4.1.)
- responsible supply chain (3.4.2.)
- quality of relations with external stakeholders (customers, suppliers, etc.) (3.4.3.)
- skills/attractiveness/diversity (3.5.2.)
- fraud/corruption/ethics (3.6.2.)
- data protection/smart building (3.6.3.).

Issues such as resilience, climate risks or 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 TCFDs is presented in the introduction to Chapter 2.3 and gives rise to the publication of Covivio's climate report, available on its website.

3

3.2.5 Putting CSR at the heart of the business model

By communicating its mission 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 its 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

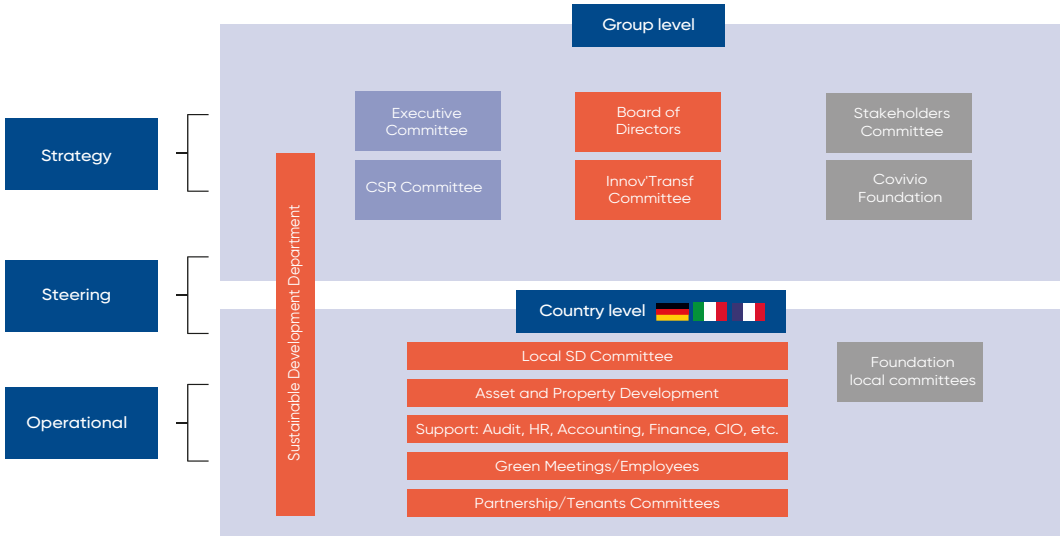
The Sustainable Development Department proposes and coordinates initiatives across the Group's various business activities, with the support of General Management. It is closely monitored by the Board of Directors. This dedicated, interdisciplinary team engages with all of the Group's business lines, providing technical expertise to their various departments, and playing an instrumental role in terms of innovation, raising awareness and reporting. 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 Christian Delaire, the Committee will take into account the expectations of stakeholders and the alignment of the strategy with Covivio's Purpose (3.6.1).

The operational deployment of the CSR policy is based on several mechanisms. The Sustainable Development Committee, which brings together, on a monthly basis, Christophe Kullmann (Chief Executive Officer), Yves Marque (Chief Operating Officer) and Jean-Éric Fournier (Sustainable Development Director), produces a progress report on the CSR action plan, notes the measures to be taken in order to implement the sustainable development strategy and give these decisions the necessary profile within the **Executive Committee** and **Board of Directors.** The **Innovation-Transformation Committee** aims to share innovation topics and validate certain operational choices and tools, particularly those relating to sustainable development, digital technology and services; it brings together Olivier Estève (Deputy CEO), the heads of departments (Development, Asset Management, DSI, Wellio, Innovation, Sustainable Development) as well as Laurie Goudallier, Chief Transformation Officer.

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.

In addition to this organization, a **Stakeholders Committee**, chaired by Bertrand de Feydeau, as well as the Covivio **Corporate Foundation**, whose Board of Directors has eight members: Jean Laurent (Chairman), Alix d'Ocagne (Vice-Chairman - independent Director), Yves Marque (Chief Operating Officer), Géraldine Lemoine (Chief Communication Officer), Tugdual Millet (CEO Hôtels Europe), Giovanna Ruda (Chief corporate officer Italy), Daniel Frey (CEO Germany) and three external members: Marion Chapulut (President and Founder of CitizensCorp - consultant for the development of charities), Guillaume Rossignol (Deputy Director of JRS France - support for refugees) and Anne Lhuillier (independent patronage and philanthropy advisor). 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 have been chosen based on international standards: the GRI Standards, EPRA's Best Practices Recommendations on Sustainability Reporting (SBPRs) as well as annual questionnaires such as the Carbon Disclosure Project (CDP) and the Global Real Estate Sustainability Benchmark (GRESB). The reporting scope for each business activity is detailed in Chapter 3.7.

Covivio's CSR reporting undergoes two verifications by an external, independent third party (EY). The first confirms that Covivio's reporting is in line with the regulations (decree of 9 August 2017), the recommendations of the EPRA (sBPR), and the GRI and SASB Standards frameworks. The second verification concerns the two Green Bonds, issued in 2016 and 2019, as well as the "green" private placement of 2021: allocation of funds, compliance with asset selection criteria, monitoring of environmental performance (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 success of the Green Bonds issued by Covivio (3.3.4) provides another example of the show-casing of this policy and its results.

Covivio is part of the DJSI World and Europe indices, Euronext Environment CDP, Ethibel Sustainability Index, FTSE4Good, Ethifinance Gaïa (first out of 230), MSCI (AAA rating), STOXX Europe Sustainability and Global ESG Impact, Vigeo-Eiris 20 France, 120 Europe, 120 Eurozone, 120 World, and has an A- rating from the CDP. In 2021, Covivio confirmed its status as Global Sector Leader in the GRESB, in the "Diversified Office/Residential portfolio" category, improving its rating by 5 points. Lastly, in 2021, Sustainanalytics awarded an ESG risk rating of 8.3 (inverse scale of 0 to 100), considering Covivio's risk of significant financial impacts related to ESG factors to be negligible.

In addition, Covivio regularly receives trophies and awards in the various CSR compartments: "Best Non-Financial Performance Statement, environmental component" at the 2018 Business and Environment Grand Prix; AGEFI Grand Prix for corporate governance; Special jury award at the 2018 Shareholders' Meeting Grand Prix and 2020 Compliance Grand Prix. Lastly, Covivio once again received a new EPRA Gold Award in 2021 for its non-financial reporting.

Notations solicited: Covivio Sector Leader from VE (Moody's, formerly Vigeo-Eiris) and S&P Global Ratings

At the end of its sustainability rating that was sought from Vigeo-Eiris, Covivio obtained the maximum rating of A1+. Vigeo-Eiris (acquired by Moody's) assesses and analyses the risks and sustainability performance of companies based on more than 330 indicators. Covivio is therefore Sector Leader for the second year in a row, with the highest rating obtained by a company in the "Financial Services - Real Estate Europe" sector and the 5th in Europe and worldwide, all sectors combined.

In order to qualify its performance on ESG issues, Covivio called on two major players in the financial rating of companies that have also developed their non-financial analysis activity: Moody's (following the acquisition of Vigeo-Eiris) and S&P. Covivio is ranked as Global Sector Leader by these two organisations, which place it in their top 10 worldwide.

Change in non-financial ratings 2020-2021

		2020		2021
V.E	V.E part of Moody's ESG Solutions First ESG rating requested in 2019	**A1+** Sector rank: 1/86 World: 5/4,823	▶	**A1+** Sector rank: 1/90 World: 10/4,931
S&P Global Ratings	S&P Global Ratings First rating requested in 2021			**83/100** Sector Leader
CDP	CDP Participant since 2012	**A-**	▶	**A-**
ISS ESG	ISS-ESG Prime rating since 2015	**B-**	▶	**B-**
GRESB	GRESB Green Star since 2013	**85/100** (Global Sector Leader)	◥	**90/100** (Global Sector Leader)
SAM ESG Data, Ratings & Benchmarking	CSA S&P (Ex DJSI) World index since 2013, Europe index since 2016	**73/100**	◥	**74/100**
Gaïa	Gaïa RATING Included in the index since 2013	**89/100** Rank: 2/230	◥	**90/100** First award CA > €500 m
ecovadis	Ecovadis Gold since the first participation in 2018	**81/100**	▶	**81/100** Top 1%
MSCI	MSCI	**AA**	◥	**AAA**
SUSTAINALYTICS	Sustainanalytics ESG Risk Rating *scale reversed from 0 to 100,* *where 0 qualifies as zero risk)*	**8,5**	◥	**8,3** Sector rank: 11/1,043 World: 59/14,647

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, by activity, the main multi-year objectives and gives updates on the level of achievement of each of them. The various objectives are reported internally and are monitored at all levels of Governance of the Group.

RISK FAMILY	RISK	COMMITMENT	OBJECTIVES		
SUSTAINABLE BUILDINGS	**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 green assets at:	100% (R)	
			Develop and restore green 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**	-20%	
			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 $kgCO_2e/m^2$SHON/year (Operating carbon trajectory)	-70%	
			Objective: 13.4 $KgCO_2e/m^2$GLA/year (Operating carbon trajectory)	-68%	
			Objective: 29 $KgCO_2e/m^2$Nütz/year (representative panel reporting)	-15%	
			Objective: 14.6 $kgCO_2e/m^2$/year (Operating carbon trajectory)	-70%	

Challenge ◆ Objective in progress ◆◆ Objective met or exceeded ◆◆◆

SCOPE	DELIVERY DATE	2021 COMPLETIONS	PROGRESS	REFERENCE
Core European assets	2025	• Total portfolio: 90.7% green buildings at the end of 2020 (compared to 88.1% in 2020)	◆◆	3.3.1.4.1
		• France Offices: 99.3% green buildings at the end of 2021 (vs. 99% at the end of 2020)	◆◆	
		• Italy Offices: 93.6% green buildings at the end of 2021 (compared to 88.7% in 2020)	◆◆	
		• Germany Offices: 34.2% green buildings at the end of 2021	◆	
		• German Residential: 100% of buildings certified HQE Exploitation by the end of 2019 (target 100% achieved)	◆◆◆	
		• Hotels: 80.4% green buildings at the end of 2020 (compared to 72.5% in 2020)	◆◆	
Commercial portfolio	2025	• 100% of the buildings delivered or renovated in 2020 benefited from HQE or BREEAM or LEED certification: i.e. 6 certified assets	◆◆◆	3.3.1.4.2
German Residential	2025	• Completion of a first pilot operation for development of 106 housing units in Berlin (HQE certification)	◆◆	3.3.1.4.1
Offices	2020/2030	• Covivio is testing the WELL, Osmoz and Fitwel labels on several projects, involving 260,000 m² at the end of 2021, and 43% of the development pipeline. Its «well-being» labelling policy will be determined based on this experiment.	◆◆	3.3.1.3
Group	2019/2030	• 280.4 kWhpe/m² in 2021 (i.e. -14% compared to 2019)		3.3.2.2
France Offices	2010/2030	• 299 kWhpe/m² in 2021 -44.7% compared to 2010	◆◆	
Italy Offices (Operational control)	2015/2030	• 136 kWhpe/m² in 2021 -30.6% compared to 2015	◆◆	
German Residential	2017/2025	• 197 kWhpe/m² in 2021 -9.6% compared to 2017	◆◆	
Hotels in Europe	2010/2030	• 286 kWhpe/m² in 2021 -53.6% 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	• 11.1 $kgCO_2e/m^2$ in 2021 -55.6% compared to 2010	◆◆	
Italy Offices (Operational control)	2015-2030	• 9.3 $kgCO_2e/m^2$ in 2021 -77% compared to 2015 First year of reporting on non-operational scope (private and single-tenant areas): 23.4 kgCO2e/m²/year in total	◆◆	
German Residential*	2017/2025	• 29.6 $kgCO_2e/m^2$ in 2021 -13.5% compared to 2017	◆◆	
Hotels in Europe	2010/2030	• 20.5 $kgCO_2e/m^2$ in 2021 -58.2% compared to 2010	◆◆	

* Representative panel

Ⓡ 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	2020/2030 -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		
			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 with our stakeholders a coherent and collaborative urban space (R)		
			Promote human rights and equal opportunities (R)		

◆ Challenge ◆◆ Objective in progress ◆◆◆ Objective met or exceeded

	SCOPE	DELIVERY DATE	2021 COMPLETIONS	PROGRESS	REFERENCE
	France Offices	2025	• 0.22 m³/m² in 2021 -47% compared to 2008	◆◆◆	3.3.2.4
	Italy Offices (Operational control)	2025	• 0.89 m³/m² in 2021 -1% compared to 2015 (increase in consumption this year)	◆◆◆	
	German Residential*	2025	• 1.24 m³/m² in 2021 -5% compared to 2016	◆◆◆	
	Hotels in Europe	2025	• 1.09 m³/m² in 2021 -52.6% compared to 2008	◆◆◆	
	Group	2030	• 65% of buildings under direct management benefit from waste reporting 6kg/m²/year in 2021 (vs. 7.2kg in 2020)	◆◆	3.3.2.5
	Group	Permanent	• 97% of assets are fitted with selective waste collection systems	◆◆	
	Group	Permanent	• 100% of sites are monitored and checked. • Carrying out various 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 2021/2022 for testing of the Octopus Lab solution on three buildings located in the Paris region. Care Program 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. 83% (in Group share value) of offices accessible at the end of 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 2021	◆◆◆	
	Group	2025	• Responsible purchasing policy launched on the French scope in 2010 and fully updated in 2018 Completion of a European procurement risk map at the end of 2020.	◆◆	3.4.2
	France Offices	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.	◆◆◆	3.4.1.1
	Group	Permanent	• Launch of a new programme to measure the satisfaction of office tenants at the European level, the first results will arrive in 2022.	◆◆	3.4.3.1
	Group	Permanent	• Development of new service concepts: Continued development of Wellio: deliveries of Welllio Gobelins in Paris and Wellio Dante 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 (R)	
		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 (R)	
		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 (R)	
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 (R)	
			Carry out pilot tests relating to the introduction of systems for the remote monitoring of consumption *(smart metering)*	

Challenge ◆◆ Objective in progress ◆◆◆ Objective met or exceeded

	SCOPE	DELIVERY DATE	2021 COMPLETIONS	PROGRESS	REFERENCE
	Group	Permanent	• First European mapping exercise of the Group's business impacts on biodiversity. More than 75% of the sites studied at more than 1 kilometre from areas of ecological interest. In 2021: testing of the CES calculation on the Majoria site. • 260,000 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	• 96.8% 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, 93.7% of assets have at least one means of transport by rail (metro or RER) within a radius of 1 km and 85.8% within a radius of 500 m and are located on average 171 metres from public transport.	◆◆◆	3.4.1.5.1
	Group	Permanent	• 1,028 employees (50% women and 50% men) of which 92.5% on permanent contracts. Sharing know-how and knowledge at Group level and multiplication of cross-functional projects between the three European entities.	◆◆◆	3.5.2.1
			• Ex-aequo programme: raising employee awareness about gender equality; mentoring programme benefiting 36 French, Italian and German employees.	◆◆◆	3.5.2.5
			• Improve the quality of life at work and achieve work-life balance • 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.	◆◆◆	3.5.3.1
			• Measure the well-being of teams every two years Employee satisfaction survey conducted in 2019 at Group level.	◆◆	3.5.2.4
	Group	Permanent	• Be exemplary in the application of our CSR values Cut CO_2 emissions generated by our employees First corporate carbon footprint study conducted at Group level in 2017. 2.74 tCO_2e/employee before the health crisis. Not updated in 2020 and 2021 due to the international health situation and its impact on travel and office life.	◆◆	3.5.3.3.1
	Group	Permanent	• Make every employee a player in sustainable development • Numerous actions organised using video-conferencing in 2020: organisation of green meetings, sustainable development week.	◆◆	3.5.2.3.3
	Group	Permanent	• Involve employees in the Group's in-volvement in different actions: Palladio, Article.1, Passerelle, etc. From 2021, employees will be able to dedicate, each year, one solidarity day to take part in a societal project identified by the Founda-tion in order to expand the Group's commitments	◆◆	3.4.1.3.3
	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
			• 40% female members on the Board of Directors since 2017.	◆◆◆	3.6.1.2.1
	Covivio	Permanent	• 60% 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, Orée, 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.	◆◆	3.6.3.1

Ⓡ Objective linked to Covivio's purpose (see Appendices)

3.3 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 ecological and digital transformations 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 attractiveness and liquidity of buildings, CSR risk mapping carried out in 2018 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 2021)

"ASSET OBSOLESCENCE/GREEN VALUE/ PRODUCTS ANTICIPATING SOCIETAL CHANGES" RISK

99,3%
OF CORE OFFICES IN FRANCE ARE GREEN

93,6%
OF CORE OFFICES IN ITALY ARE GREEN

100%
OF GERMAN RESIDENTIAL ASSETS ARE CERTIFIED FOR OPERATIONS

80,4%
OF HOTELS IN EUROPE ARE GREEN

"MANAGING OPERATING EXPENSES" RISK

280,4 kWhep/m²
INTENSITY AVERAGE ENERGY

19 kgeqCO_2/m²
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 €2.3 billion at the end of 2021 (€1.8 billion Group Share), 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 these 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

Governance

The governance and organisation of Covivio is organised so as 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 an independent Director, Patricia Savin, a lawyer specialising in environmental law and sustainable development, particularly in the areas of pollution, real estate, renewable energies, protected species, water, and the French ICPE facilities regime (3.6.1.2). 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. In addition, one meeting of the Board's strategic seminar was entirely devoted to climate issues and the update of the Group's carbon trajectory (3.3).
- the **Executive Committee** is in charge of the deployment of the Group's strategy, to implement the Group's climate objectives. 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 10% 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 also reports to the Executive Committee.

Strategy

Climate-related risks

	Risks	Description of risks	Potential financial impact	Covivio's strategy	Indicators monitored
P13hysical 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
Risks of transition	**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 green 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 green 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 green buildings

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).

Assessing the potential impact of climate change risks

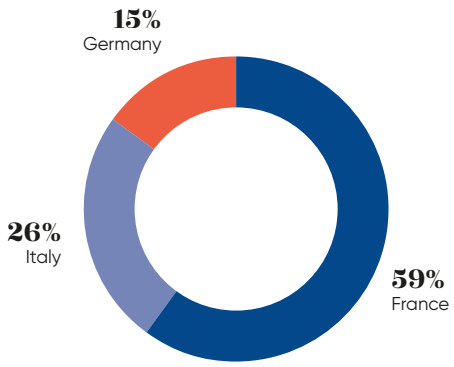
In December 2020, Covivio commissioned MSCI to conduct an MSCI Real Estate Climate-Value-at-Risk® study on its Offices portfolio in Europe. This tool was designed to calculate the financial impact of physical and transition climate risks using a series of recognised scientific models. The Climate Value-at-Risk® represents the discounted costs up to 2100. It is expressed as a percentage of the value of the asset or portfolio.

For this assessment of the impact of climate change on the value of the assets, Covivio decided to submit its portfolio of Core Offices in Germany, France and Italy, *i.e.* 179 assets. MSCI used data specific to Covivio's assets (location, surface area, building type, energy consumption and CO_2 emissions).

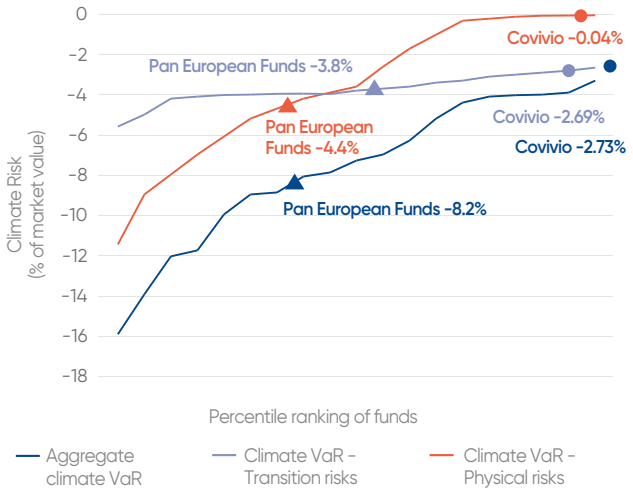
For each asset, the model analyses the main physical risks (coastal and river flooding, extreme cold, extreme heat, cyclones and forest fires) and the cost of transition risks. The study confirms that very few Covivio assets are exposed to significant physical risks, so that the challenge at the portfolio level is more at the level of transition risks. By 2100, physical risks account for 0.04% of the value of the assets analysed and the main risks identified are extreme heat and river flooding. Almost all of the financial risk is therefore based on transition risks (which are inherent to the need to reduce greenhouse gas emissions and taking into account expected changes in terms of demographics, energy mix and carbon costs) amounting to 2.69% of the value, due to the efforts required to align with a 1.5° C trajectory and 2.2% to align to a 2° C trajectory. At present, the portfolio's current emissions correspond to potential warming of 2.5° C by 2100. Alignment with a 1.5° trajectory represents an annual effort to reduce emissions by 4.7% per year over the next 15 years (3.1% for a 2° C trajectory).

The Climate Value at Risk® to 2100 is therefore -2.73%, based on the values of the 179 assets analysed (representing more than €7 billion in Group Share of assets, *i.e.* €9.8 billion in total). A study is underway to extend the analysis to all of the Group's activities.

Allocation by country of Covivio offices (June 2021)



Breakdown of the MSCI climate risk value of Covivio Offices and pan-European real estate funds



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): 280kWhpe/m^2 at 31 December 2021, *i.e.* -13.6% compared to 2019 - Objective -20% by 2030 (*vs* 2019)
- greenhouse gas emissions generated by the activity (3.3.2.2): 56kgCO_2/m^2 at 31 December 2021, *i.e.* -26% compared to 2010 - Objective -40% by 2030 (*vs* 2010)
- certification of the European portfolio (3.3.1.3): 90.7% of green buildings as of 31 December 2021 - 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.

The labels and certifications obtained by Covivio represent medium-term opportunities by making Covivio's assets more competitive and attractive in a market facing climate change and strong changes in demand. They anticipate the subject of taxonomy (the definition of "green" assets, eligible for sustainable finance mechanisms) by providing transparency and comparability on criteria shared at the international level by the profession and by the SRI (Socially Responsible Investment) sector.

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.

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 to the Group's specificities. They are based on Covivio's current portfolio in Europe and projections of this portfolio by 2030. This year's update made it possible to integrate the Group's new orientations, in particular following the acquisition of offices in Germany in 2020.

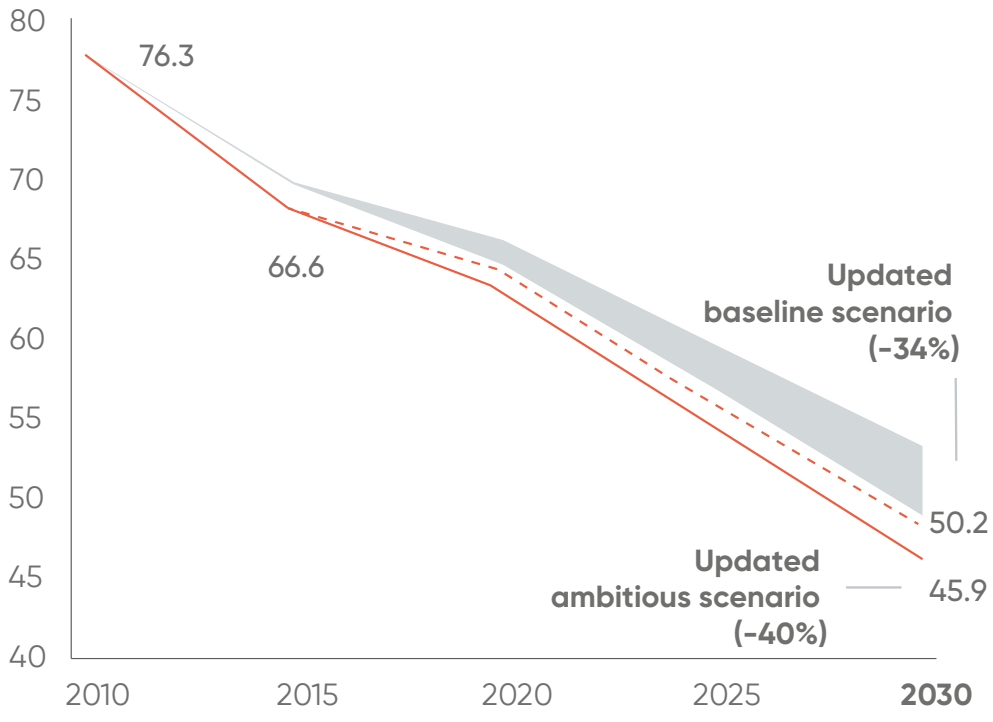
By being involved in initiatives such as the HQE-GBC Alliance, the BBCA association, SEKOYA and the Low-Carbon Specifiers Hub (see 3.2.1.4), Covivio has strong expertise on the subject, enabling it to consolidate its 10 years vision. The internal carbon tools, developed in 2018/2019, will help to inform and guide decisions from the design to the operation of buildings. The first, called "ACV Express", covers construction and renovation; it 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 second concerns the operation phase of the buildings (maintenance or restoration work having an impact on the company's carbon footprint) in order to measure the improvement in carbon performance on the operating portfolio.

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).

2030 trajectory of average carbon weight per m² (construction + restructuring + operation)

(Summary of Covivio's various activities in Europe, in carbon intensity $kgCO_2/m^2/year$)



Breakdown of the Group's carbon footprint in 2021 and levers for implementing the carbon strategy



* 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 3.5.3.

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.

3.3.1 Asset obsolescence/Green value/Products anticipating societal changes

Combating the obsolescence of Covivio's portfolio involves a high level of ambition concerning 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. 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 creating value; 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, their needs and those of the market (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: N2 Batignolles 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.

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 in 2020, "Flexibility First!"[(1)] by Covivio to 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. This approach specific to Covivio is illustrated by various examples, such as the Gobelins building, in the 5th district of Paris, an asset of 4,500 m² restructured after the departure of Orange, and fully operated by Wellio. Its sole occupant benefits from a service contract of 58 months and spaces designed during dedicated workshops where teams and management were able to express the company culture and the specific needs essential to their activity (spaces, design, services, etc.). This operation received the SIMI 2021 Grand Prix, "Renovated building or particularly innovative redevelopment" category.

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.

The Stream Building, combining Covivio's know-how

Winner of the "Réinventer Paris" award, this future 16,000 m² building on the Clichy-Batignolles ZAC (Paris 17th) is designed by PCA-Stream, its architect, as a mixed-use complex both in terms of working methods and services offered to occupants and local residents. This highly modular building will be able to adapt quickly and easily to the future needs of its occupants. A surface area of 9,500 m², including 4,500 m² of offices, a hotel with 109 rooms and a 5,600 m² event space, not to mention the 1,200 m² vegetable garden and 500 m² of photovoltaic panels on the roof. One half of the building has a wooden frame and concrete floor, whilst the other has solid wood panels, and the project has exemplary environmental qualities: it has the HQE Exceptional and BREEAM Excellent certifications, and the BBCA and E+C- rating.

(1) https://www.covivio.eu/fr/wp-content/uploads/sites/2/2020/11/Kit-presse-sondage.pdf

3.3.1.2 Improving client satisfaction

Proximity and personalised customer relations are at the heart of Covivio's culture. To continually meet customer 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. Each of the rented office buildings is designed specifically for the well-being of its occupants.

The surveys were carried out to measure the level of satisfaction on the following topics: services in buildings; customer relations; the responsiveness and relevance of the solutions provided or the adaptations implemented in the context of the health crisis since 2020.

These surveys highlighted very positive feedback from customers (3.4.3.1).

Silex² given award at "Trophées du Cadre de vie" (Living Environment Awards)

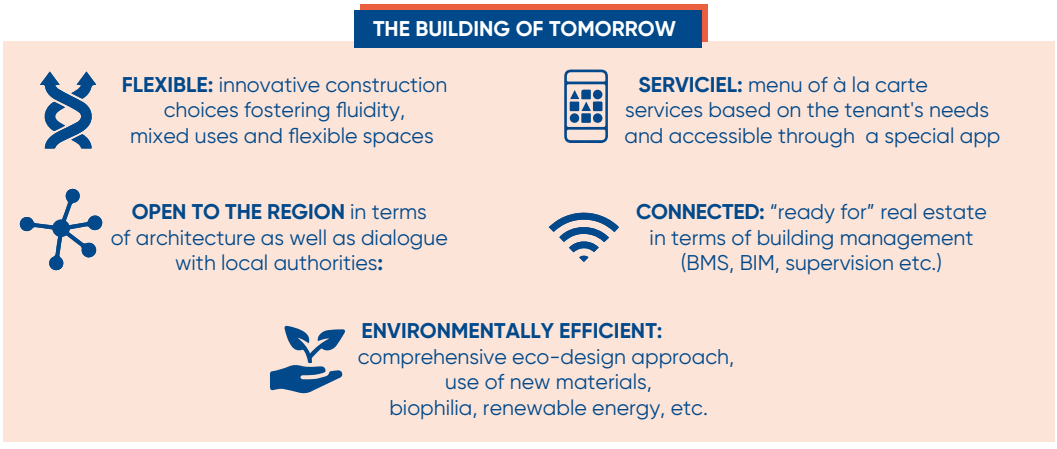
The Silex² building resulting from the renovation/extension of the tower formerly occupied by EDF in Lyon Part-Dieu was recognised at the 2021 Living Environment Awards of the FimbACTE national festival. Every year, the FimbACTE national festival organises these awards bringing together committed, pioneering and creative players who meet the expectations of users and/or real estate professionals. During this 2021 edition, the Silex² programme, led by Covivio, was awarded in the "Project, Renovation section" category.

Delivered in mid-2021, this exemplary building operated by Covivio and ACM Vie (Assurances du Crédit Mutuel) also received the SIMI 2021 "Tour de Bureau" Grand Prix, on the basis of the following criteria: Adaptation of the property to the needs of users: specifications, deadlines, budget, building performance/Environmental approach: energy consumption, certifications/Potential reconversion capacity and resilience of the building/Architectural quality/Technological innovation(s)/Integration of the building with its environment.

3.3.1.3 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 3.3.1.4), 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:



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 in a construction project through a strong partnership-focused relationship and detailed procedures. For all certified projects: 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 least): waste, acoustics, consumption of resources, communication with local residents, materials, communication, 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.

Commitment to the well-being of clients

People in the northern hemisphere spend over 80% 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 of green space. By aiming for better construction standards, Covivio seeks to optimise the comfort and well-being of building users. In accordance with the objectives set out in Covivio's Purpose, since 2020, all new office development projects have aimed for a well-being-related label.

List of projects which are certified or undergoing certification:

- WELL: 6 projects in Montrouge - Flow (23,500 m²) and Milan: Unione (4,500 m²), Corso Italia (11,800 m²), Symbiosis G + H (37,550 m²), The Sign D (13,200 m²) as well as Symbiosis D (18,400 m²), which also benefits from the WELL Health & Safety rating
- Osmoz: Paris Jean Goujon (8,500 m²), Paris Madrid (5,800 m²) and St-Ouen So Pop (32,000 m²)
- Fitwel: Art&Co (13,600 m²) and CB21 (68,000 m²).

In total, at the end of 2021, 16% (in Group Share value) of the Group's tertiary assets were affected by such certification and 43% of the development pipeline.

These labels make it possible to measure and improve the human factors considered during the construction (WELL, OsmoZ) and management (Fitwel) of a building.

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 service providers working on the buildings.

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. The aim of a circular economy is 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.

For example, as part of the So Pop project in Saint-Ouen, a site vacated by Citroën, Covivio organised the demolition of this 20,000 m² building by using blockchain to draw up works contracts, thus improving coordination before launching the construction of over 30,000 m² 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, it is planned that 3,000 m² of suspended ceiling will come from the circular economy sector, *i.e.*, 10% of the total covering.

Low-Nuisance Site Charters drafted by Covivio for all its certified developments in France cover these 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, also 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. In 2019/2020, 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.

At the end of 2021, 100% (by surface area) of new development operations in France, Germany and Italy were implemented with the help of BIM *i.e.* seven operations representing more than 180,000 m².

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[1] specification was 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. The testing of a BOS solution will be initiated in 2022 on the Silex² building in order to test the specifications as well as the functionalities offered by the BOS.

Stream Building wins the 2021 Silver BIM award

The mixed-use project developed by Covivio and built by Spie Batignolles was awarded the 2021 Silver BIM by the magazines Le Moniteur and Les Cahiers Techniques du Bâtiment, in the category "New buildings between 5,000 and 30,000 m²". Thanks to BIM, it was thus possible to anticipate the constraints related to the complexity of the site, in particular the proximity of two metro lines and technical facilities. The digital model also made it possible to adapt the work and equipment in a collaborative approach with all project stakeholders. At the end of the construction, the BIM model will facilitate the operation of the site, in particular for maintenance operations, but also by offering the possibility of analysing the occupancy of spaces and adapting the building's energy needs.

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[2], 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 (2018) label. R2S4Grids is a label promoting energy management and demand response. Covivio has set itself the goal of obtaining one of these labels on several of its sites under development or renovation: 2S on So Pop or Jean Goujon in Paris, Wiredscore on Flow in Montrouge, and on Alexanderplatz in Berlin, an operation that will also test the SmartScore label (see box below), or Via Dante, the first WiredScore-certified building in Italy, and on 100% of its Wellio sites.

Experimentation with the SmartScore label as part of the Alexanderplatz project

Intended for smart buildings, SmartScore is added to the WiredScore label to express the performance of a building in terms of digital transformation and added value for users: operational efficiency, user experience, sustainability, durability and respect for the environment.

70 buildings located in 7 countries and owned by 44 owners worldwide have already committed to the SmartScore certification process. Among these real estate pioneers is Covivio for its AlexanderPlatz project. The label is still in the development phase.

(1) BOS: Building operating system.
(2) French Institute for Environmental Performance in Construction.

3.3.1.4 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, notably in the hotel sector.

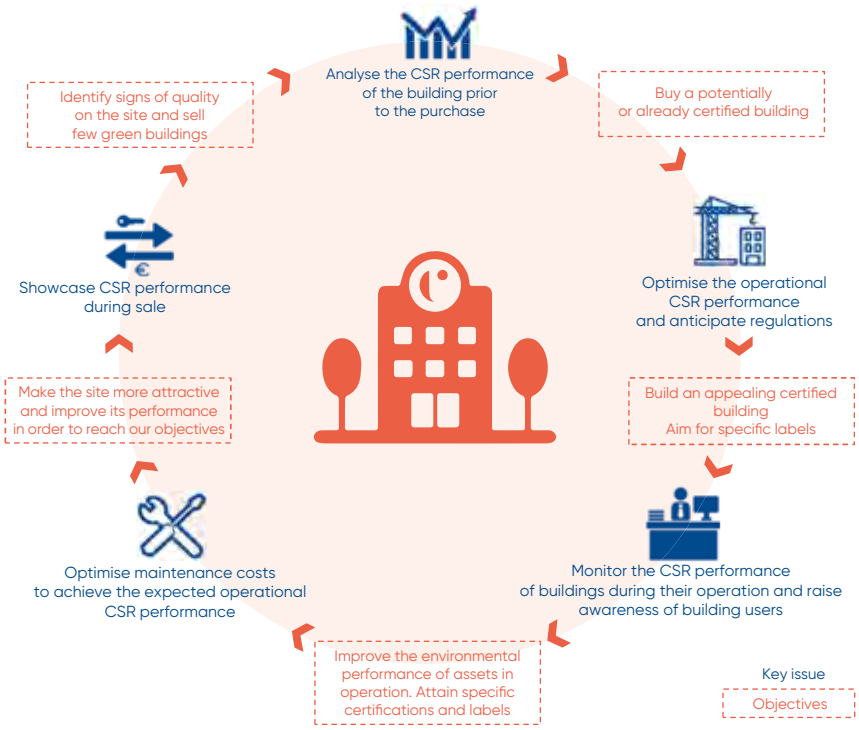
As a partner in the development of certain labels, Covivio is also a pioneer in testing new standards. For example, the first building to receive the R2S label is "21 Marquette", located in Toulouse. Covivio is one of the few players who have experimented with Level(s), launched in 2017 by the European 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. At the end of 2021, this label was still at the experimental stage.

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.



3.3.1.4.1 Environmental certifications of the portfolio at 31 December 2021

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 green by the end of 2025. At the end of 2021, this rate was 90.7% (88.1% at the end of 2020). 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. Nevertheless, 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, Fitwell, OsmoZ, etc. Covivio is regularly a pioneer in the experimentation of these labels, even collaborating in the drafting of some of them.

Change in environmental certification rates for the various portfolios

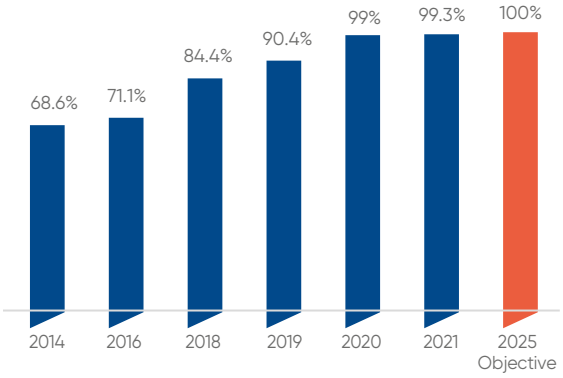
Performance against this environmental indicator is monitored as part of monthly internal CSR reporting and plays a decisive role in development, upgrade and asset replacement policies. This indicator is also used in calculating the variable share of the remuneration of the corporate officers and managers concerned. The following pages present changes in the Group's various portfolios.

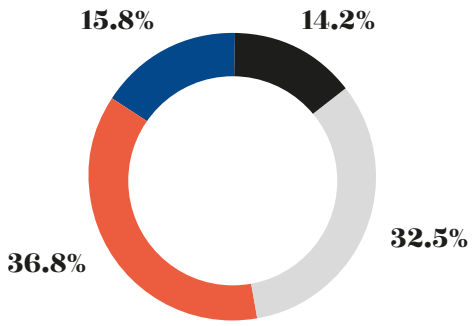
Offices

Share of certified buildings and distribution by type of certification

(Group Share value)

France

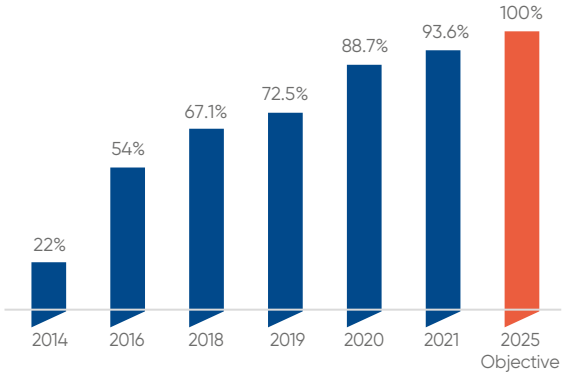


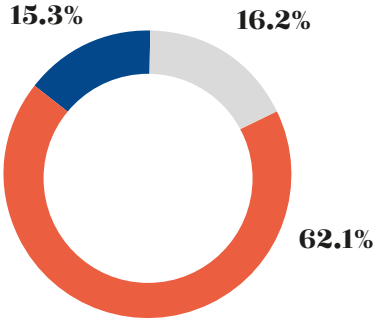


Certified building (HQE or BREEAM) and certified operations (HQE Exploitation, BREEAM In-Use, BRaVE)

Non-certified buildings and operation certified BREEAM In-Use, HQE Exploitation, BRaVE

Italy





Certified building (HQE, LEED, or BREEAM) and/or labelled (BBC, Energie+)

Operations in progress assessed with a building certification objective

2021 was an opportunity to make progress in the analysis of the offices acquired in 2020 in Germany. An operation certification programme (BREEAM In Use) has been launched for six assets, while an asset located in Düsseldorf will be renovated in 2022. The portfolio has already achieved a greening rate of 34.2% due to the presence of two DGNB or LEED-certified assets and three ongoing development projects aiming for such certification. In addition, German regulations are evolving to accelerate the sustainable transition of the sector. A new incentive system will reserve subsidies for new buildings and major renovations that have predefined criteria and in particular make it possible to achieve an energy efficiency gain of 60% compared to reference buildings.

The Sign obtains the best LEED score in Europe in 2021

The Sign is an urban regeneration project which will convert a 1959s industrial area into an innovative business district, a new mixed-use complex developed by Covivio, consisting of three office buildings of 27,000 m² including a public square and green spaces. The first of the buildings houses AON's new head office (9,600 m²). It obtained LEED Platinum certification in September 2021 with the highest score in Europe (90/100). The project combines exemplary occupancy qualities and efficient management systems: dual network, rainwater harvesting, green roofs, innovative refrigeration systems, radiant ceilings to improve air quality and thermal comfort, high-performance façades with triple glazing cells. In addition, native plants will be used for green spaces, as well as wood from certified forests. The entire complex is also BiodiverCity certified (the first in Italy), thanks to large green, carefully planned spaces, which contribute to the enhancement of ecological corridors in Milan.

German Residential

In 2018, Covivio began a process of certification of the whole of its residential portfolio in Germany according to the NF Habitat HQETM 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.

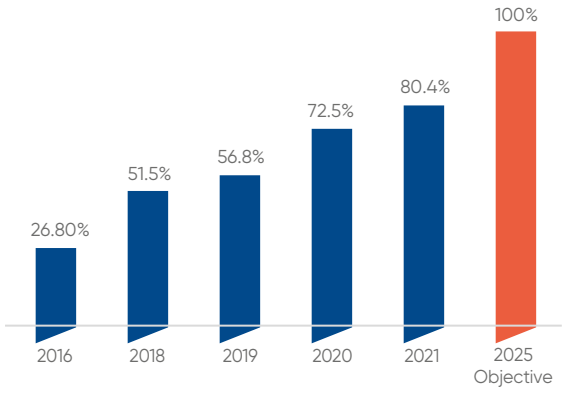
The third sustainable management system monitoring audit, which took place in 2021, highlighted the continuous improvement dynamic driven by Covivio since the first year of certification. After implementing Cerway's first recommendations in 2020 by modifying its framework contracts with its suppliers 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.

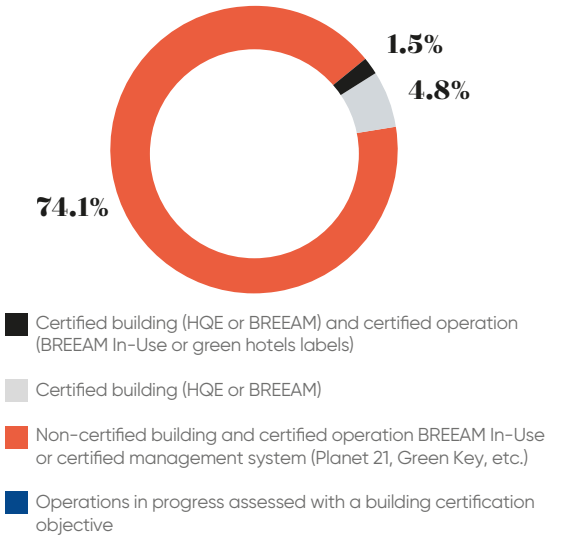
Covivio is also testing the HQE Sustainable Building certification for the Berlin Biesdorf development. With very good access to public transport and numerous green spaces nearby, this project consists of 106 housing units over four new buildings with ground floor and two or three floors in a residential 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 certification strategy 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, 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 greening rate of Covivio's assets, it should be noted that 26% of the hotels owned have the Green Leader status of TripAdvisor.

The details of Covivio's various development projects in progress are available at covivio.eu/fr in the Projects section.

3.3.1.4.2 Profile of the environmental certifications obtained and targeted for the commercial 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, **46.7%** 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

HQE	Level	Good	Very Good	Excellent	Outstanding	Total
Construction 527,997 m²	Number of assets	2	7	18	6	33
Operation 92,884 m²		-	0	2	-	2

BREEAM	Level	Pass	Good	Very Good	Excellent	Total
Construction 617,681 m²	Number of assets	3	8	15	8	34*
Operation 1,290,916 m²		26	57	17	2	102

* Including 19 assets also HQE certified for their buildings.

LEED	Level	Certified	Silver	Gold	Platinum	Total
Construction 281,543 m²	Number of assets	-	0	6	9	15

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 non-emitted 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 $kgCO_2e/m^2$/year) compared to a renovation scenario based on a project that is less distinctive from an environmental point of view (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 $kgCO_2$ e/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.

3.3.2 Managing operating expenses (energy, waste, certifications)

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. They intersect on these points with broader environmental challenges that also affect both cities and regions.

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 largely amortised by 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, 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.

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.

A proactive works policy

When carrying out work in buildings (upkeep, equipment replacement, modernisation, etc.), the solutions adopted help to improve the environmental and energy performance of the portfolio.

For example, for the portfolio of offices directly managed by Covivio in Italy, the following amounts were committed to carry out renovation and maintenance work:

- thermal insulation (walls and façades): €126 thousand
- Windows: €424 thousand
- BMS: €108 thousand
- heat pumps/HVAC: €198 thousand
- air treatment: €577 thousand
- photovoltaic panels: €38 thousand
- LED: €107 thousand.

Given the volume 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 2021, the value of renovations improving the environmental performance of assets reached €12.7 million. In concrete terms, this work plan resulted in the replacement of energy-intensive equipment, the installation of double or triple glazed windows, the insulation of façades or roofs and of course the switch to LED in the common areas. In line with previous years, Covivio replaced 258 boilers in its German residential portfolio in 2021, the improved performance enabling a reduction in the capacity of the equipment installed by an average of 15%. Seven buildings were connected to an urban heating network and a heat and energy production station was built, supplying 25 buildings.

Water-saving equipment is also systematically deployed in the residential portfolio as soon as the housing is renovated or re-let.

3.3.2.2 Energy trajectory

In 2009, an energy and environmental mapping study was carried out with the CSTB. 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).

3.3.2.2.1 Main indicators at the Group level

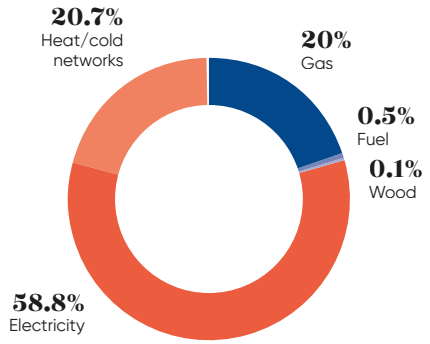
Reporting scope: 2,560,887 m²

Final energy consumption: 422,250,295 kWhfe(1)

of which share of renewable energy: 15%

Primary energy consumption: 718,190,859 kWhpe

Energy intensity of the assets: 280.4 kWhpe/m²



3.3.2.2.2 Change in the energy consumption of the various portfolios

In France, the so-called "tertiary" decree, published in July 2019, in line with the ELAN law(2) 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 the final energy consumption thresholds (depending on the type, geographical area, etc.), expressed in absolute value (kWh/m²/year). These thresholds may be targeted as an alternative to the -40% target. Covivio has anticipated these measures in the context of discussions with tenants, in particular within the framework of the related environmental committees. In addition, 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. This will notably see the introduction of an obligation to annually report energy consumption on the OPERAT platform (Observatory of Energy Performance, Renovation and Tertiary Actions), with responsibility shared between lessors (common expenses) and lessees (tenant areas). More than 130 tenant meetings were conducted in 2021 on this subject, covering 100% of office customers in France.

In order to continue to reduce its energy footprint, Covivio began to set up a monitoring platform in 2019, Delta Dore's PowerBat. It collects real-time consumption data. Their analysis is carried out with the help of a single energy manager for the portfolio covered by the first deployment phase: the 19 buildings managed directly by Covivio's property management teams in France. In Italy, two Symbiosis buildings have been equipped and five more will be equipped in 2022. In Germany, a specific solution is being studied to automate the reporting of energy consumption, given the specific regulations that are now required for the residential sector, requiring the owner to tell every tenant how much energy their home consumes.

In France, two initial energy performance contracts (CPEs) were signed for two flagship assets (Carré Suffren and CB21), which contribute to providing innovative and concrete solutions to mobilise the chain of actors to reach the multi-year objectives that the Group has set itself.

Like the La Défense district, the CB21 Tower is being renewed

As part of our CB2021 project, the interior spaces of the tower were completely redesigned with the help of Saguez. The work programme (2019-2021) enabled the renovation of the service base to provide the occupants with a Premium service and completely recreated interior gardens. This renewal also involves obtaining the WiredScore and Fitwel labels. Energy management occupies a central place: in addition to the widespread use of LEDs, the modernisation of lifts has made it possible to install an energy recovery model, allowing an electrical saving of 30% and also to restore the energy produced to supply common parts areas. Finally, the implementation of the supervision project and the Energy Performance Contract contributed to the continued decrease in expenses (compared to the baseline year and after climate correction: -26% in 2019, -15% in 2020, then a slight increase in 2021).

In Italy, Covivio has appointed Politecnico di Milano to conduct an advanced energy audit of the portfolio, based on site inspections and a review of the various pieces of energy equipment. The audit report of the first six representative assets selected showed the energy efficiency of each site and highlighted areas for improvement, which could thus be included in work plans. In total, 54% of the core portfolio has been subject to an energy audit and an internal energy manager is responsible for reducing and rationalising the energy consumption of the portfolio under direct management.

(1) By extrapolating consumption to the areas of the portfolio for which data could not be collected and to the entire German residential portfolio based on the consumption of the representative panel (3.7.1.5), consumption would amount to 954,830,710 kWhfe and 235.6 kWhpe/m2/year.

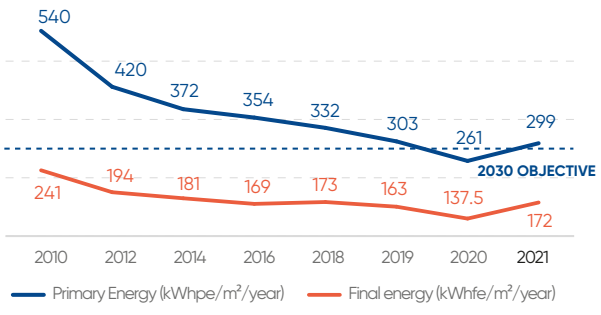
(2) The law of 23 November 2018 on the development of housing, development and digital technology, known as the "ÉLAN law"

The graphs below show the energy consumption history of the four portfolios analysed.

2021 was marked by the health crisis, which had different consequences depending on the assets. While the offices and hotels have not returned to their pre-crisis occupancy levels, health measures (fresh air renewal, ventilation) have led to an increase in HVAC consumption. This increase remains moderate overall, returning to levels closer to those of 2020. Covivio has also expanded its reporting scope for 2021, by collecting the consumption data for single-tenant buildings in Italy (3.7.1.3) and the portfolio of offices in Germany acquired in 2020 (3.7.1.4).

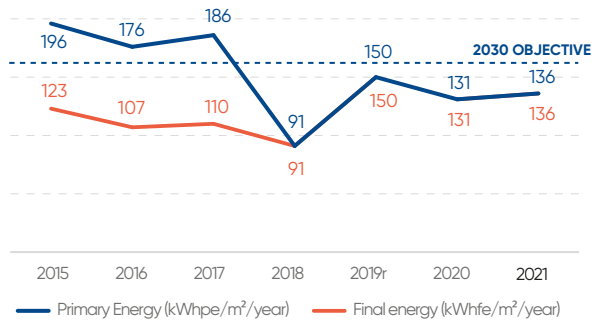
France Offices

2010/2030 Objective: -50%, ie 270 kWhpe/m²/year
Achieved: -44.7% at 31/12/2021
Perimeter: 47 buildings, 590,836 m²
(of which 242,029 m² under operational control)
Collection rate: 89% (100% on the operational control perimeter)



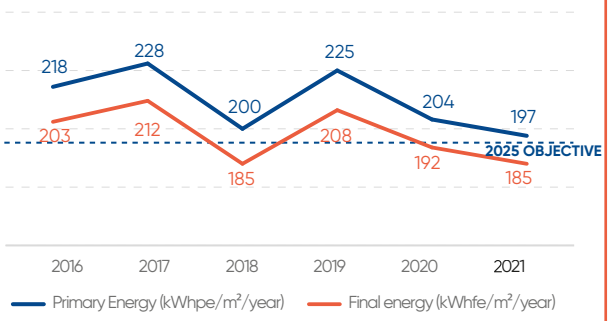
Italy Offices

2015/2030 Objective: -30%, ie 137 kWhpe/m²/year
Achieved: -30.6% au 31/12/2021
Perimeter: 12 buildings under operational control, ie 140,379 m²
Collection rate: 100%
Perimeter (1st year) 211,346 m² (64%) : 233.3 kWhpe/m²



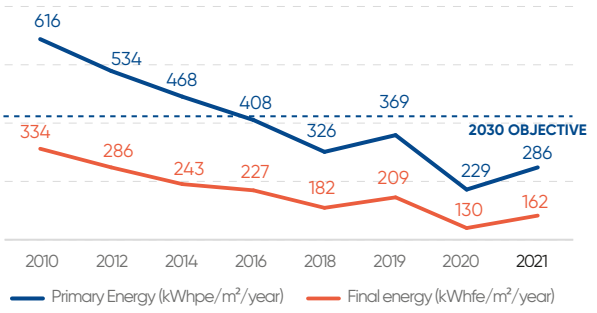
German Residential

2017/2025 Objective: -15%, ie 194 kWhpe/m²
Achieved: -13,6% at 31/12/2021
Perimeter: 171 Representative panel of 201, ie 114,516m²
Collection rate: 86%



Hotels in Europe

2010/2030 objectives: -50%, ie 308 kWhpe/m²/year
Achieved: -53,6% at 31/12/2021
Perimeter: 285 buildings, ie 1,619,222m²
Collection rate: 83%



Evolution of the energy consumption of the portfolio on a Like-for-Like basis (in kWhfe/m²)



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: 99.8% by value/99.2% by surface area

Germany Offices: 100% by value/100% by surface area

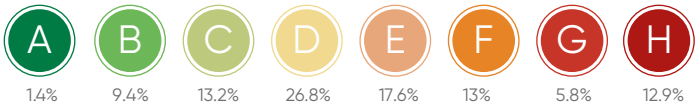
German Residential: 92.5% by value/93.4% by surface area

Hotels in Europe: 73.4% by value/70.8% by surface area /Hotels France 97.3% by value/98.1% by surface area

Focus on the Energieausweis of the German residential portfolio

At 31 December 2021, 36,609 housing units were subject to an *Energieausweis* (Energy Performance Certificate) and in total had the following scores:

Share of housing units per score obtained in the Energy Performance Certificate (by number of housing units)



Ultimately, just over 50% of housing units that were subject to the diagnostic obtained a score of below D.

3.3.2.3 Low-carbon transition

The greenhouse gas emissions presented below are inherent to energy consumption in the operation of buildings, while the data used to calculate the Group's carbon trajectory cover the entire life cycle. To comply with its carbon targets, published at the end of 2021 and approved by the SBT initiative in February 2022 (3.3 - intro), Covivio developed two tools in 2020, again in coordination with the CSTB: see 3.3 "Innovative tools designed for Covivio by CSTB".

As part of the So Pop project, we promote the recycling of acrylic paint. Leftovers and unsold products, i.e. 28 million litres of *paint*, are sent for incineration every year, i.e. nearly 150,000 tonnes *of* CO2 emissions that can be pr$_e$vented. Using Circouleur recycled paint reduces the carbon impact of this item by a factor of twelve.

3.3.2.3.1 Main indicators at the Group level

Reporting scope: 2,560,887 m²

Total GHG emissions: 48,649 teqCO_2 (1)

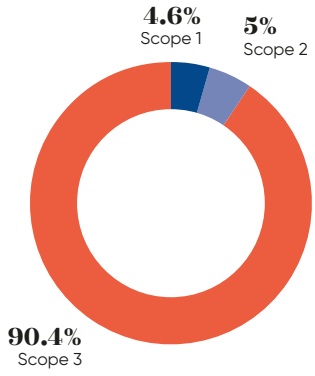
Of which corporate emissions: 621 teqCO_2

Scope 1: 2,216 teqCO_2

Scope 2: 2,443 teqCO_2

Scope 3: 43,990 teqCO_2

Carbon intensity of the assets: 19.2 kgCO_2e/m²



Breaking down the intensity of CO_2 = 17.221; CH_4 = 1.512; NO_2 = 0.101; HFC = 0.001; PFC = 0; SF_6 = 0.004; NF_3 = 0; Other GHG = 0.159;

(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 surfaces owned by Covivio (including German residential based on the panelrepresentative, and Germany Offices on the basis of carbon trajectory calculation assumptions) and by reintegrating upstream emissions (scope 3) related to energy production, total emissions related to operations would amount to 188,317 teqCO_2 and 23.7 kgeqCO_2/m²/year. By reinstating also scope 3 emissions related to construction/renovation, scope 3 would then represent 96.2% of total emissions.

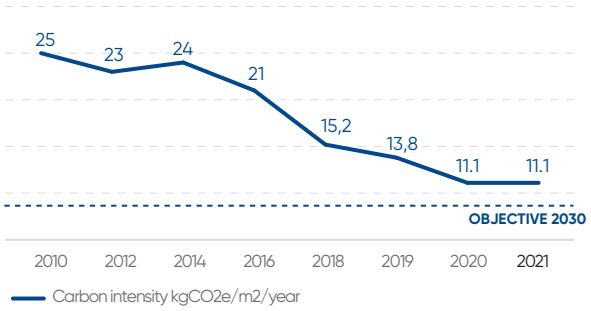
3.3.2.3.2 Change in the greenhouse gas emissions of the various portfolios

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 15% 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.

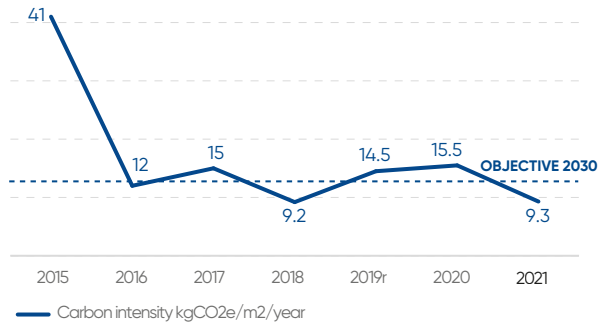
France Offices

2010/2030 Objective: -70% (ie 7,9 kgeqCO_2/m²)
Achieved 31/12/2021 : -55.6%
Perimeter: 47 buildings, 590,836 m²
(ie 242,029 m² under operational control)
Collection rate: 89% (100% on the operational control perimeter



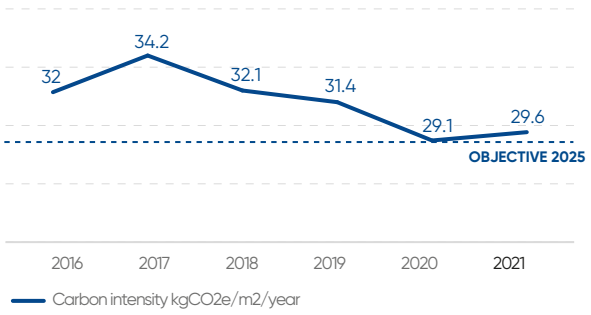
Italy Offices

2015/2030 Objective: -68% (ie 13,4 kgeqCO_2/m²)
Achieved 31/12/2021 : -77%
Perimeter: 12 buildings under operational control
ie 140,379 m²
Collection rate: 100%
Total Perimeter (1st year): 211,346 m² (64%): 23.4 kgeqCO_2/m²



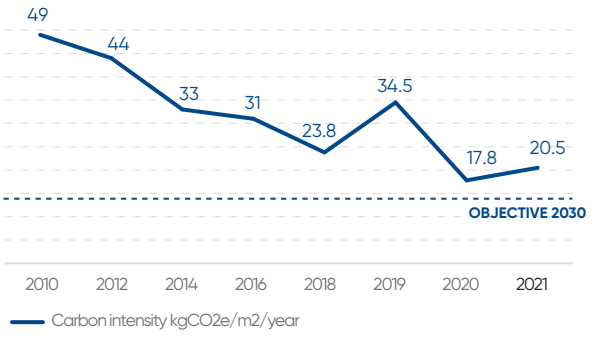
German Residential

2017/2025 Objective: -15% (ie 29 kgeqCO_2/m²)
Achieved 31/12/2021 : -13.5%
Perimeter: 171 Representative panel of 201,
ie 114,516m²
Collection rate: 86%

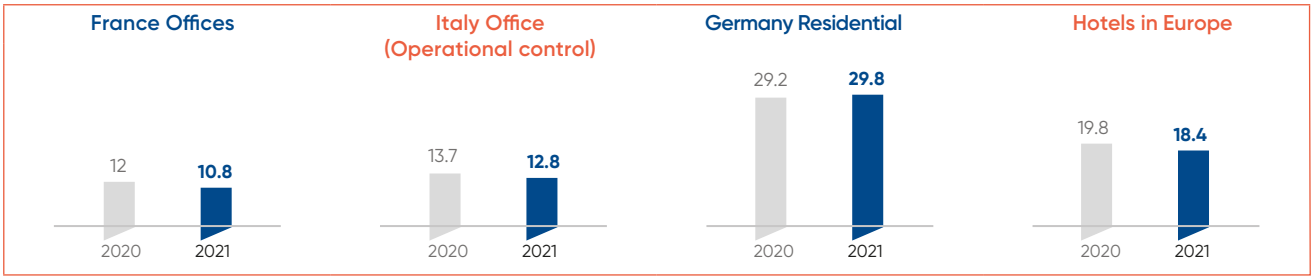


Hotels in Europe

2010/2030 Objective: -70% (soit 14.6 kgeqCO_2/m²)
Achieved 31/12/2021 : -58.2%
Perimeter: 285 buildings, ie 1,619,222m²
Collection rate: 83%



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.

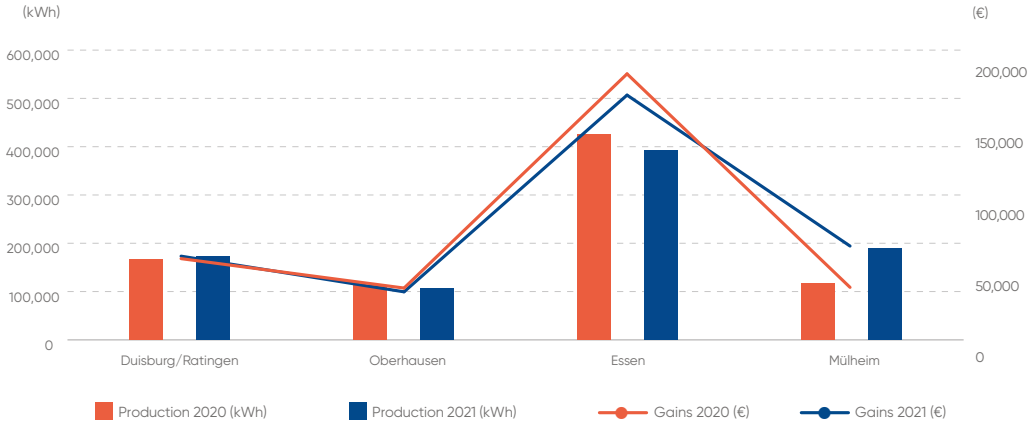
The choice to sign a green electricity contract is made in conjunction with the tenants, on a certain number of Group assets, particularly in Italy, where Covivio has chosen green electricity for all its assets under direct management since December 2015. At the end of 2021, the share of green electricity in total electricity consumption was 25% of the total portfolio (data from environmental reporting) and **74% of the directly managed portfolio**, up compared to 2020 (to 61%). 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.

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. A total of 862,156 kWh was generated this year, slightly down compared to 2020 due to a less sunny year (910,220 kWh in 2020).

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, like the Garibaldi Towers in 2010, which were equipped with 804 m^2 of photovoltaic panels on the façades and solar water heaters on the roof (63 MWh produced in 2021). 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 under development in Milan also include photovoltaic equipment, such as the buildings in the Symbiosis district (25 MWh produced in 2021 on buildings A and B).

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 projects at each stage of their life cycle (extraction and manufacture of materials, 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).

In France, the HQE-GBC Alliance, of which Covivio is a member, coordinates the **NZC Rénovation** programme, organised under the aegis of World GBC. This project aims to identify a method to increase the performance of existing buildings over the entire life cycle and to highlight effective levers for reducing carbon emissions. This project aims to identify the best levers for reducing carbon emissions in existing buildings. One of the seven pilot buildings of this operation is the "Jean Goujon" asset, owned by Covivio. This project resulted in a best practice guide to move closer to carbon neutrality. The project will end with the publication of a report intended to enable a wider European public to take ownership of the lessons learned.

To capitalise on these experiences and continue to make progress in analysing the performance of its buildings, Covivio commissioned CSTB in 2020 to draw up LCA specifications that can be used in various European countries and for its three activities: offices, residential and hotels. This document, compatible with the EN15603 standard, will enable Covivio to facilitate the comparability of the results and its buildings, and to monitor its carbon trajectory for 2030. These specifications were tested in 2021 on the development of the Meininger Porte de Vincennes hotel and the Unione office building in Milan; the Berlin Biesdorf residential project was appointed to test these LCA specifications in Germany in 2022. This work will also make the Express LCAs more reliable (3.3 "Innovative tools designed for Covivio by CSTB").

3.3.2.4 Water transition

Water is likely to become a major issue in Europe as climate change starts to be felt. Over the past 10 years, Covivio has prepared reports in this area, enabling it to monitor the objectives set for the operation of its assets. Water is mainly consumed by tenants, and for cleaning the common areas and watering green spaces and, 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.

3.3.2.4.1 Main indicators at the Group level

The figures below are calculated using the tables presented in 3.7.1.

Reporting scope: 2,524,295 m²

Total water consumption: 2,188,916 m³

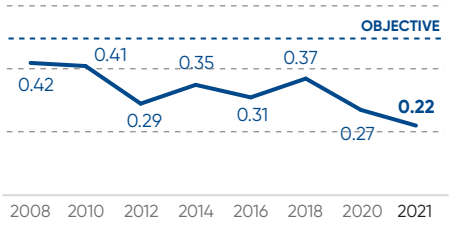
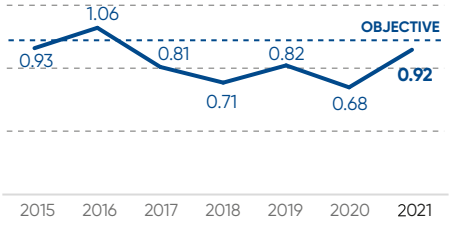
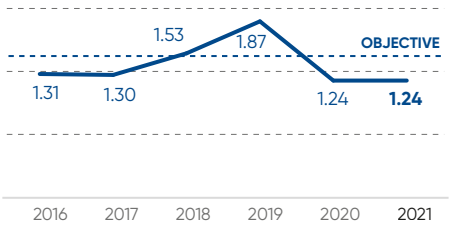
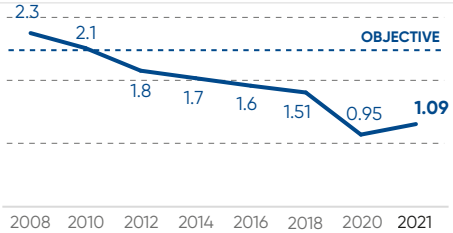
Water intensity of the assets: 0.87 m³/m²

3.3.2.4.2 Change in the water consumption of the various portfolios

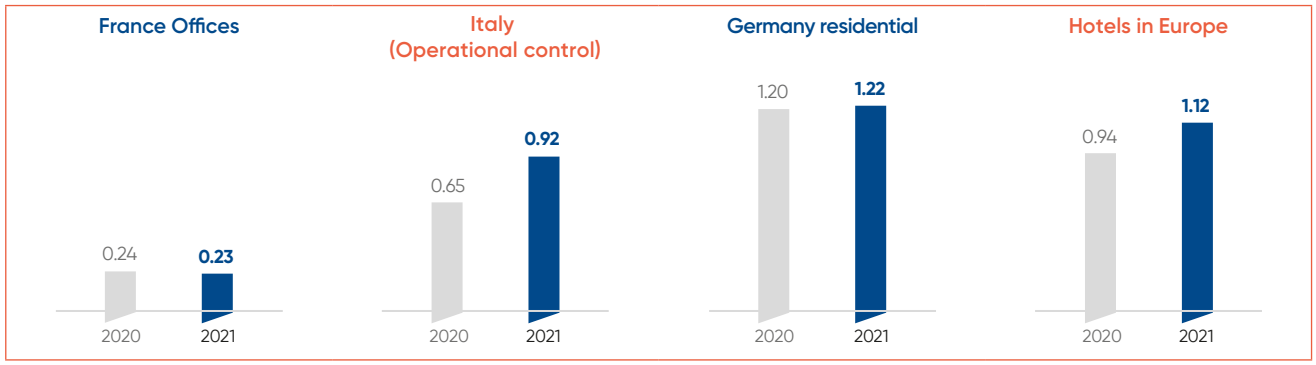
A building consumes water during its construction (concrete, cleaning, etc.) and then during the period of its operation (housekeeping, watering, company restaurant, etc.). Within Covivio's portfolio, reducing the water footprint involves the systematic use of water-saving installations (aerator taps, 3 litre/6 litre toilets, etc.), and closely monitoring consumption. 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 m³/m²/year) and Hotels in Europe (around 1.6 m³/m²/year).

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 m³/m²)

Portfolio	Objective: Maintain the water consumption under:	Water reporting perimeter in 2021	Water intensity at 31/12/2021	Evolution of the water intensity for each portfolio
France Offices	0.5 m³/m²/year	43 buildings 595,563 m²	0.22 m³/m²/year	
Italy Offices	1 m³/m²/year	12 buildings 140,379 m²	0.92 m³/m²/year	
German Residential	1.5 m³/m²/year	193 buildings 125,835 m²	1.24 m³/m²/year	
Hotels in Europe	2 m³/m²/year	263 buildings 1,561,594 m²	1.09 m³/m²/year	

Change in water consumption on a like-for-like basis for the portfolios (in m³/m²)



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 19% and 8.7% of the water scope are located in high and very high risk areas, i.e. 27.7% *and* 10.6% 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 only data 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 2020 and 2021 for offices).

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 rate is more than 90% for a scope of 34,000 m² delivered in 2021.

Summary of consolidated environmental reporting for three projects delivered or underway in 2021

(Paris Madrid, Levallois Alis, Montrouge Flow)

Office space (in m² floor space)	**51,233 m²**
Energy consumed	155.2 MWh
Water consumed on site	3,788 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)	88.6%	3.8%	7.4%	0.3%	1,021.8 tonnes
Green waste	-	-	-	-	0 tonnes
Non-hazardous waste - Steel	97.6%	2.4%	-	-	136.9 tonnes
Inert waste	56.8%	27.2%	16.0%	-	1,785.9 tonnes
Wood waste	22.4%	77.6%-	-	-	43.1 tonnes
Cardboard waste	100%	-	-	-	52.3 tonnes
TOTAL Non-hazardous waste	**69.5%**	**18.5%**	**11.9%**	**0.1%**	**3,040 tonnes**
Hazardous waste					1.8 tonnes

3.3.3 Security/Environmental safety/Regulatory compliance

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.

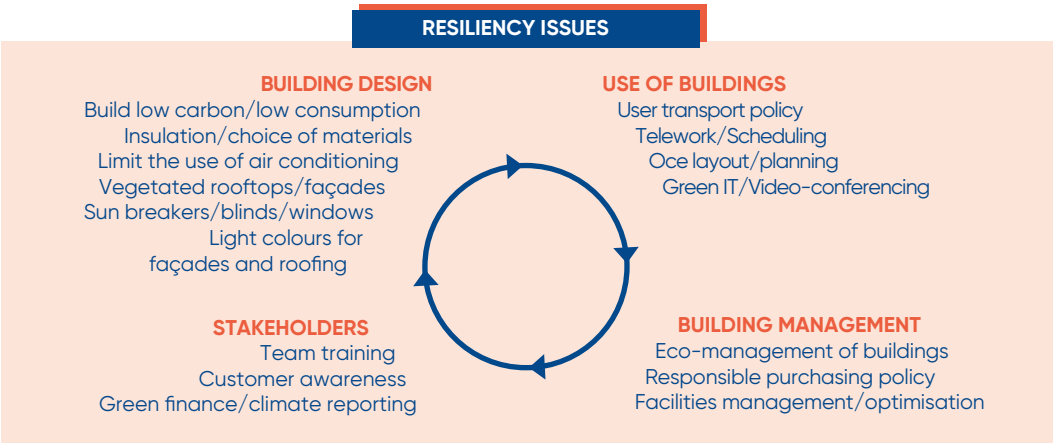
The issue of urban resilience is relevant on various regional levels, namely buildings/blocks/neighbourhoods/cities/regions. A region is resilient provided that each one of its parts is strongly committed to such resilience, by providing the best solutions in terms of eco-design, accessibility, circulation, 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 does not hesitate to promote 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 the Accor Group, which launched the "Allsafe" label with Bureau Veritas[1] to guarantee cleanliness and compliance with hygiene measures in its hotels. At the end of 2021, more than 93% of Accor assets held by Covivio had this label (60% in 2020). In order to assess the capacity of buildings to withstand the consequences of climate change, Covivio had a resilience analysis carried out in 2019 and 2020 on two emblematic assets in the portfolio. Through several adaptation scenarios, the building was screened in relation to a list of climate risks according to 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.

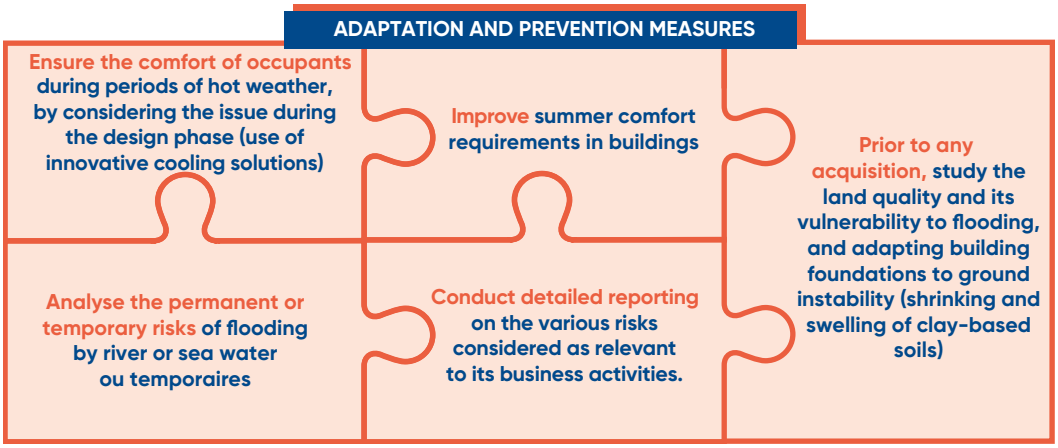
The diagram below illustrates the main challenges of resilience and a few examples of performance drivers implemented



(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 20mm/m^2/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. 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.

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 answer the 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 concerned	France		Italy	
Risks	2020	2021	2020	2021
Subsidence	28	19	0	0
Earthquake	1	1	187	0
Flood	44	30	1	0
Thermal effect	1	0	0	0
"Storm surge"	1	0	0	0
Toxic effect	1	0	0	0
Drought	4	4	0	0
Avalanche	0	0	0	0
Forest fires	0	1	0	0
Exceptional precipitation*	NA	NA	187	142
Cyclone	0	0	0	0
Rise in groundwater levels	1	0	8	10
Volcano	0	0	1	1
Mining	0	0	0	0
Other mining risks	0	16	NA	NA
Other natural risks	20	19	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			
Area	2020		2021	
Inventory of risks and pollution – number of cases examined[1]	186	100%	132	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, in 2017 and 2018, 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. In addition, in 2021, the risk mapping was carried out on the portfolio and a review was carried out to ensure the compliance of the assets with the regulations in force.

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 in France each year[1]. In addition, the harmful effects on health caused by this pollution annually is 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, Covivio is testing the solution developed by Octopus Lab in two buildings (Thaïs in Levallois and Art&Co in Paris) and, at the end of 2021, a study was initiated between the Italian company Enerbrain and the Milan teams to organise an experiment. These two solutions make it possible, using sensors, to monitor air quality in real time, identify any deviations in quality so they can be corrected, while controlling the energy consumption expenditure involved in renewing air.

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 occupants of its buildings. The specifications for Covivio's various business activities have factored in these issues.

In Italy, a one-year trial is being 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 from the Environmental-Economic Accounting Commission Health and quality of outdoor air. MEDDE SEEIDD, June 2012.

3.3.4 Participate in 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.

3.3.4.1 What compliance with the European "green" taxonomy?

The "green" taxonomy is intended to become the foundation on which future regulations on sustainable investment will be based. While part of the regulations remain under discussion within the European bodies at this stage and the exact outlines of the final texts remain to be defined, it already appears that Covivio is concerned by eight of the sectors identified for the application of the Taxonomy, namely: construction of new buildings (activity 7.1); renovation of existing buildings (7.2); installation, maintenance and repair of equipment promoting energy efficiency (7.3), charging stations for electric vehicles (7.4), energy performance management (7.5), renewable energy technologies (7.6); acquisition and holding of real estate assets (7.7); and specialized services related to the energy performance of buildings (9.3).

For each of these sectors, the company may declare that it exercises a green activity within the meaning of the Taxonomy if it simultaneously complies with the three conditions listed in the first column of the table below.

The Group-wide analysis revealed the following:

At the end of 2021, 86% of revenue was eligible for taxonomy (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. By adopting a more operational definition (*i.e.* net rental income and revenues generated by these activities in Group Share), the eligible portion of revenues would then be **94%**. The very large share of eligible income comes from rents from existing assets (activity 7.1), whose "green" nature, for buildings built before 31 December 2020, is mainly based on the asset being in the top 15% nationally in terms of energy performance, or obtaining a class A energy performance certificate. The differences in methodology concerning the energy performance certificate are significant from one country to another. The top 15% therefore appears to be a preferred option to take into account the differences between the countries where the Group operates. The definition of these thresholds has not yet been finalised in all countries.

100% of Capex is eligible for the taxonomy and will thus increase the eligible share of future revenues. An alignment exercise is underway to ensure compliance with the "green" criteria set out by the taxonomy for new buildings and renovations. In accordance with its long-standing commitments, Covivio's entire tertiary pipeline, *i.e.* €1.8 billion as of31/21/2021, is made up of projects aiming for global environmental certifications (HQE, BREEAM, LEED) with a minimum level of "Very Good" or equivalent.

Given the nature of Covivio's activities, all OPEX falling within the scope of the taxonomy are eligible. These expenses cover routine maintenance and refurbishment work that does not fall within the scope of Capex. Neither energy nor operating costs fall within the scope of the taxonomy.

The subject of operating expenses is presented in the section "Control of operating expenses" (3.3.2), which details the measures taken to improve assets' energy efficiency.

Taxonomy eligibility rate of Covivio activities

At 31/12/2021	
Revenue (regulatory definition: gross revenue (excluding rebilled expenses))	86%
Revenue (operational definition[2]: net rental income and EBITDA)	94%
Capex	100%
OPEX	100%

To date, only the "Mitigation" and "Adaptation" to climate change objectives are governed by the first draft texts. To meet the taxonomy, at least one of the six objectives listed in the table below must be met, without prejudice to the other objectives. This table shows how Covivio already meets these conditions.

(1) https://www.novethic.fr/actualite/finance-durable.html

(2) The regulations state that gross revenue (excluding rebilled expenses) should be used to calculate the percentage of eligibility. However, given the nature of Covivio's activity, a calculation based on net rents of rented assets (leased hotels and offices [eligible]) and the EBITDA of managed hotels and Flex Office (not eligible) enables a more consistent alignment with the data used for Covivio's financial communication. This interpretation is part of a more operational approach, better reflecting the reality of the Group's activities.

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	3.3.1.4	Rate of certification Multi-year works 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.	
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	3.3.1.4	Rate of certification
	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	Multi-year works plan Percentage of sites monitored
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 and operation, biodiversity mapping, etc.	3.	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, - etc.	3.3.1.4 3.3.2.3.4	Rate of certification
The activity must not significantly harm any of the other environmental objectives.			
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 guarantees: 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 Already 14% of Covivio's debt based on environmental criteria

At the end of 2021, Covivio had already issued two Green Bonds: the first in May 2016, with a value of €500 million (maturity 2026 - fixed coupon of 1,875%), and the second in September 2019 (maturity 2031 - fixed coupon of 1,125%). 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.

As part of its second green issue, Covivio has chosen to modify its "Green Bond Framework" to make the eligibility criteria for green projects more readable and compatible with international standards. The detailed information relative to two Green Bonds issued by Covivio is available on its website in the section "Financial strategy/Debt". In accordance with the Green Bond Framework, the selected projects comply with the following criteria:

- recent green buildings: the eligible projects are (i) projects under development (for which a projected delivery date has been communicated) or (ii) buildings in operation delivered less than three years prior to the date of issue; in practice, these are buildings under development or refurbishment
- minimum level of certification to be achieved: HQE Very Good, BREEAM Very Good, LEED Gold or other equivalent standards; in short, the selected assets are all aiming for HQE Excellent or BREEAM Excellent or LEED Platinum levels
- energy efficiency: the projects must achieve a high level of energy performance, characterised by a level E or VE in target four of the HQE standards, or other equivalent standards
- access to public transport: the projects must be located less than 10 minutes away on foot from a public transport network

relationship with tenants: the projects must be the subject of an environmental annexe in France or a Memorandum of Understanding in Italy for new leases signed with tenants.

Projects are selected and evaluated by the Green Bond Committee, composed of representatives of the main functions within the Group (Finance Department, Operations Department (Asset and Property Management), Sustainable Development Department, etc.). This Committee also has to select the buildings intended to come within the Green Bond, when it is being formed or in case of the disposal of one of the assets, in accordance with the Green Bond Framework criteria published on Covivio's website.

Covivio also issued a green private placement of €100 million on 15 January 2021, with a 12-year maturity, with a coupon of 0.875%. The asset allocation conditions for this investment are based on the Green Bond framework published in 2019 and mentioned above. The selected assets benefit from high levels of environmental performance:

- Symbiosis D in Milan, whose delivery is scheduled for 2022 and aims for LEED Platinum certification and the WELL label as well as the WELL Health & Safety Rating
- Belaïa in Orly delivered in 2021, HQE Excellent certified.

3.3.4.3 A proven performance

In addition to the checks carried out internally to ensure compliance with the eligibility criteria, Covivio has again called on Vigeo-Eiris to give a Second Party Opinion. The purpose of this external audit is to make sure that the Green Bond Framework is aligned with the Green Bond Principles of the International Capital Market Association. Following its work, Vigeo-Eiris expressed a reasonable level of assurance (the highest level achievable) concerning Covivio's commitments and the potential contribution of its Green Bond to sustainable development, and more particularly to SDGs 7, 11 and 13 (3.2.1.3).

As for its first green issue, Covivio undertakes to call on an independent third party annually 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. The independent third-party audit report is published on Covivio's Internet site, as well as in this document in Chapter 2.8.2. This report covers both Green Bonds. As the assets in the second portfolio are undergoing work, the audit of the operating report covered only the first portfolio.

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 and are separated into two main categories:

- reporting indicators for the portfolio: 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)
- reporting indicators per project: delivery date, location, environmental annexe, total surface area of building (in m^2), levels of certifications and labels obtained, energy efficiency (expressed by the energy target of the certification standard concerned), percentage of financing, percentage allocated to joint-venture assets.

3.3.4.4 Highlights concerning the first Green Bond in 2021

Following the disposal of a building in the portfolio in 2021, the composition of the scope has changed to include the Paris - Gobelins and Orly - Askia assets. These two assets offer high environmental performance, both obtaining HQE (Excellent)/BREEAM (Very Good) certification and meeting all the criteria set out in the 2016 Green Bond Framework.

2016 is the baseline year for carbon emissions in addition to water and energy consumption for this property portfolio. As with the reporting for the entire portfolio (3.7.1), buildings being developed or renovated or those that have been bought or sold during the year are not taken into account. Although the Green Bond was issued in April 2016, the reporting with respect to this portfolio covers the 2016 full calendar year, in order to obtain an accurate comparison with consumption for the following years. As in previous years, 100% of the consumption data was collected on buildings within the reporting scope defined *i.e.*, 8 buildings. For confidentiality reasons, especially as regards single-let buildings, the breakdown of consumption by building has not been reported in this document. However, these details were verified by EY as part of its assignment.

On the basis of a like-for-like climate and scope, these items show an increase in the energy ratio of 23% between 2020 and 2021, from 110.6 to 135.7 kWhfe/m²/year, accompanied by a more limited increase in carbon intensity, to 7.1 $kgCO_2e/m^2$ *vs* 7 $kgCO_2e/m^2$ in 2020. This increase is linked to the resumption of activity and health recommendations (air renewal). The portfolio remains very low on carbon due to the absence of gas and fuel oil on the assets.

		EPRA sustainability best practices recommendations	2020	2021
ENERGY-CARBON	Reporting scope coverage by surface area (m²)		126,014	138,080
	Proportion of estimated data		0%	0%
	Coverage of energy scope - carbon in surface area (in %)		100%	100%
	Intensity (in kWhfe/m²/year)	**Energy-Int**	**108**	**132.7**
	Intensity (in kWhpe/m²/year)		237.9	**292.2**
	Total direct energy (Wood) (in kWhfe)	Fuel-Abs	181,817	183,051
	Total indirect energy (Electricity - Networks) (in kWhfe)	Elec-Abs	13,429,853	18,135,948
	Renewable energy production	Elec-Abs	135,779	149,503
	Total energy consumption (in kWhfe)		13,611,671	18,318,999
	Total energy consumption (in kWhpe)		29,983,237	40,350,142
	CARBON INTENSITY ($kgCO_2eq/m^2$/year)	**GHG-Int**	**7.1**	**8.1**
	Coverage of water scope in surface area (in %)		100%	100%
WATER	**WATER INTENSITY (m³/m²/year)**	**Water-Int**	**0.27**	**0.24**
	Total water consumption (in m³)	Water-Abs	34,573	32,504
WASTE	Coverage of waste scope in surface area (in %)		93%	83%
	Total non-hazardous waste (in tonnes)	Waste-Abs	371	468
	Of which recycled, reused or composted		45%	27%

The table below provides a summary of the eligibility criteria that the selected assets fulfil under the Green Bond Framework.

3.3.4.5 Summary – Compliance with the criteria

Portfolio of assets selected for the Green Bond of April 2016

Assets	Fontenay Le Floria	Metz Divo	Vélizy Helios	Vélizy Europe	Paris - Passy Steel	Levallois Thais
Company	Covivio	SCI Pompidou Metz	Covivio	SCI 11 Place de l'Europe	Technical	Covivio
Ownership	100%	100%	50%	50.1%	100%	100%
Delivery date	2012	2014	2014	2015	2015	2017
Surface	9,175 m²	5,286 m²	49,874 m²	33,270 m²	3,681 m²	5,555 m²
HQE profile	**12/14**	**9/14**	**11/14**	**14/14**	**11/14**	**12/14**
BREEAM	**_**	**_**	**Very Good**	**_**	**_**	**Very Good**
Amount allocated: €500 M	€27 M	€12 M	€45 M	€37 M	€30 M	€30 M
Amount used: €500 M at 31/12/2021	€27 M	€12 M	€45 M	€37 M	€30 M	€30 M
Energy accreditation	BBC	BBC	_	BBC	BBC	_
Target 4 (Energy) E or VE (good or very good)	VE	VE	VE	VE	VE	VE
Environmental annexes	√	√	√	√	√	√
Target 3 (Site) E or VE (good or very good)	VE	VE	VE	VE	VE	VE
Water management	√	√	√	√	√	√
Waste management	√	√	√	√	√	√
Installation of a BMS	√	√	√	√	√	√
Health and safety clauses	√	√	√	√	√	√
Combating urban sprawl	√	√	√	√	√	√
Accessibility for disabled people	√	√	√	√	√	√
Accessibility to public transport (< 1km)	√	√	√	√	√	√
Dialogue with tenants and stakeholders	√	√	√	√	√	√
Eco-management (≥ 3 E or VE on 4 targets)	√	√	√	√	√	√
Comfort (≥ 2 E or VE on 4 targets)	√	√	√	√	√	√

* Pending signature of the lease.

	Toulouse Riverside	Bordeaux Quai 8.2 E	Montrouge Flow	Montpellier Orange	St-Ouen So Pop	Paris Gobelins	Orly Askia	TOTAL	Issy les Mx Edo (sold)
	BGA Transactions	SCI Factor E	Avenue de la Marne	Covivio	6 rue Fructidor	TECHNICAL SAS	SCI Bureaux Cœur d'Orly		Covivio
	100%	35%	100%	100%	50%	100%	50%		100%
	2018	2019	2020	2021	2022	2021	2016		2017
	11,539 m²	€10,982 m²	€23,581 m²	16,500 m²	32,213 m²	5,683 m²	17,893 m²	225,232 m²	€10,938 m²
	12/14	**12/14**	**Target: 14/14**	**Target: 12/14**	**Target: HQE 2016 Excellent**	**Excellent**	**12/14**	**Average 12/14**	**10/14**
	Very Good	**_**	**Target: Excellent**		**Target: Excellent**	**Very Good**	**Very Good**		**Very Good**
	€31 M	€36 M	€100 M	€43 M	€37 M	€41M	€31M	€500M	€72 M
	€31 M	€36 M	€100 M	€43 M	€37 M	€41M	€31M	€500M	€72 M
	_		Effinergie		E+C-		Effinergie		_
	E	VE	VE	VE	C	C	VE	100%	E
	√	√	√	√	√	√	√		√
	VE	VE	VE	VE	M2	M1	VE	100%	VE
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	√	√	√	√	√	100%	√
	√	√	*	*	*	*	√	100%	√
	√	√	√	√	M2	M1	√	100%	√
	√	√	√	√	3 stars	3 stars	√	100%	√

Assets selected for the Green Bond September 2019 and the 2021 green private placement tionnés

	GREEN BOND 2019				PRIVATE GREEN PLACEMENT 2021	
Building	Paris - Jean Goujon	Lyon - Tour Silex[2]	Châtillon - IRO	Milan – The Sign	Orly - Belaïa	Milan - Symbiosis D
Surface	8,460 m²	29,900 m²	24,600 m²	25,200 m²	23,300 m²	18,600 m²
Delivery	2021	2021	2020	2020 (A)/2021 (B-C)	2020	2022
(Pre) lease rate	58%	91%	36%	100% (A)/100% (B-C)		100%
Main certification	HQE Excellent	HQE/BREEAM Excellent	HQE TB/BREEAM Excellent	LEED Platinum	HQE Excellent BREEAM Very Good	LEED Platinum
Labels	Osmoz/R2S/ BiodiverCity	R2S	Wiredscore/ BiodiverCity	BiodiverCity		WELL/ WELL H&S Rating
	182	138	74	106	20.5	79.5
	160	138	74	106	20.5	79.5
	Total allocated = €500 million Total used = €478 million				Total allocated = €100 million Total used = €100 million	

3.4 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, 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)".

With a European development pipeline worth €1.8 billion at the end of 2021, 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, which involves the environment, the economy and social cohesion.

Under the leadership of the Board of Directors, Covivio's Purpose, Building well-being and lasting ties, is 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 will bring together all actions in favour of equal opportunities and the preservation of the environment
- the opportunity for teams to contribute to increasing social commitments and links with the regions, by dedicating a solidarity day each year to support a societal project proposed on the "Socovivio" platform.

A first year of intense operation for the Covivio Foundation

Established in 2020 at the European level, the Covivio Foundation undertook its first actions in 2021, the year in which it chose to focus its resources on projects that promote equal opportunities and environmental protection, in line with its mission. The budget allocated to the projects supported is €1.7 million over five years. In particular, a Call for Expressions of Interest was launched in France to reach a wide range of associations. It resulted in more than 100 applications received. The associations selected in Germany, France and Italy that will be supported by the Foundation in the coming years are presented below:

In Germany:

- "Safe Hub" in Berlin, to develop the behavioural skills of children and young people from disadvantaged backgrounds thanks to the values of sport. An educational and coaching program, which takes place in person or digitally.
- "Al Farabi Music Academy" in Berlin to promote the integration and development of young people in difficulty (refugees, etc.). The programme includes musical training, creation of an orchestra, concert, practical workshop and opera visits, to open minds and inspire vocations.

In France:

- "La Cravate solidaire" in the Paris region and Metz, which helps people to join the workforce by providing them with work clothes and personalised coaching.
- "Refugee Food" in Paris, a culinary and solidarity project working for the integration of refugees, in particular with a qualifying training in the collective catering professions.
- "Activ'Action" in Île-de-France and Bordeaux, which aims to transform the job search period into a constructive experience focused on mutual aid and self-confidence, with the organisation of revitalization workshops so that beneficiaries can rebuild social ties and take charge of their life projects.
- "Daring here and now" in Lyon, which helps young people between the ages of 16 and 30 to develop their potential, integrate sustainably and build their future, in particular with support and training in the ecological and social transition.

- "La Péniche du Cœur" in Paris, with the development of a barge intended to welcome homeless men, while providing them with social support, with a view to a return to autonomy or referring them to the appropriate social structures.
- "Wake Up Café" in Paris, which is aimed at detainees or former detainees, and provides them with support, advice and training in order to increase their chances of reintegration.
- "Article 1" in France, which acts to support people with high-potential from disadvantaged backgrounds, *via* a mentoring programme, support within dedicated structures, etc.
- "Foyer St Constance" in Metz, which helps young people in difficulty make a successful entry into working life thanks to practical advice and daily support.

In Italy:

- "Cascina Agrivis", a Milan-based solidarity farm which provides accommodation and training in responsible agriculture. The beneficiaries are people in difficulty with various profiles (disabled, migrants, former detainees, etc.).
- "Job In", a project led by the Don Gino Rigoldi Foundation, is aimed at young people excluded from the labour market in Milan (refugees, asylum seekers, unaccompanied minors, etc.). It aims to recreate a network of support for social reintegration around these young people.

Key societal performance indicators (at 31 December 2021)

€1.8 bn
EUROPEAN COMMITTED DEVELOPMENT PIPELINE
(IN 100%)

"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

78
SUPPLIERS WHO RESPONDED
TO THE CSR SURVEY HAVE BEEN AUDITED

"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

4th
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 Integration within the sustainable city

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 the company's success, Covivio wanted to give new impetus to its cooperation with its stakeholdersthrough its Purpose manifesto.

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 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 at www.covivio.eu) 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. They include studies into the appeal of large cities: "The sharing economy and work spaces: the viewpoint of European employees", "What if Offices made work appealing again?", "Expectations and customs of European employees".

Stream Building, an ambitious mixed-use project

Winner of the Réinventer Paris competition, the mixed-use Stream Building project takes place in the heart of a rapidly developing district, the Clichy-Batignolles ZAC, opposite the new Paris Judicial Court and 5 minutes from a 10-hectare urban park.

With its PCA-STREAM architecture, Stream Building covers 16,200 m² of floor space and 8 floors:

- 9,600 m² of offices and services (six above ground floors)
- 1,100 m² of shops on the ground floor (ground floor and partly on the first floor) including a brasserie
- 5,500 m² of hotel real estate and long-stay residence with 109 "Loft" rooms (floors 6 to 8) operated by Zoku
- 700 m² of social spaces with restaurant, bar, co-working space and event space (floor 8), operated by Zoku
- as well as a 190 m² rooftop connected to the hotel real estate.

Focusing on the diversity of uses and synergies between the different spaces in its programme, Stream Building was designed as a true ecosystem, a relationship-enabling hub that brings together all the activities of urban life under one roof.

In addition to its exceptional location, the unprecedented diversity of its uses and workspaces, Stream Building strives to offer its occupants a whole range of services to facilitate their daily lives: a welcoming workcafé, offering a barista and concierge service, a catering offering, a meeting and conference room space, a fitness area, a mobile app, 22 parking spaces, half of which are equipped for electric vehicles, and approximately 200 spaces for bicycles.

Stream Building is also a benchmark in terms of innovation and reduction of the carbon footprint, with an architecture combining wood and concrete, a vegetable garden on the roof, a hop façade, a green gap and photovoltaic panels.

3.4.1.2 Getting involved in regional revitalisation initiatives

3.4.1.2.1 Measuring the socio-economic impact of the activities on a European level

Aware of its economic weight and its presence in several major European cities, Covivio wanted to measure its contribution to local economic development. 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 the period from 1 January 2018 to 31 December 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 hotel 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 figures presented below are those published in the 2019 Universal Registration Document published in 2020.

The main results of the socio-economic consequences of Offices, residential & hotels activities

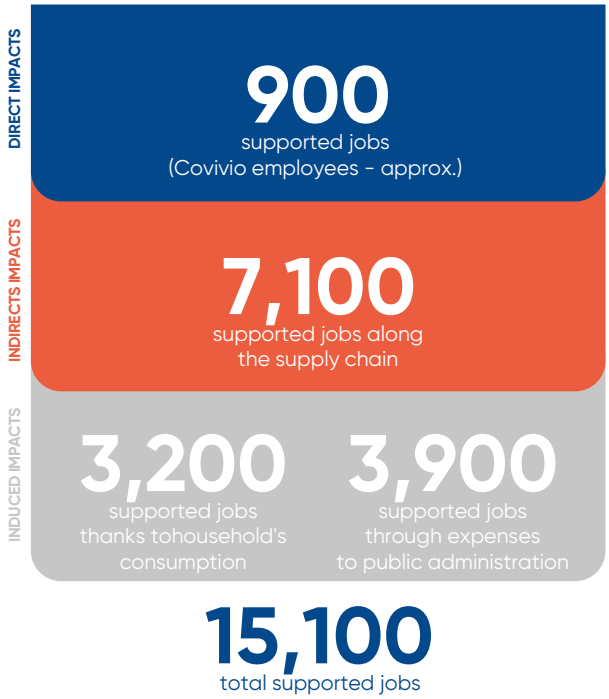
Direct impacts: these are related to Covivio's presence in France, Germany and Italy through its **922 employees** (full-time equivalent at the end of 2018).

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.

Details of the 15,100 jobs supported by type of impact and main business segments supported



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%)

Source: Utopies

Catalytic impact of almost 400 hotels in asset base

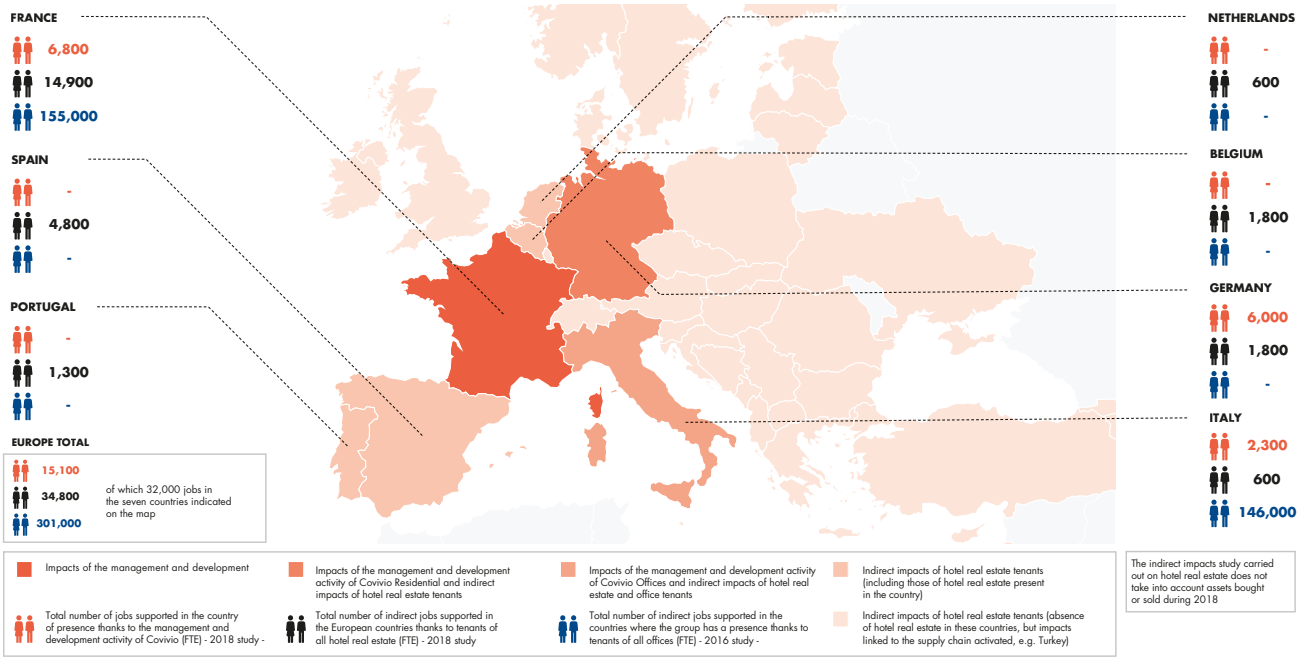
With a portfolio valued at €6.5 billion (€6 billion at the time of the study), Covivio Hotels, a subsidiary of Covivio, is the main real estate partner of hotel operators in France and in Europe, particularly in the most dynamic European cities.

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.

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 across the three countries where its teams are based – France, Germany and Italy. The companies that lease hotels, Offices and private residential properties have economic activities that have consequences on a pan-European basis. As such, it is estimated that, to date, 34,800 jobs are supported by portfolio hotels in Europe, and 301,000 jobs inherent in occupying portfolio offices in France and Italy.

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" approach: using local organisations who hire disabled people (protected workers) or long-term unemployed people (insertion companies)
- the "Procurement" approach: promoting local suppliers and subcontractors in the supply chain.

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. 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 items), use of crushed concrete to make aggregates (used to build roads), etc.: these initiatives significantly reduce the building's carbon footprint
- participation in the HQE-Performances programme and experimentation with the MFA method.

3.4.1.3 Disseminating and sharing knowledge

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", offers a tool for developers to promote common areas on the ground floor. Christophe Kullmann 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.

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. Every year, in Italy Covivio shares its practical knowledge and offers advice to students taking courses in real estate. In September 2021, Covivio took part in the presentation of Fresques du Climat during the start of the ESTP school year.

3.4.1.3.2 Promoting equal opportunities

Presented in the introduction to this Chapter 3.4, the associations selected in France, Germany and Italy since 2021 by the Covivio Corporate Foundation intervene in different areas of action, but all work to promote equal opportunities. In this area, Covivio is also continuing its partnership with the Article 1 association resulting from the merger between Frateli and Passeport Avenir, and as part of its Passerelle programme. Since 2015 Covivio has been involved with Article 1 in a 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. A new program, 1A1, a shorter-term mentoring program, was set up by Article 1 and introduced at Covivio at the same time. 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.

Other skills-based sponsorship actions, the *Passerelle* programme, which Covivio has been running since 2008 in partnership with the Lycée Louise Michel de Bobigny (Hauts-de-Seine), located in priority education zones (ZEP), allows students of BTS or preparatory classes to meet professionals working in different professions at Covivio. In a period of their lives when they need to make long-term choices, more than 1,500 pupils and students from this establishment have benefited from various initiatives since 2008 – such as job interviews, CV workshops, intake of trainees, round table discussions on jobs, and visits to buildings – thanks to more than 55 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 Investing in urban life

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. Since 2015, Covivio has contributed to a number of white papers. The most recent, "Barometer of service sites in France", was produced in partnership with EY and published at the end of 2019.

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 were signed concerning a study as part of the development of Vitae (https://www.vitaemilano.com/en/about/) 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.

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 Christmas 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 (3.5.3.3.3). 40 kilos of toys were collected in 2021!

3.4.1.4 Turn each site into a biodiversity driver

For the past 10 years, Covivio has made 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 (see Purpose). 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.

Covivio joins the act4nature international initiative[1]

Act4nature is an initiative launched in 2018 by the French association, Entreprises pour l'Environnement, with the aim of mobilising companies on the issue of their direct and indirect impacts, their dependencies and opportunities for action in favour of nature. By joining the initiative, Covivio has subscribed to the ten common commitments[2] and has set itself individual objectives integrated into its strategy and 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.

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. At each phase of a building's life cycle, from the extraction of raw materials to demolition operations, this sector plays a role of some kind in the five major causes of the erosion of biodiversity identified by the Convention on Biological Diversity (CBD): overexploitation of naturals resources; destruction/disturbance of species and natural habitats and the fragmentation of habitats; pollution; introduction and spread of invasive exotic species; climate change.

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, stakeholders' expectations taken into consideration 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 **260,000 m²** of Covivio office space under development or already delivered will have a Biodivercity® or Eco-jardin label.

In order to implement this policy further, Covivio is currently studying the best conditions for implementing a "positive biodiversity" indicator on sites under development or restructuring.

Gobelins (Paris 5th): exemplary renovation for urban biodiversity

As part of the restructuring of the Gobelins building, delivered in 2021, Covivio had a specific study carried out by an ecologist on the show-casing of biodiversity. Thus, the Gobelins project involved planting around 370 m² of greenery, divided between the roof terrace and the old courtyard transformed into a garden, which includes 63 m² of green spaces with plants in the ground. In addition to the quantitative aspect, the project sought to develop the quality of green spaces with a wealth of flora and fauna (66 species counted at delivery) and to improve the urban environment for birds and pollinators. This study highlights the advantages of green roofs: rainwater retention and fight against urban run-off, thermal and sound insulation, aesthetic contribution, improvement of urban air quality, extension of the life of the roof and lastly, contribution to the fight against the urban heat island effect (difference of 2 to 5 °C measured on the site).

In addition, and for several years, Covivio has commissioned a regularly updated European study to characterise its potential impacts on biodiversity. The results presented below are those of the analysis conducted in 2019/2020, based on the GRI indicators.

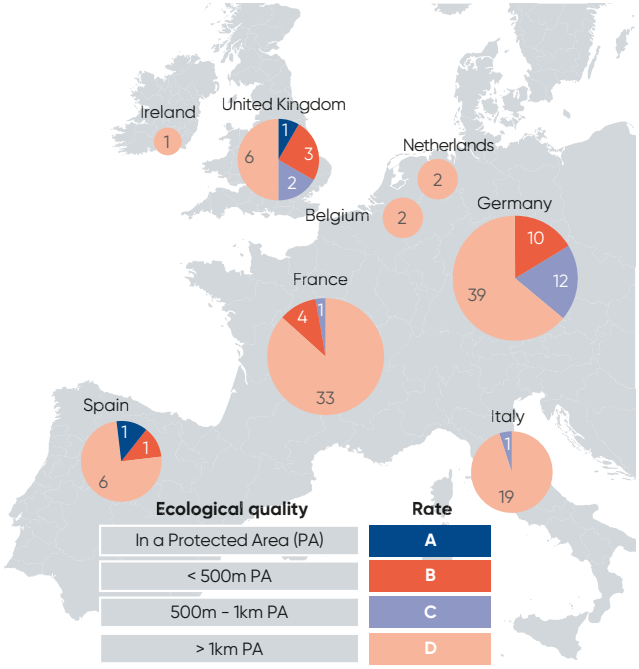
(1) http://www.act4nature.com/wp-content/uploads/2021/11/COVIVIO-VA.pdf
(2) http://www.act4nature.com/wp-content/uploads/2020/11/act4nature-international_indications-fr.pdf

3.4.1.4.2 European mapping of the impacts

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.

Mapping of Covivio sites in or adjacent to protected areas



3.4.1.4.3 An analysis based on GRI Standards indicators

Covivio's real estate portfolio has changed since its biodiversity was first mapped in 2017. In 2019, Covivio therefore commissioned a third party, Gondwana, to update this mapping in compliance with the Standards of the Global Reporting Initiative (GRI), based on a sample of 144 sites owned by the Group in Europe, namely:

- 44 directly managed office buildings (multi-let) – 24 in France and 20 in Italy
- the 50 largest assets in a representative sample of residential assets located in Germany
- the 50 largest assets in the European hotels portfolio (Germany, Belgium, Spain, France, Ireland, the Netherlands and the UK).

Four performance indicators for biodiversity were analysed and are presented below. The study fed into a comprehensive report summarising the results, as well as fact-sheets for sites located less than 250 metres 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 protected areas, areas rich in biodiversity or adjacent to them** (Disclosure GRI 304-1). Conclusion: on criterion 304-1, Covivio's activity can be considered "Efficient"
- **description of the impacts of activities on biodiversity** (Disclosure GRI 304-2). Conclusion: on criterion 304-2, Covivio's activity can be considered "Efficient"
- **protected or restored habitats** (Disclosure GRI 304-3). Conclusion: on criterion 304-3, Covivio's activity can be considered "Efficient" to "Very efficient"
- **impact sites on species appearing on the IUCN red lists** (Disclosure GRI 304-4). Conclusion: on criterion 304-4, Covivio's activity can be considered as "Very Efficient".

3.4.1.4.4 A new biodiversity indicator on operating sites

Urban green spaces are essential for the services they provide to city dwellers, to reconnect cities with ecological continuity, and to create biodiversity reservoirs. Faced with the loss of biodiversity and climate change, in a context of massive urbanisation and artificialisation, the integration of nature spaces in the city is imperative to combat the effects of heat islands and address the ecological concerns of citizens and communities, as well as from an aesthetic point of view.

In this context, biodiversity indicators and tools are being developed, including the Biodivercity® and Ecojardin labels, the Effinature® standard and the CBS (biotope coefficient by surface area). However, not all of these tools take into account all the challenges of biodiversity and the uses of green spaces. Covivio has therefore chosen, in partnership with the research firm ARP-Astrance, to develop its own indicator, capable of integrating green spaces and their social values into sites in operation. The objective for Covivio is to increase the ecological sustainability of its urban projects.

Covivio's CBS describes the ratio between eco-socio-developable surfaces (non-waterproofed 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 the extent to which it promotes biodiversity, with the weighting scale ranging from 0 to 1.2 (0 representing waterproofed 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.

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 the buildings it owns 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 2021, 96.8% of assets were located less than 5 minutes from public transport, and 99.8% less than 10 minutes.

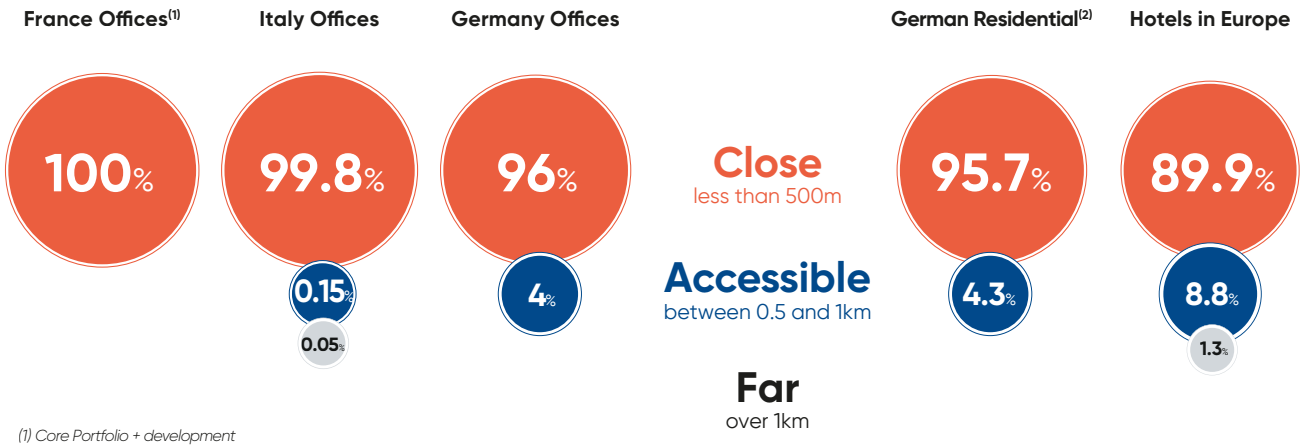
As of 2013, Covivio's teams in Italy have benefited from free recharging stations and four electric vehicles are available in Milan and Rome. In Germany, Covivio provides its employees with charging stations for electric vehicles and bicycles, and in Oberhausen has equipped the staff in charge of maintenance work 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 give a precise framework to these subjects, Covivio has defined its mobility strategy more precisely. This 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 at Châtillon - IRO. 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 2021.

Accessibility of public transport

At 31 December 2021 (in Group Share value)



(1) Core Portfolio + development

(2) Representative panel

The in-depth study carried out in 2021 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.
- **93.7%** of the assets have at least one means of rail transport within a radius of 1 km and 85.8% within a radius of 500 m.
- Within a radius of 1 km, **54.6%** of assets have at least one regional rail and one urban rail (tram or metro) stop.

The average distance from assets to transport is **171 meters** (weighted average in value) taking into account buses, and **296 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 cultural venues, places of interest and restaurants.

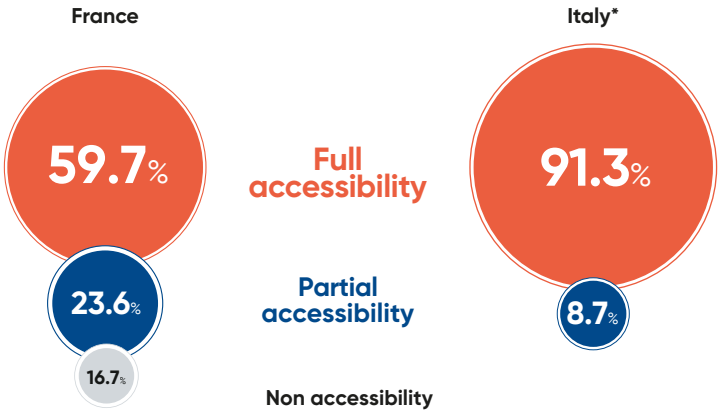
3.4.1.5.2 Making buildings accessible for people with disabilities

Covivio pays particular attention to the accessibility of its buildings 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 2021 (in Group Share value)



* Excluding SICAF

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.

Covivio has also developed an innovative form of residence in the Knappenviertel district of Oberhausen, emphasising the autonomy of tenants and respect for their privacy, while offering many services for elderly or disabled tenants. This project is the result of the conversion of a former commercial premises into nine fully adapted apartments of 40 to 83 m^2. These are arranged around the open communal area, with an adjoining communal kitchen and a spacious dining area. The shared garden was designed to invite everyone to spend as much time as possible together.

3.4.2 Responsible supply chain

Covivio was one of the first European real estate companies to adopt a Responsible Procurement Policy. This policy, rolled out in 2011, covers the whole of the supply chain for the development and management activities of the France Offices portfolio, as well as the company's overheads. The Responsible Procurement Charter was updated in 2019 to include the GDPR regulation and in 2020, in particular to take into account certain provisions relating to the BREEAM In-Use certification.

Benefiting from a responsible supply chain is key for the Group, as the impacts on Covivio's business continuity and in terms of reputation can constitute a significant risk. This 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.

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 (81/100 since 2019), placing itself among the top 1% of companies rated by this body and thus benefiting from the Platinum level.

3.4.2.1 One policy, four tools

Covivio's Responsible Procurement Policy is deployed by means of four tools:

- articulated around 11 principles, Covivio's Responsible Procurement Charter promotes the 10 principles of the Global Compact, the Diversity Charter, the International Labour Organisation 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 in line with the UN's 17 SDGs for 2030. At the end of 2021, nearly 150 suppliers had signed the new version of the charter, *i.e.* more than 30% of the suppliers in the France panel targeted by the Responsible Procurement policy. In terms of spending, the charter covers more than 20% of expenses for 2021 in France (excluding those listed below)
- a CSR clause making it possible to contractualise 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. Likewise, in Germany, most of the products listed (materials, equipment, etc.) by Covivio Immobilien benefit from a demanding 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
- a survey questionnaire on suppliers' sustainable development practices, updated in 2018/2019 and sent to all French suppliers taking one or more orders of over €200,000 before taxes in any 12-month period. The following are excluded from this process: insurance, banking, joint ownership, tax, notaries, duties and royalties. A rating is calculated on the basis of the responses, weighted according to the number of employees of the respondent company. The 49 questions cover topics ranging from governance (fight against corruption, existence of a Code of Ethics, etc.) to the consideration of environmental risks (toxic discharge, waste policy, etc.) through social/societal issues (workers' rights, health/safety at work, etc.). The updated version of the questionnaire has been distributed since the second half of 2019, and yielded over 114 responses at end-2021
- a verification of the questionnaire responses of around ten suppliers each year: at the end of 2021, nearly 80 suppliers and consultants had been assessed by an independent consulting firm specialising in purchasing. This check makes it possible to ensure the quality of the responses to the questionnaire and to examine certain subjects in greater depth: actions taken by the audited company regarding specific subjects examined each year, such as the management of subcontracting, accidents or carbon trajectories for example.

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 have 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.

The table below shows the percentage of positive responses to some of the topics addressed in the questionnaire. It shows a correlation between the level of CSR commitment of suppliers and their economic weight, expressed in number of employees, based on best practices, as detailed below.

Percentage of positive responses to certain CSR questionnaire topics by revenue category

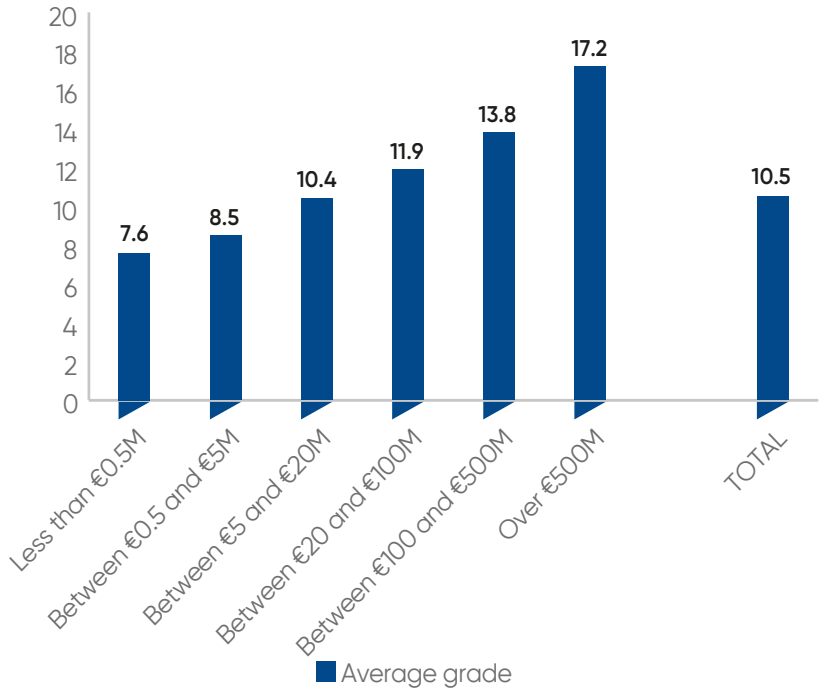
At 31/12/2021

Number of employees	SD policy and/or tools	Company with an internal Ethical Charter or Code of Conduct that may or may not be enforceable against its employees	Labour law standard (SA8000, ISO 26000, Lucie Label, etc.)	SSE standard (OHSAS 18001 or ISO 45001 or MASE)	Environmental standard (ISO 50001 or 14001)	Company that has carried out a carbon assessment of its activities
Less than 50 people	68.7%	32.8%	10.4%	7.5%	14.9%	16.4%
Between 50 and 250 people	87.5%	66.7%	37.5%	25.0%	37.5%	29.2%
More than 250 people	95.7%	95.7%	78.3%	78.3%	65.2%	91.3%

The graph below shows the average scores obtained by suppliers on the basis of 114 responses to the questionnaire and after weighting according to the number of employees (less than 50, between 51 and 250, more than 250). Once again, the results 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.

Average scores by revenue category

At 31 December 2021



It should be noted that these results need to be qualified, due to a greater number of respondents from the small companies (67 *vs* 24 medium-sized and 23 large companies). As mentioned later in this document, the average scores of the different categories of companies tend to become more consistent due to the increasingly high scores obtained by the smallest companies.

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 2021.

3.4.2.2 Annual audit

The campaign carried out in 2021, by a specialised and independent third party (BuyYourWay), with 10 subcontractors (1 VSE, 7 SMEs & 2 key accounts) of Covivio, focused on the verification of the responses to the Sustainable Development questionnaire initially sent. In the event that a serious anomaly is identified, various measures ranging from dialogue to the delisting of the supplier could be taken. At the end of 2021, no serious anomalies had been identified and no suppliers were de-listed. Nevertheless, this exchange with the supplier or the consultant makes it possible to identify areas for improvement and then give rise to recommendations in the form of a personalised summary. The responses of 78 suppliers have been verified to date.

Overall, the suppliers surveyed in 2021 have all implemented a partially formalised CSR approach. However, only half of them set up dashboards and indicators to manage their actions. We also note that very few management systems have been deployed. In addition, very few companies are signatories to the United Nations Global Compact. On the other hand, the fight against corruption is a well-covered topic, with systems such as the Ethical Charter, Code of Conduct, and more rarely, a system for alerting and reporting cases of corruption. These changes are part of the implementation of the so-called Sapin law.

The Social aspect is treated relatively well by all the suppliers surveyed:

- employee training: targets are set by suppliers
- occupational Health and Safety: all suppliers have a systematic policy for the use of personal protective equipment
- quality of life at work: actions and commitments were made by the vast majority, although formalisation work would help create a better structure to their the approach. The actions generally focus on good posture, the ergonomics of workstations, the layout of rest areas, emotional balance, etc.
- diversity is a value that translates into several commitments and actions, but often without being formalised
- there are now many practices related to the integration of seniors and people with disabilities.

In terms of the environment, many actions are implemented, in particular through waste management (from offices or construction sites). In addition, there are greenhouse gas emissions assessments as well as actions to reduce water and energy consumption. Risk prevention plans are still rarely deployed. Overall, CSR topics are well covered and progress has been made.

The verifications carried out in 2021 enabled eight suppliers out of ten to see their score improve, which confirms the value of this verification exercise; 2 were maintained.

Covivio does not intend to conduct or initiate on-site audits. In France, for example, on-site inspections are performed by the Health and Safety Coordinator (Coordonnateur SPS) or by the Labour Inspectorate (French government body) for worker registration, working conditions, etc. Equivalents of the SPS coordinator also exist in Italy and Germany. Accidents are subject to specific monitoring (3.4.2.3).

3.4.2.3 Construction site accidents

Covivio has implemented monitoring of accidents across all its development and renovation operations. The following table presents the various data collected on building sites under development in France in 2021 (and two projects completed at the end of 2020 not reported in 2020). Across all the sites of properties under development in Europe, there were no serious accidents/deaths in subcontracting companies in 2021.

Accidents on developments and renovations in France in 2021

(Supplier data)

Total number of hours worked on the sites	1,563,366
Number of lost-time occupational accidents	8
Number of lost working days	108
Accident frequency rate	5.12
Severity rate	0.07

The average figures for the construction industry as calculated by the French National Health Insurance Fund, are 33 and 2.4 for frequency and severity respectively (2019 accident figures). The data published by Covivio was collected on six French projects delivered or underway in 2020 and 2021.

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.

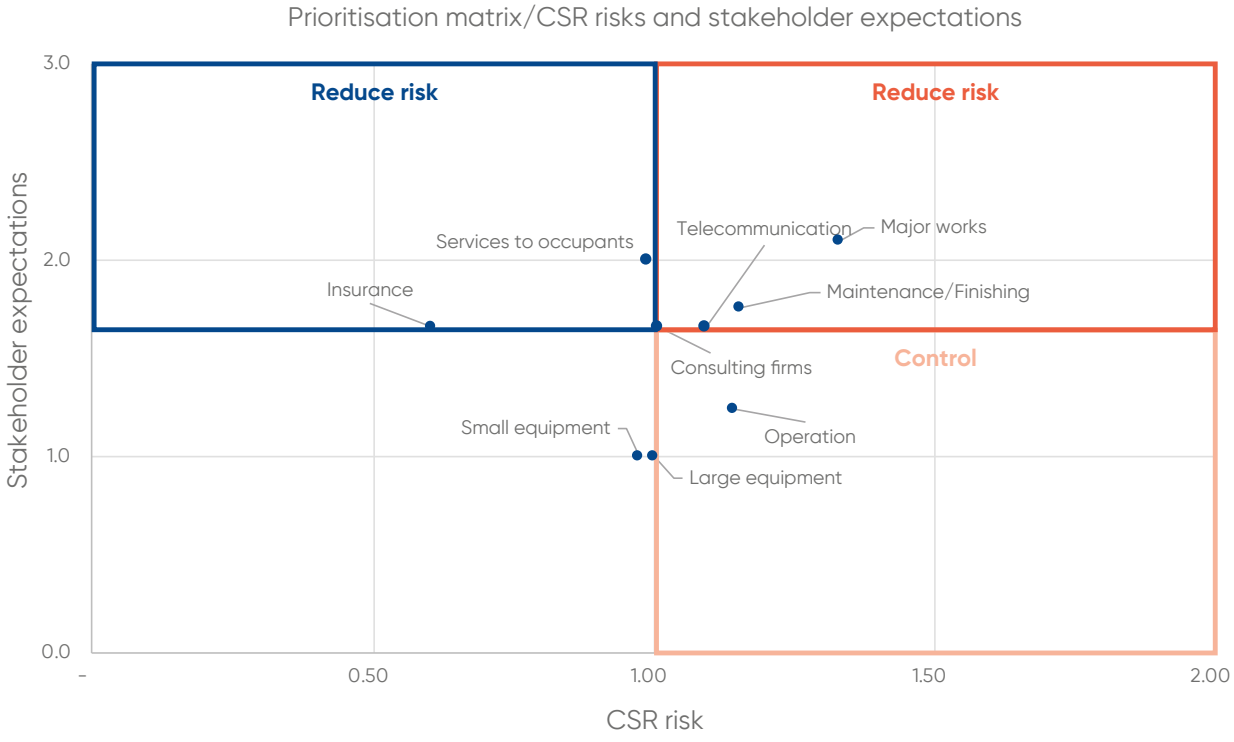
Methodology:

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.
  - tenant: 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 tenant risks are also not to be neglected, respectively for the major works and BET/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 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 BET/Consulting, requiring specific actions.



3.4.3 Quality of relations with external stakeholders (customers, suppliers, etc.)

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 customer satisfaction, Covivio endeavours to better identify customers' strategic challenges and anticipate their needs and expectations. Complete control of the real estate chain and the service-based approach, creating "on demand" properties, enables Covivio to improve the customer and user experience.

In support of its Purpose, Covivio has set itself qualitative objectives relating to the well-being of its customers:

- starting in 2020, all new projects aim to obtain a well-being certification
- all customer requests are processed within 24 hours, with satisfaction being regularly measured and valued in the teams' remuneration.

To achieve these objectives, Covivio relies on the experience of its teams and its partnership DNA, which have enabled it to establish a relationship of trust with its stakeholders and in particular its customers. The Covivio Customer Culture is based on five pillars: the customer journey, services, well-being, digital and ongoing adaptation. This culture is accompanied by strong convictions in terms of the Offices of the future, centrality, quality and uniqueness. Companies are increasingly looking for flexibility, agility, listening ability and advice from their lessors. Their employees want to live inspiring experiences in their workplaces, which requires flexible, reversible and scalable common spaces. More generally, the spaces should make employees want to come to the office. These trends were already existing pre-Covid but the health crisis has clearly played a role as a catalyst for these trends. For several months, there has been a new expectation that the sustainable development approach will be taken into account in the experience of on-site employees. It is reflected in the implementation of biodiversity-related initiatives, increased commitments in terms of carbon trajectory and on-site initiatives (CARE Programme, soft mobility programme, etc.). By offering flexible spaces in line with new uses, a diversified, innovative and scalable range of services, Covivio also pays particular attention to the well-being of occupants. To ensure this, the range of services offered is co-defined and co-constructed with customers based on a strong anchoring in the local ecosystem. At the same time, Covivio has rolled out the Witco application (formerly called MonBuilding) on its multi-tenant buildings, in order to facilitate the implementation of and access to on-site services. 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 customers hybrid offerings in a combination of contractual and service formats. (3.3.1.1).

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. In 2019, a survey was also conducted among the 127 customers of the 27 core multi-tenant buildings of Offices located in France, in order to specifically measure satisfaction with the availability of teams, the quality of responses and interventions by service providers, as well as the use of the extranet. The results were very satisfactory, with 90% of respondents praising the availability of the Customer Relations teams. The survey was repeated in 2020, with a focus on supporting customers during lockdown. Of the 143 tenants in 20 multi-tenant buildings, 93% of respondents rated the availability of Covivio contacts as Fairly or Very Satisfactory, as well as the quality and relevance of the action plans and health communications deployed in the buildings.

The survey conducted in Italy on 131 tenants in 2019 also revealed an excellent satisfaction rate, with 31.3% of tenants totally satisfied and 68.7% quite satisfied.

In 2021, a common approach for measuring customer satisfaction was structured at the European level, with two types of measures:

(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) comprehensive annual surveys of decision-makers and employees, to find out in more detail their level of satisfaction with the spaces and services as well as the evolution of their expectations. To structure these studies, Covivio used the expertise of Opinion Way and Kingsley, recognised experts in the field.

The first results, recorded at the end of 2021, are very encouraging, with satisfaction levels exceeding 86% for Covivio (entry to the premises and life on site) and 96% for Wellio (life on site). In addition to these one-off measures, Partnership Committees and annual meetings with tenants as part of the budgeting process remain a preferred means for the teams to understand the needs of customers and adapt the offering accordingly. These meetings with tenants take place at least twice a year in France and Italy, for all buildings. These meetings concern the tenants of Covivio buildings but also the customers of our Wellio spaces. This represents a customer base of more than 300 customers in France, regularly met by our Customer Relations Managers and our Wellio Site Managers.

In Germany, Covivio Immobilien 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 fourth consecutive year, the business magazine FOCUS-MONEY analysed the practices of the main housing companies in Germany. In an online survey, conducted in November/December 2021, 1,454 tenants from 26 major housing companies were asked about their experience 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 obtained one of the top three places for 15 of these 32 characteristics. 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;
- create innovation partnerships with key account tenants (*e.g.* Sekoya 3.3.2.3; Air Quality Challenge 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.

Convinced that art contributes to the identity of a place and to the construction of a common space that stimulates exchanges and creativity, in 2018 Covivio joined the "1 building, 1 work" programme, launched in 2015 by 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. 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.

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, Julien Soone, a pioneer of French graffiti, created a monumental work for Covivio called "Flower Tower" on a wall of more than 250 m^2 in the heart of the colossal dome of Silex^2 in Lyon, bringing a touch of eccentricity, while integrating perfectly into the architectural project. Another example: the immense mural, created by the artist Lula Goce, in the emblematic Parisian district of Montmartre, on Mercure and Ibis hotels, is the second in the #GenerationEqualityMurals series organised by Street Art for Mankind (SAM), which focuses on the aspirations of young people and intergenerational ties that advance women. Inaugurated in 2021 on the occasion of the launch of the Generation Equality Forum, organised by UN Women and co-chaired by France and Mexico, the mural embodies the vision of the Generation Equality Forum.

An extraordinary project for the emblematic CB21 tower in La Défense

As part of its commitment "1 building 1 work" and with the desire to support young creation with emerging artists, Covivio has created a unique collaboration with the *École Nationale Supérieure des Arts Décoratifs de Paris* (ENSAD), whose mission is the high-level artistic, scientific and technical training of artists, designers and researchers.

In November 2021, Covivio launched a call for applications for young graduates of the school to create a permanent work of art 12 m high and 46 m long, within the CB 21 tower. This work is placed on the concrete wall accessible from the La Pergola garden, visible from the Tower, the Esplanade de La Défense and the Boulevard Circulaire. The free rein given to these budding artists has led to highly creative, bold efforts. The work will be set up in the spring of 2022.

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 m^2 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. Given the exceptional health situation in 2020 and 2021, the organisation of the Sustainable Development Committees was difficult, but CSR issues were of course raised during the regular meetings between the Customer Relations teams and the tenants, particularly at the implementation of the tertiary decree of July 2019.

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 and is available on the German website (www.covivio.immo/mieterhandbuch/). This booklet contains information on aspects such as the proper use of the heating system and waste sorting, 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 able to learn how 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. Covivio Immobilien currently owns 1,957 apartments in Oberhausen.

The tenants 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) 21 https://www.covivio.immo/press/covivio-und-verbraucherzentrale-nrw-in-oberhausen-strom-sparen-leicht-gemacht/.

3.5 European human capital that creates value

Convinced its 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 issue in section 3.5.3.

In the context of the health crisis since 2020, Covivio has maintained its efforts throughout 2021 to preserve the health of its employees and enable them to continue working under the best possible conditions. The actions undertaken concerning employee health and safety during this period are detailed in section 3.5.2.

The prolonged nature of the health crisis did not prevent Covivio from continuing its ambitious training programme which accompanies and supports this system, in line with the company's strategy, in a dynamic that gives full place to diversity in various forms.

The Human Resources (HR) policy developed by Covivio revolves around four action areas that are essential to the momentum of the 2015-2020/2020-2025 objectives detailed in Chapter 3.5.2, 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 2021, Covivio employed 1,032 people (972 in 2020): 302 in France (301 in 2020), 99 in Italy (94 in 2020), 627 in Germany (574 in 2020), 3 in Luxembourg and 1 employee in Spain. The report presented below concerns the 1,028 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.

COMMITMENT BAROMETER: AN EMPLOYEE CLIMATE SURVEY CARRIED OUT AT EUROPEAN SCALE

Covivio measured, for the 4th time in France and the 2nd time in Europe, the level of involvement and commitment of its teams, through its Barometer survey carried out by the independent institute Kantar, according to the HiPO (High Performance) model. These results, despite the health crisis and its consequences on the workplace, reinforce Covivio's values and internal culture, and reveal a positive corporate climate.

Covivio initiated this barometer approach in France in 2015, before extending it across Europe, covering Germany and Italy in 2019. The objective is to give a voice to the teams, to identify the main assets of the Covivio culture, as well as the points of progress in terms of quality of life at work and operations.

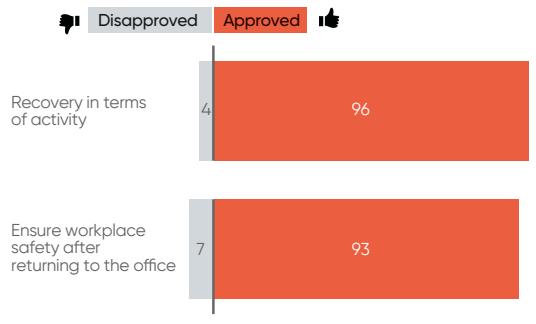
The 2021 edition highlights three key lessons:

> The confidence of Covivio employees in the management of the health crisis. 93% of employees welcome the decisions taken to overcome the crisis.

> Confidence for guaranteed safety when returning to the office.

> An overall level of commitment of the Covivio teams that remains well above the national Kantar benchmark, particularly on issues related to management confidence, adherence to the Group's strategy and the possibility of developing skills. 79% of employees say they are proud to work at Covivio.

Employee confidence in the Company's ability to...



Key social performance indicators (at 31 December 2021)

1,028
EMPLOYEES IN FRANCE, GERMANY AND ITALY

"SKILLS/ATTRACTIVENESS/DIVERSITY" RISK

92.5%
EMPLOYEES ON PERMANENT CONTRACTS

45
INTERNAL MOBILITY

85.5%
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

100
PEOPLE RECRUITED ON PERMANENT CONTRACTS

3.5.1 Skills/Attractiveness/Diversity

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 A recruitment policy that supports the strategy

Covivio's European headcount was up compared to 2020 (+6.1%), with a total of 1,028 employees at 31 December 2021, compared with 969 at the end of 2020.

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.

In France, 22 permanent hires (15 in 2020) were made in 2021. Half of the hires concern financial functions, thus illustrating the recruitment dynamic in this type of business both at group level (accounting, treasury, financial control, investor relations and financial communication) and at the operational level within the business lines (management control, office portfolio). In order to maintain the development of the Wellio co-working activity, a Coworking Manager and a Site Manager were recruited in 2021. Coworking is thus further consolidating its position as a product in its own right within Covivio's strategy. Covivio's recruitment strategy, driven by the creation of new activities, incorporates the desire to acquire and develop new skills in order to put them, through synergies and cross-functional knowledge sharing, at the service of all business lines. This is the case in particular in the field of services and B2C activities (co-working, hotel asset management), and of course in digital technology, supported by the recruitment of a Technical Account Manager dedicated to co-working.

In Germany, 68 permanent staff were hired in 2021. Nearly a third of new hires, including 13 job creations, support the residential development strategy in Germany with the hiring of 23 new employees, including 6 Construction Managers and 5 Planning Coordinators. Covivio in Germany has set itself ambitious targets for reducing CO_2 emissions, and Construction Managers and Architects were identified as key resources in the recruitment strategy. In France, residential development is also continuing and has led to the creation of an additional Project Manager position.

In Italy, ten permanent hires were made, including seven new positions. In the context of new deliveries in 2021 (Symbiosis, Wellio Dante), three employees joined the team in charge of building management.

Everywhere in Europe, the "corporate" functions, at the service of the operational departments, were also consolidated. For example, changes in European Regulations have led to the creation of the position of Compliance Officer Europe, filled in 2021. IT is also at the heart of the harmonisation of working methods at the European level. The Europe IS Department has thus set up an IT Business Process Advisor in Italy.

With its long-standing focus on developing talent, Covivio continues to boost its "incubator" policy through the recruitment of young people (under age 30) under permanent contracts (50% on permanent contracts) and apprenticeships. Covivio's presence on student forums was limited in early 2021 due to the pandemic. Covivio nevertheless took part in two virtual forums in France (ESTP, HEC) and continued its specific partnership with ESTP, enabling the Group to be present with students as soon as they started their studies (sponsorship of the integration seminar, for example) and during partner meetings. In Italy, Covivio took part in the virtual forums organised by Politecnico and the Università Bocconi, and recruited four employees under the age of 30 in 2021. In Germany, 15 people under the age of 30 were recruited, continuing the rotation of generations within the teams. 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).

The European Graduate Programme launched in 2020 continued in 2021, despite the pandemic. A new class will join Covivio in 2022. Young people on the Graduate Program 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 15% of the workforce.

In addition, Covivio is pursuing its work-study policy despite the effects of the crisis, enabling 32 students to benefit from an apprenticeship or professional training contract within the Group. In France, 19 work-study hires were made (12 in 2020). In Germany, six young apprentices completing their training in 2021 were hired on permanent or temporary contracts. In Italy, three internship students were recruited, two of whom were hired at the end of their internship.

The quality of the recruitment and integration process is a focus of attention. 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. An English test is conducted during the process, in line with the Group's requirements for European integration. 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 2021, the French HR Department set up a new ATS (Applicant Tracking System) to improve the candidate experience and enable efficient, collaborative and secure recruitment management. The Compliance team was involved in the implementation of this new tool in order to be able to store candidates' personal information in strict compliance with GDPR. In 2021, the Germany HR Department focused on the employer brand by displaying advertising banners on site and in Covivio offices. In addition, a Recruitment and HR Development Manager was recruited in early 2022 to best support the German teams in their recruitment.

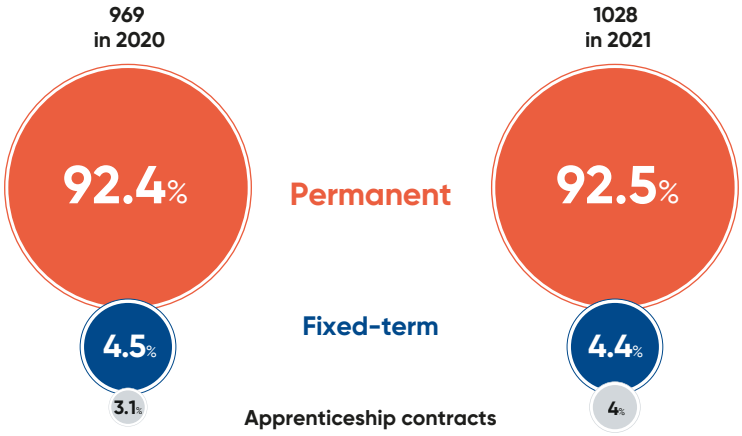
In France, once recruited, each new employee follows an onboarding process that consists of several systems: an e-learning module "120 minutes to understand real estate", a mentoring program called "Buddy Programme", an integration day involving representatives from each department who present the essential 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. Throughout their integration process, employees benefit from regular HR support. 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). Lastly, a meeting is also organised with the HR representative during the first week and regular follow-ups are carried out during the first months.

In Germany, 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 two 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 third wave of ambassadors will be set up at the European level in 2022.

3.5.1.2 Strategic HR guidelines for performance

Change in the number of employees



In 2021, the number of employees on temporary contracts in France still represented a small proportion of the workforce (2% at 31 December). Two-thirds of temporary contracts correspond to an increase in activity linked to the impact of the implementation of SAP. In Germany, the use of temporary contracts is traditionally more frequent, but is still limited (6.1% of the workforce at 31 December 2021). The proportion of employees on permanent contracts thus continued to grow (accounting for 92.5% of the total workforce at end-2021) testifying to the emphasis placed on talent retention and supporting the Group's future growth. In Italy, the share of temporary contracts also remains very low (1% in 2021, as in 2020).

Turnover of permanent departures reached 8.8% (7% in 2020) in France. Turnover due to resignations alone (excluding retirements and termination of the trial period) was 5.3%. In Italy, turnover was 6.45%. In Germany, this indicator is down (at 9.63% *vs* 11.49% in 2020) but remains at a higher level than in other countries due to a different type of business. 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 and quality of life at work. 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.

Covivio is pursuing its youth employment policy despite the effects of the crisis. Twelve internship contracts were added in France during the year to the 32 apprentices already existing in Europe at 31 December 2021. This was in addition to 64 students in Germany on temporary contracts of 20 hours per week maximum, in accordance with German legislation (not included in the workforce figures). 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 2021, Covivio benefited from the "Happy trainees" label for the France scope, issued by the "Choose my company" body, on the basis of an anonymous survey sent to all interns and apprentices present in 2020. With a recommendation rate of 92.9% and an overall score of 4.3/5 (4.18/5 in 2020), Covivio obtained the certification for the second consecutive year.

3.5.1.3 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, digital technology and English-language proficiency have been strategic priorities for skills development.

3.5.1.3.1 A training policy that supports 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 support the company's strategy by defining collective training courses in line with strategic challenges and changes in the context (new market opportunities, legislation, etc.); to support the development of individuals through training on business lines, fluency in English, the appropriation of digital tools or related to professional and personal development, both with a view to developing Covivio's skills capital, and also to retain employees who are increasingly concerned about 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. At the European level, the training rate returned to its 2019 level in 2021, with 55% of employees having received at least one training course (37% in 2020). The budget allocated to training is up slightly: from 1.4% of payroll in 2020 to 1.8% in 2021. At Group level, fluency in English remains essential, in a spirit of collaboration between the various teams. Thus, more than 1 in 10 employees received training in English in 2021.

Covivio aims to train at least one in two employees in Europe each year.

In France, the rate of employees trained is up compared to 2020 (+17 points), with 85% of employees having received training in 2021, in line with the target of 70% set in 2020. Each French employee trained received 18.7 hours of training on average, an increase of 1 hour compared to 2020.

4.1% of the payroll was invested in training in France during 2021.

In France, 256 employees (average workforce) received at least one training course this year, targeting as a priority the tools aspects which represent 49% of the training actions, due in particular to the deployment of SAP in France in July 2021. In a context of a persistent health crisis, Covivio wanted to strengthen health-safety-QVT training, which accounted for 19% of training in 2021 (+5 points compared to 2020). In addition, as every year, retirement training is systematically offered to support employees concerned who so wish. Conferences on Digital Fatigue and Food were also organised in April 2021.

The Italy HR Department once again invested in an ambitious training plan in 2021, with an average number of training hours per employee of 27.5 hours. Language training was offered, both in English and, for the first time, in French. Tailor-made training courses were conducted, in particular to deal with safety issues (prevention of fire risks, safety on construction sites). In 2021, 75% of Italian employees received training (59% in 2020). The Italian training plan also had a coaching offer and six participants benefited from personalised support in 2021.

In Germany, 33% of training hours in 2021 were dedicated to learning or improving English. 38% of employees completed at least one training course in 2021, with an average of 17 hours of training. In late 2019, individual lists of training needs were compiled for the first time through discussions between managers and their teams. On this basis, a skills development plan was drawn up in 2021. It consists of several actions including team building sessions, safety training, and stress management training.

In France, 30% of the training catalogue is devoted to certifying training. In 2021, a catalogue dedicated to these training courses was proposed, in order to enable identified employees to develop their soft skills, their business expertise and their employability. In 2021, Covivio contributed to the financing of work-study training to the tune of more than €390,000 (including apprenticeship tax).

4th edition of Training Week

Since 2013, Covivio has relied on its teams and their educational talent to raise awareness and train employees in the Group's various business lines and to share operational priorities and indicators. In 2019, Training Week maintained its digital and fun nature, initiated in 2017, with the creation of a business game with a European dimension. In 2021, the new edition of Training Week was dedicated to communication, creativity, diversity and collective intelligence. Nearly 110 French employees took part in the various workshops offered, with a diversity and cooking workshop, workshops focused on the deployment of soft skills and a serious game. All activities took place in strict compliance with pandemic measures, or remotely.

3.5.1.3.2 Integrated and dynamic career management

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 order to better support the development of IT skills, a follow-up of the DSI People Review conducted in 2020 was carried out in 2021 and a workshop with a European focus was held in Paris to extend the discussion to the management of IT skills at the Group level. A People Review dedicated to Young Talent aged 30 and under was held in the presence of the Management Committee in September 2021. Feedback was given to employees in the presence of the line manager and the relevant member of the Management Committee.

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. In 2021, nearly all employees present (99.6%) 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 2021, 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 (67% in 2021 compared with 64.2% in 2020). 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.

Every year, Covivio promotes mobility within the Group. In 2021, 17 transfers were made in France (8 in 2020). Among these types of mobility, 8 promotions were identified, 5 of which involved women. In Italy, 2 transfers took place. In Germany, 18 transfers were recorded (21 in 2020), including 3 promotions. At the European level, the mobility rate reached 4.4%.

KEY MOMENTS IN CAREER MANAGEMENT

Integration programme
- Integration day
- Discussions with Management
- Social events
- 6-month HR review
- E-learning sessions
- Buddy Program

Performance interview
- Past year performance evaluation
- Identification of training needs
- Definition of objectives for the following year

People reviews
Periodic meeting for each business line
- Skills assessment
- Anticipation of job changes
- Identification of collective training needs
- Projection of career development

Skills development
Framework for year n+1
- Training
- Coaching
- Personalised HR assistance

Mid-year
Interview Workload and Target Monitoring

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

Professional development interview (every two years)
- Career review
- Desired changes

Mobility
Changing business lines, promotion, assumption of managerial position
- Support in assuming functions
- Training or coaching as required

Towards greater European consultation

In 2021, Covivio focused on HR dialogue at European level. A European seminar involving the three national Management Committees was held in the second half of the year. During this seminar, the issue of what attracts talent was the subject of a concerted discussion on the basis of the results of a dedicated survey sent to European employees aged 25 to 30. Through 16 questions, the objective was to better understand their professional ambitions and their expectations vis-à-vis an employer in general, and Covivio in particular. Nearly 80% of them agreed to answer the questionnaire. In 2022, a new HR action plan to promote attractiveness and to develop talent will be rolled out in the countries. It mainly aims to promote work-life balance, develop exchanges at the European level and set up tailor-made development programmes for priority retention targets.

Since 2019, discussions on the employee 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.

3.5.1.4 Talent retention

3.5.1.4.1 Measuring employee satisfaction and commitment

For the second time in 2021, the Engagement Barometer, an anonymous working environment survey conducted among French employees since 2015, was extended to the European level. Led by Kantar, the study allows a comparison with the national benchmarks of private companies.

With an overall attendance rate of 79%, this second edition at European level highlighted very good results. There was unanimous support for the management of the crisis: 93% of the teams believe that Covivio made the right decisions to overcome the crisis and 94% believe that they were well informed about the Group's situation during this period. Teams' pride and commitment are strengthened: 83% of employees are satisfied with their job (+10 points compared to the Kantar benchmark) and 79% are proud to work for Covivio and are willing to talk about it with others. In addition, confidence in strategy and management remains strong, with 81% of employees expressing their confidence in management.

On the composite HiPo index, the scores are 71 in France (*i.e.* 3 points above the national benchmark), 84 in Italy (17 points above the national benchmark) and 67 in Germany (2 points below the national benchmark but up 5 points compared to the first barometer).

The Engagement Barometer will be renewed every two years, and its results are included in the evaluation criteria for Covivio executives.

3.5.1.4.2 Performance-based pay

With a view to fair pay and talent retention, the Group's remuneration programme aims for the best possible balance and takes into account both individual and collective performance, and also the profiles and experience of employees, and the increasingly competitive state of the job market.

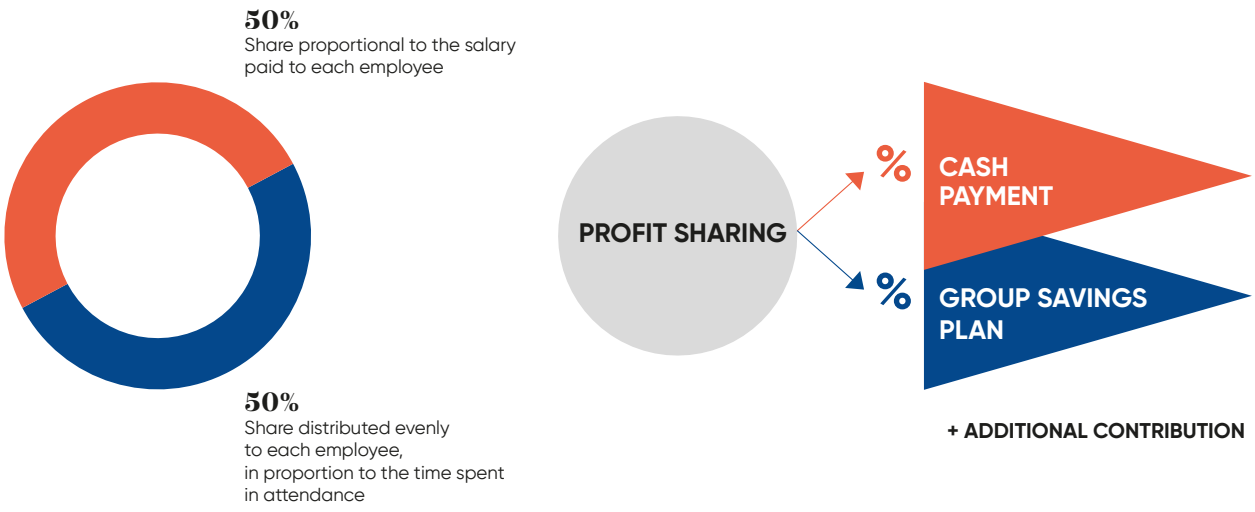
In France and Italy, the bonus pay policy is incorporated into the concept of individual performance, based on the extent to which job objectives determined during the annual interviews are achieved. The challenge is to make this measurement of an employee's contribution to the Group more objective and more transparent to employees. In France, 100% of employees on permanent contracts are eligible for variable compensation. In Italy, bonuses concerned 85% of the workforce in 2021.

In Germany, a new employee remuneration model was put in place in 2017. This includes 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 2021, 73.5% of employees received variable remuneration. As of 31 December 2021, 93% of the workforce was covered by one of these two collective agreements; only six executive managers are not covered due to their different contractual status.

Employee incentives, profit-sharing schemes and savings agreements have been rolled out within the France ESU as part of existing collective agreements. An average incentive of 8.42% of annual salary averages was paid to employees in 2021 based on their performance in 2020. 91% 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 giving rise to an additional contribution from the Group, in order to encourage employee shareholding.

In 2021, 50.6% of employees Europe-wide (*vs* 87% in 2020) were also eligible to receive free company shares.

Breakdown of profit-sharing



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, gender, origin, marital status, sexual orientation, customs, genetic characteristics, true or assumed belonging to an ethnic group, a nation, race, physical appearance, disability, state of health, state of pregnancy, surname, political opinions, religious convictions and trade union activities.

As a signatory to the Diversity Charter in 2010 and the Global Compact 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. Nine staff members were affected by an appropriate salary measure following this review in 2021. Covivio received a score of 91 on the Gender Equality Index implemented in France in 2021. A similar procedure for reviewing potential inequalities was put in place in Italy in 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 57% women at 31 December 2021. Women are more numerous in the managerial population: 53% of managers were women on 31 December 2021, and the proportion of women on the French Executive Committee of Covivio is 50%. In Germany, men and women account for 53% and 47% of employees respectively. In Italy, the workforce is 50.5% male, and women represent 41.7% of managers.

The proportion of female managers rose (44% of managers of the Group are women), in line with the progress that started in 2016, rising 21 percentage points since then.

The Executive Committee of Covivio, a European management body, comprises 36% women.

The aim of the Ex-Aequo programme is to promote gender equality on a pan-European basis.

In 2017, Covivio launched 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, partner for our gender equality issues.

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 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 the case of equally qualified candidates, Covivio promotes the recruitment of candidates with disabilities. At 31 December 2021, employees with disabilities made up 1.3% of Covivio's workforce in France, and 4% 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 2021, Covivio is launching its first disability mission.

A Disability action plan for 2021 was designed following the intervention of an external firm at the end of 2020 and two disability contacts were appointed. Throughout the year, several actions were implemented to promote the employment of disabled workers and raise employee awareness of the various forms of disability.

Monthly articles highlighting different types of disabilities have been published on the Digital Workplace (intranet) and a "Disability Mission" Lab bringing together around ten employees was formed to jointly build an action plan and relay the actions of the Disability Mission within the teams. During the SEEPH (Week for the Employment of People with Disabilities), two disabled workers took part in the DuoDay and were integrated into the teams for one day. Workshops were also organised in Paris and Metz highlighting visual impairment. A quiz was launched with gourmet baskets produced by ESATs.

Discussions are underway to encourage purchases from the adapted and protected employment sector. The objective in 2022 is to sign an Agefiph agreement further embedding Covivio's disability policy.

No complaints related to discrimination issues were submitted to the Ethics Officer in 2021. The whistleblowing system in place also covers all types of harassment and discrimination, and protects whistleblowers. 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 reporting and response channels.

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 benefit, if they wish, from an adjustment to their work 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.

In France and Italy, where the national environment is more favourable to collective childcare and where the offer is more complete, *ad hoc* schemes are put in place to promote work-life balance, such as the scheme launched in 2022 offering childcare places or adapted childcare solutions. In France, maternity leave is 16 weeks and may be supplemented by a 14-day sick leave prior to the birth. 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. Any 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 reconciles family life with work life by helping employees find childcare solutions or support for ageing parents.

In France, employees returning after an absence of more than three months (illness, maternity leave) are supported to facilitate their return. 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.

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 2021, 100% of seniors were invited to this interview and 34% 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. In 2021, seven employees took advantage of this provision, nearly 16% of eligible senior employees. An agreement on seniors promoting the retention of older employees 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.

3.5.2 Health, safety and well-being at work: another year marked by the health crisis

3.5.2.1 Covid-19: an HR policy combining employee health and business continuity

The top priority for Covivio in 2021 was, as was the case in 2020, to protect the health and safety of all Group employees. While the teams have adapted to the government directives in their country, a consistent response has been provided through the sharing of best practices across Europe.

Covivio did not use any form of furlough or downsizing in 2021 and does not foresee any restructuring plan leading to redundancies for 2022 in France, Germany or Italy.

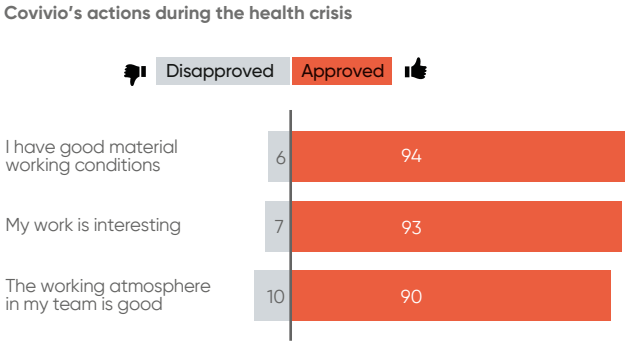
In order to ensure the health safety of employees in the office, the health protocols implemented in 2020 were maintained and adapted in 2021 in France, Germany and Italy: mandatory wearing of masks, free provision of masks, hand-gel and bins for to sensitive waste at transit points, enhanced cleaning of at-risk areas and contact points (door handles, lifts, coffee machines, toilets, etc.), management of flows of people within offices, possibility of working staggered hours, occupancy measures by department, restriction of national and international travel, dissemination of a best practice guide to ensure that physical distances are respected as much as possible, or the provision of lateral flow tests. In Germany, one flu vaccination campaign and two Covid-19 vaccination campaigns were conducted and employees who were not vaccinated or who did not test negative were refused access to the buildings.

In France, the Management Committee met very regularly in order to build and develop in real time the action plan best suited to changes in the health situation. The DUER (Single Document for the Evaluation of Occupational Risks) and the health protocol were updated in line with the risks identified throughout the year, in partnership with occupational health. In Germany, the equivalent of the French DUER has also been modified in view of the evolution of the epidemic and government directives, and in close collaboration with Management, General Management, the occupational safety expert and the occupational doctor. In Italy, a Safety Committee has been set up to better manage the impact of the epidemic on employees and work organisation. Occupational medicine and the prevention and protection service mandated by the State were part of this Safety Committee, which notably contributed to the drafting of the health protocol and the creation of an email address to answer questions and respond to employee alerts. All the documents listing the health measures are available on the intranet for employees in the three countries.

Covivio and its subsidiaries cultivate a permanent, transparent and constructive dialogue with employee representative bodies. In France, Covid has been systematically included on the agenda of the four CSSCT committees and the nine ordinary SECs. In Germany, several meetings were organised with unions and employers in 2021. In Italy, employee representatives were part of the Safety Committee, which met daily at the start of the epidemic in 2020; the frequency of its meetings then followed the evolution of the health situation.

Maintaining social ties was also expressed through various actions, such as the communications made by General Management during "Covivio Talk" or the special attention paid to the most isolated employees. Covivio has allowed some isolated employees to come to the office more regularly if they felt the need.

Covivio's actions during the health crisis



3.5.2.2 Protective measures in terms of health and safety made further progress

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 and a chatbot was set up in 2020 to allow everyone to enjoy the benefits of yoga through exercises applicable to all workstations.

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. The prevention of electrical risks is also taken into account through the H0-B0[1] accreditation of all employees exposed to this type of risk within the Real Estate Engineering and IT Departments. 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.

The rate of workplace accidents with lost time is very low, at 0.7% in France, 1.7% in Germany and 0% in Italy. The absenteeism rate also remains low, at 2.2% in France, 3.8% in Germany, and 1% in Italy. At Group level, Covivio has set a target of less than or equal to 2.5% absenteeism and a workplace accident rate of less than 1.7%.

3.5.2.3 Commitment to the well-being of employees

2021 was once again marked by the health crisis and the health and safety of employees was a constant concern (3.5.2). Covivio remains committed to Quality of Life at Work (QVT), 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* Committee composed of elected CSSCT (Health and Safety Committee) members, trade union representatives and management representatives (which met four times in 2021)
- telephone counselling exclusively by qualified psychologists and available 24/7 *via* a free-phone number
- work load monitoring meetings each half-year.

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.

Since 2020, teleworking has become the preferred way of working in view of the health crisis, and its long-term integration into operating methods is no longer debated. A new agreement was signed in 2021 to extend the practice of teleworking to two days a week. This amendment to the teleworking agreement allows each eligible French employee (permanent and temporary contracts with three months of seniority) to work remotely two days a week, from their home or third-party locations, either on a fixed basis (one day set in the week), or flexibly (at the decision of the employee, with a notice period of two working days). Work-study students can also work remotely one day per week from six months of seniority. In 2021, 73% of eligible employees signed an amendment allowing them to work remotely (excluding the teleworking period imposed by the health situation).

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 of their choice was given to each employee in early 2021 to make every-day teleworking more comfortable. In Germany, a contribution of €60 was proposed to enable employees to better equip themselves.

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.

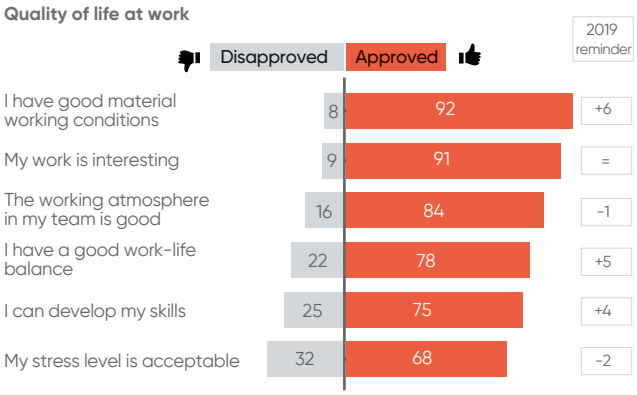
(1) The H0-B0 electrical accreditation concerns all activities performed in electrical rooms and all electrical work carried out on a professional basis.
(2) Health, Safety and Working Conditions Committee.

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 QVT 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.

In terms of well-being at work, the Engagement Barometer shows positive scores in the three countries, whether in terms of material working conditions, work-life balance, stress levels or opportunity for everyone to develop their skills.



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
- 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.

3.5.2.4 Digital transformation

Covivio is continuing its digital transformation structured by a roadmap launched in 2019 which outlines the ambitions and milestones to accomplish this transformation.

In terms of working methods, remote working applications (Office 365 and in particular Teams) were very popular throughout the extended periods of teleworking in France, Germany and Italy, thus enabling the emergence of a "Smart Working" philosophy based on technology and team spirit between employees.

In 2021, two 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.

Covivio continues to adapt its HR services and user experience. Meal vouchers are now all virtual thanks to a dedicated application and French employees have, for the second consecutive year, signed their free share allocation letters by affixing their electronic signature.

Digital technology also provides employees with tools to prevent psychosocial risks and prioritise well-being breaks. The MyMentalEnergy Pro app, in operation since 2018, offers videos and tips to better manage stress. Training on the right to disconnect and a chatbot entitled "Chatbot Yogist", enabling chair yoga sessions, are available to employees.

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 MoovOne. This tailor-made offer allows employees to be supported during eight sessions 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 MoovOne 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. MoovOne supported four French and six Italian employees in 2021.

3.5.3 Other issues identified in the CSR risk mapping

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.

3.5.3.1 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.

In France, collective agreements are negotiated by Trade Union Representatives, and two unions were represented within Covivio in 2021 (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.

The Social and Economic Committee (CSE)

The CSE is composed of 11 full members elected by the staff. It has been in office since 1 January 2020 and in addition to the missions of the former Works Councils, it includes the missions of the "Employee representatives" and the CHSCT, thus making it their representation to General Management more understandable for employees. The Social and Economic Committee 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 2021, during nine meetings of the Social and Economic Committee, employers and unions were informed and consulted on the health measures related to the pandemic as mentioned in section 3.5.3.1, and also on the Group's employee policy, the economic and financial situation, as well as on strategic 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 2021, several measures were implemented or renewed in this context, 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 2021 that 31 December would not be worked and that a purchasing power bonus would be paid in February 2022.

At the same time, an amendment to the agreement on teleworking was concluded in order to extend the practice of teleworking to two days per week. This amendment to the teleworking agreement allows each eligible French employee (permanent and temporary contracts with three months of seniority) to work from home two days a week (3.5.2.3).

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 2021, four collective agreements were signed in Germany: an agreement concerning the implementation of the new LMS 365 training tool, an agreement concerning the implementation of an attendance measuring tool, and a regulatory agreement to cover the testing of the Lanes & Plans IT tool, used to book hotel rooms and flights as well as the reimbursement of travel expenses, and finally an agreement on the implementation of a fleet management tool. In Germany, collective bargaining on wages (24% of the scope) was concluded in 2021.

3.5.3.2 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.

3.5.2.3.1 Annual assessment of greenhouse gas emissions

With the slowdown of activity in buildings, teleworking and reduced travel, the pandemic has had a significant impact on the elements used in the calculation of greenhouse gas (GHG) balance sheet. In order not to present results that are distorted by these exceptional conditions, the GHG accounting presented below relates to 2019. It is calculated on the basis of ADEME's V7 carbon footprint balance sheet table. A new calculation method incorporating new working practices, accelerated due to the health crisis (teleworking, remote meetings), is being defined to reflect these changes.

The results are presented according to the three emission scopes distinguished by the GHG Protocol, an internationally recognised standard:

- scope 1 - direct emissions from the combustion of fossil fuels used for company buildings or vehicles. For Covivio, this corresponds to natural gas consumption (90 tCO_2e/year) and fuel in service vehicles and company cars provided by the company (372 tCO_2e/year)
- scope 2 - indirect emissions from purchased electricity, and heating and cooling networks: for Covivio, this corresponds to the consumption of electricity (308 tCO_2e/year) and the heating and cooling networks (197 tCO_2e/year)
- scope 3 - other indirect emissions, in particular passenger transport. For Covivio, other indirect emissions come primarily from transport inherent to the business (435 tCO_2e/year), as well as commuting to work (1,324 tCO_2e/year). Commuting emissions take account of the mode of transport of each employee, the type of energy of all motor vehicles used, as well as their precise mileage.

To reduce its carbon footprint, Covivio has put in place several measures including the creation of mobility plans in France and Germany, making electric vehicles available in Germany and Italy and reducing the consumption of buildings.

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 250km cannot be made by car. For travel by taxi, an agreement was signed with the company G7 to encourage the use of hybrid or electric vehicles; G7 has teamed up with non-profit organisation Reforest'Action and committed to planting one tree for every 10 journeys ("G7 Green"). 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.

3.5.2.3.2 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 printouts and external publications related to administration and marketing. 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.

3.5.2.3.3 Informed employees

The process of change relies on a set of comprehensive actions. Examples of these are the 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.). In 2020 and 2021, these Covivio Meetings took place mainly by videoconference.

The 2021 Sustainable Development Week will be held in early 2022, and will take 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 SEEPH (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).

3.5.2.3.4 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 shift towards the cloud and the pooling of certain resources on a European scale 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.

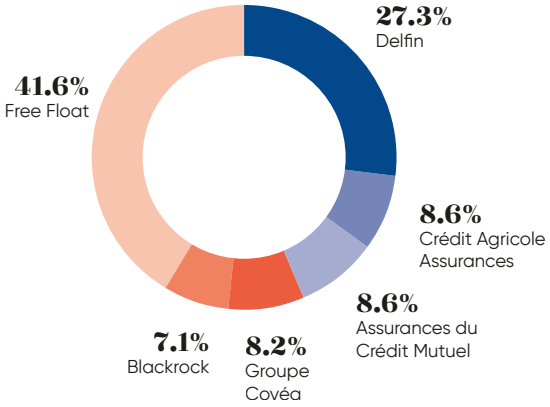
Data security is identified as a major risk in the 2018 risk mapping study (3.6.3). Finally, a business continuity plan has been put in place and is tested periodically (3.6.3.1).

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.

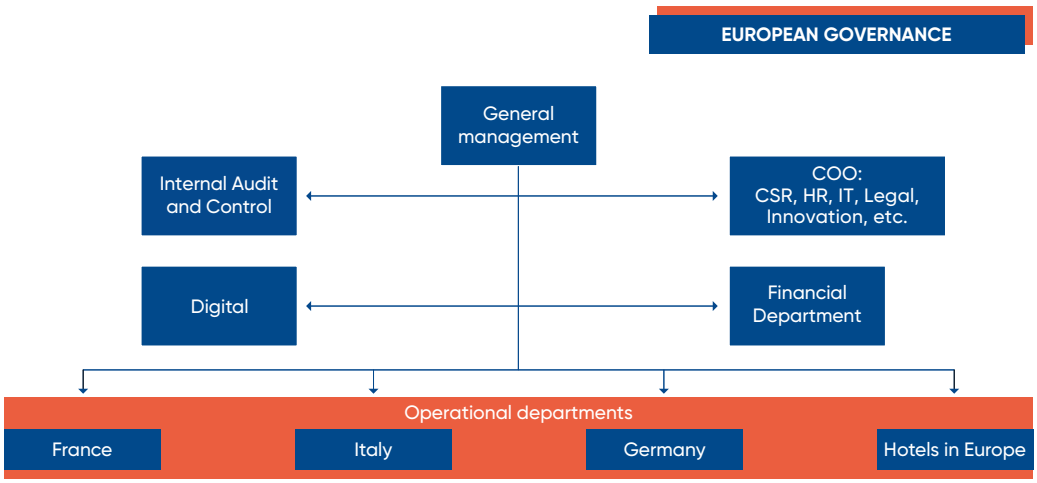
3.6 Governance based on ethics and transparency

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 one of the leaders in each of the markets in which it operates. These include offices 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. Thus, Covivio's executive and non-executive management is constantly evolving and adapts to changes both in the company and its subsidiaries and in the environment in which they operate. Covivio's governance is summarised in the diagrams below.

Shareholding and organization of the Board of Directors and its committees



Simplified organisation chart of the European Executive Management



This Chapter 3.6 focuses on 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 Universal Registration Document.

Governance key performance indicators (at 31 December 2021)

15 DIRECTORS

60% INDEPENDENT DIRECTORS

40% 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

3.6.1 Effective governance tailored to the corporate strategy

Placing CSR at the heart of its business model and development strategy, Covivio's governance bodies integrate the various social, societal and environmental challenges facing the company's activities. The CSR risk mapping has highlighted the importance for Covivio of efficient and stable governance.

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 January 2020, and draws on the work of the High Committee on corporate governance, as well as on the various recommendations of the *Autorité des Marchés Financiers* (French Financial Markets Authority), the EPRA and the Ethical Charter of the French Federation of Real Estate Companies (Fédération des Sociétés Immobilières et Foncières – FSIF).

Since 2013, Covivio has increased the percentage of independent Directors and the number of female Board members, while strengthening the Board's competencies in real estate, legal, environmental/CSR and financial matters, 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 "2018 Grand Prix for corporate governance" and "2020 Grand Prix for Compliance".

In 2021, the Board of Directors amended its Internal Regulations in order to define the operating procedures and missions entrusted to the CSR Committee, set up on 21 July 2021. The Board also regularly endeavours to adapt these internal rules to the governance changes introduced by the Afep-Medef Code, the provisions of which were again updated in 2021.

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, who is also an independent Director, 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 brings together personalities with complementary experience and skills, with a preponderance of independent Directors, and a wide international outlook that the Board intends to enrich in 2022 with a new independent German Director, whose appointment will be subject to the approval of the General Shareholders' Meeting.

The Board of Directors' strategic seminars, held every two years since 2015 in Berlin, Milan, London and then Bordeaux, have enabled the Directors to get a better grasp of the local specificities of certain products and markets.

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 the approval by the Shareholders' Meeting of 21 April 2022 of the resolutions relating to the renewal of the terms of office of Romolo Bardin and of ACM Vie, represented on the Board by Stéphanie de Kerdrel, as well as the term of office of independent Director Alix d'Ocagne, and of the appointment of Daniela Schwarzer as independent Director to replace Sigrid Duhamel, who, at the request of BNP Paribas Real Estate, did not seek the renewal of her term of office for reasons for potential conflicts of interest:

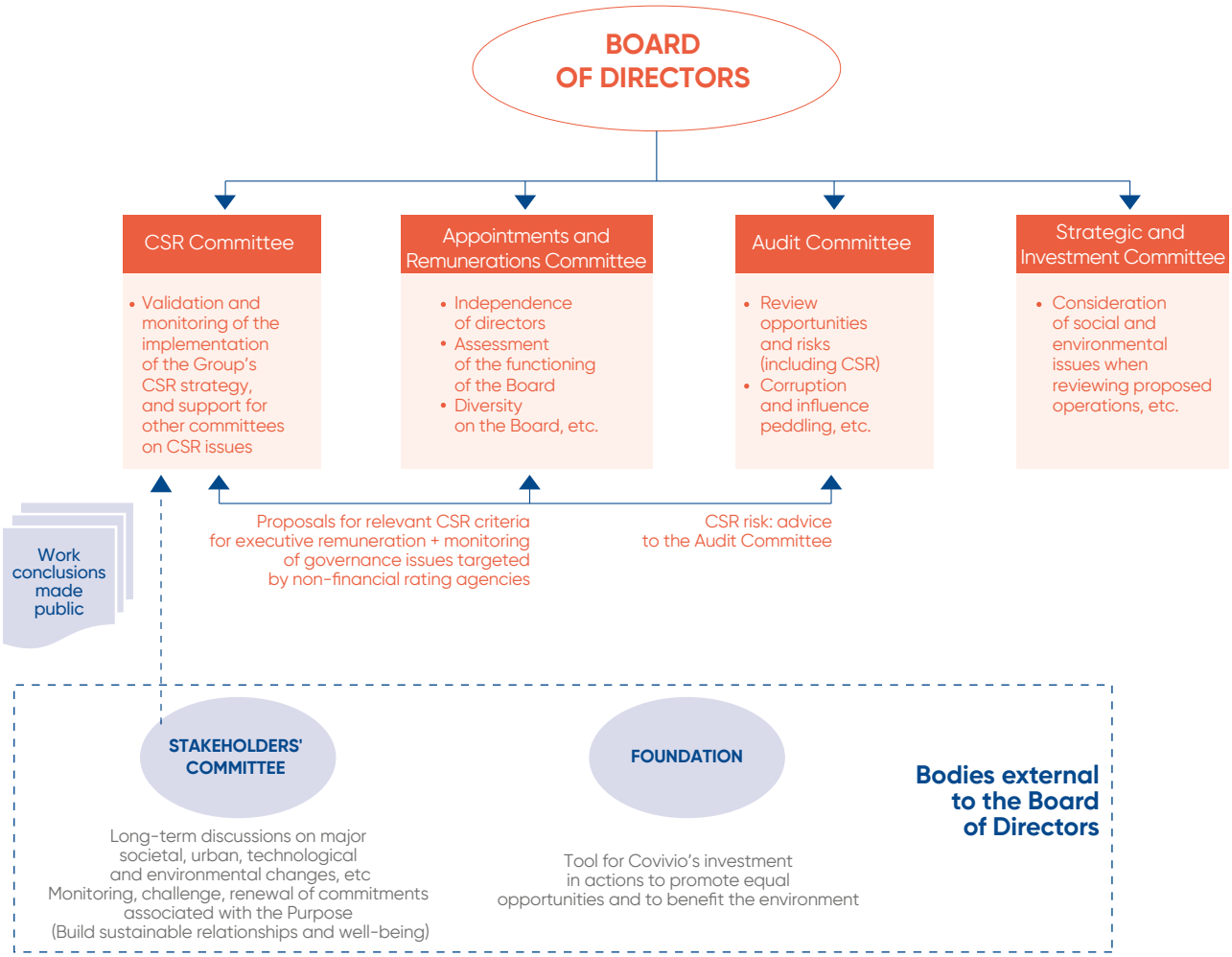
- the composition of Covivio's Board of Directors would remain the same
- the proportion of independent Directors would be maintained at 60% (Jean-Luc Biamonti, Christian Delaire, Jean Laurent, Alix d'Ocagne, Sylvie Ouziel, Olivier Piani, Patricia Savin, Daniela Schwarzer and Catherine Soubie)
- the proportion of women on the Board would be maintained at 40% (Alix d'Ocagne, Sylvie Ouziel, Patricia Savin, Daniela Schwarzer and Catherine Soubie).

3.6.1.2.2 Changes in the Board of Directors' specialised committees

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 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.

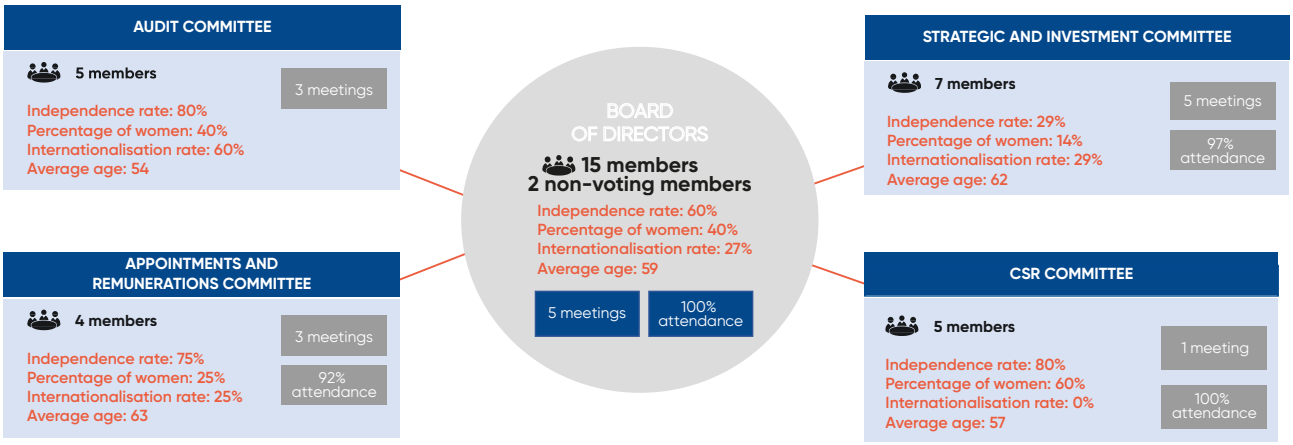
Composed mainly of independent members, the CSR Committee is tasked with validating the Group's CSR strategy and monitoring its implementation, ensuring its consistency with Covivio's Purpose and the expectations of stakeholders. It interacts with the Audit Committee on CSR risk factors, and with the 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.

Involvement of the Board of Directors and its Committees



The Board now relies on the work of four specialised committees set up within it.

Four specialized committees



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 2021 are presented in section 5.3.2.1. of this Document.

3.6.1.2.3 An efficient Board of Directors

- 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. 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. 2021 was used to continue the current positive momentum and implement certain areas for improvement proposed by the Directors. Details of progress are presented in Section 5.3.2.2.6.3. of the Universal Registration Document.
- 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 Strategic 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.

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 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 2021, 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 2022 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 40 occasions in 2021, 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 2021 financial 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" and "product" activities.

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 Chief Executive Officer 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.

3.6.1.4 General Meetings

Since 2013, Covivio has provided its shareholders with an online resource enabling them to receive their meeting invitation and obtain details and input voting instructions prior to the General Meeting.

At the close of its General Meeting of 17 April 2015, Covivio maintained the principle of "one share = one vote". This was approved by the shareholders, thereby waiving the automatic assignment of double voting rights provided by the Florange law of 29 March 2014.

The results of the votes at General Meetings are published on the company's website within two business days of the Meeting.

One or more shareholders satisfying the conditions specified in Article R. 225-71 of the French Commercial Code or the associations of shareholders fulfilling the conditions set out in Article L. 225-120 of the French Commercial Code are entitled to request the inclusion of items and/or draft resolutions on the agenda of the General Meeting.

Requests for the inclusion of items or draft resolutions on the agenda must be received by the company by means of a registered letter with acknowledgement of receipt, along with a certificate attesting that they are a registered shareholder, no later than the twenty-fifth day preceding the date of the General Meeting, and which may not be sent more than twenty days after the date of publication of the Meeting notice in the *Bulletin des annonces légales obligatoires* (BALO) (the French Legal Gazette).

3.6.1.4.1 Minutes of the Combined General Meeting of 20 April 2021

In the context of the Covid-19 epidemic, this Shareholders' Meeting was held for the second consecutive year behind closed doors (without the shareholders and other persons entitled to attend being present in person or by way of telephone or teleconferencing) at the headquarters of the administrative department, in accordance with the provisions of Article 4 of Order no. 2020-321 of 25 March 2020 (as extended and amended by Order no. 2020-1497 of 2 December 2020 and extended by Decree no. 2021-255 of 9 March 2021) adapting the rules governing meetings and deliberation of meetings and governing bodies of legal persons and entities without legal personality governed by private law due to the Covid-19 epidemic.

Shareholders were offered the option to send their questions (traditionally asked during debates in meetings) by e-mail until 16 April 2021 (at 3 p.m.) in addition to the written questions that could be sent no later than the second business day preceding the date of the Shareholders' Meeting, by way of derogation from the first paragraph of Article R. 225-84 of the French Commercial Code pursuant to Article 8-2 II 1 of Decree no. 2020-1614 of 18 December 2020. In addition, given the technical impossibility of setting up a conference call or audiovisual system to identify shareholders, and in order to maintain the shareholder dialogue to which Covivio is particularly committed, the company organised a question-and-answer session during the Shareholders' Meeting, allowing shareholders to ask questions in writing on the webcast from the opening of the Meeting. The General Meeting was an opportunity to report to shareholders on the objectives of the CSR policy developed by Covivio and their progress in 2020. Hailed on several occasions by non-financial rating agencies, the main strategic areas of Covivio's CSR policy are based on:

- "Sustainable Buildings" through the continued greening of the portfolio, the reduction of carbon emissions and the accessibility of assets by public transport
- European human capital, in particular through a proactive Human Resources policy in favour of professional equality and focused on strengthening parity within teams and management bodies
- relations with stakeholders, with in particular the creation, in line with the company's Purpose, of a Stakeholders Committee, and the Covivio Foundation, which promotes equal opportunities and environmental protection
- ethical and transparent governance.

The Shareholders' Meeting was also an opportunity to answer questions asked by shareholders on the webcast. These focused on the outlooks for recovery in hotel performance, the future of the office market with the arrival of new practices related to teleworking and the need for companies to reduce their costs, the progress of the establishment of the Stakeholders Committee and the monitoring of its work, as well as the impact on Covivio of the end of the residential rent cap measures in Berlin.

General Meeting statistics

	Combined General Meeting of 20 April 2021		Change 2020/2021	
	Ordinary resolutions	Extraordinary resolutions	Ordinary resolutions	Extraordinary resolutions
Number of shareholders represented or having voted by post	1,887	1,895	+45.15%	+45.43%
Number of votes cast	75,859,524	75,857,901	+12.50%	+12.50%
Attendance rate	80.42%	80.42%	+2.86 pts	+2.86 pts
Resolution approval rate	98.57%	99.19%	+0.72 pts	-0.16 pts

3.6.1.4.2 Shareholder consultation on "say on pay"

The shareholders at the General Meeting on 20 April 2021 voted on the remuneration policy applicable to the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy CEOs 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 2020 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 98.17% and 97.81% respectively, thus confirming the good balance and effectiveness of the policy for the remuneration of 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	99.92%	99.44%	99.98%
Christophe Kullmann, Chief Executive Officer	96.41%		96.39%
Olivier Estève, Deputy General Manager Dominique Ozanne, Deputy General Manager	96.41%		96.61%
Directors	99.95%		N/A

The amounts resulting from the implementation of these corporate officer remuneration policies and paid for the fiscal year ended 31 December 2021 or allocated in the same year, will be submitted to the approval of the shareholders at the General Meeting to be held on 21 April 2022 as part of the approval of the 9th to 13th resolutions (*ex post* "say on pay").

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 FSIF (Fédération des Sociétés 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 and Goldman Sachs).

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 fifteen 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 2021 EPRA Awards

The quality and transparency of Covivio's financial and non-financial reporting were recognised at the 2021 EPRA Annual Conference with two 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 a number of 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 2018; it is enforceable against its employees and covers all ethical issues that Covivio may have to face.

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 French, German and Italian employees. 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 has been revised twice: the first time in 2015 with the implementation of a whistleblowing system, and then again in 2018, as part of the roll-out of the anti-bribery system stemming from the Sapin 2 law of 9 December 2016.

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@covivo.fr). In 2021, an 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

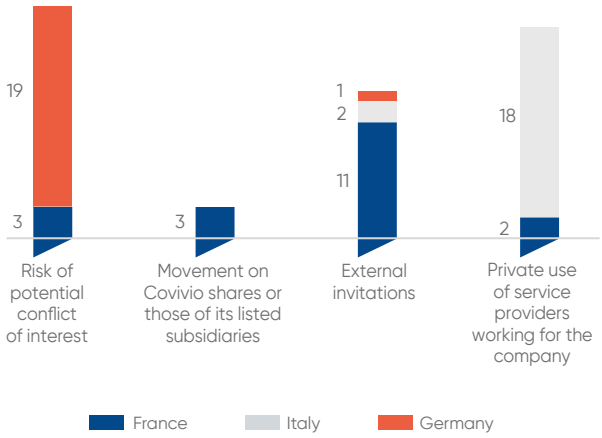
The Internal Risks, Compliance, Audit and Control Department has put in place regular and compulsory training courses for all of its employees. These training sessions called "Process Mornings" focus on ethics, compliance and internal control. Initially launched in France, this practice has been generalised to involve all of the Group's employees in Germany and Italy. 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, 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 2021, 64 notifications were received and processed by the three Group Ethics Officers. In addition, they recorded 408 declarations of gifts received for which the cumulative annual value may not exceed €150 (40 in France, 111 in Italy, and 257 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 2021



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 was updated in 2020 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:

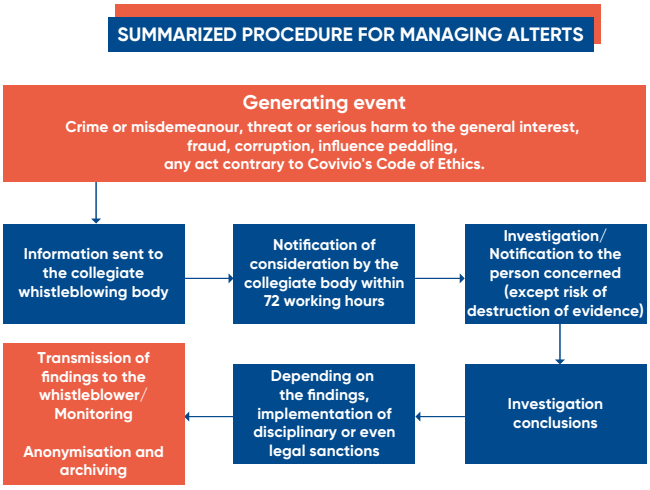
- by maintaining confidentiality about their identity (and the identity of the person who is the subject of the report) and the acts reported during the notification investigation phase
- against possible victimisation, disciplinary action or legal proceedings, provided that the system is not used in an abusive manner and that it is employed in good faith.

The changes 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.

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 2021, no alert was recorded.

Summarised procedure for managing alerts



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.

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, it 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 Sociétés Immobilières et Foncières (FSIF), 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), with scientific bodies (Politecnico di Milano), as well as its participation in studies at a national level (Palladio and IFPEB, 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/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 Foundation created on the occasion of the publication of Covivio's Purpose. All other actions are centralised by the Communications Department, 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.

Concerning **lobbying actions**, Covivio does not directly exercise interest representation, within the meaning of the Sapin 2 law as amended by law no. 2018-727 of 10 August 2018 aimed at promoting trust in public administrations (ESSOC law).

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:

- he verifies 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
- he obtains, from the proposed Firm, any document certifying compliance with these rules, in particular by signing a Ethical Charter (p. ex. Charter of the *Association Française des Conseils en Lobbying et Affaires Publiques*)

- he verifies 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, he formalises the Firm's missions and establishes a remuneration structure based on an hourly rate: written activity reports and formal meeting reports
- he ensures 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:
  - giving gifts, donations or benefits of significant value to a public official
  - paying a public official to take part in a conference
  - attempting to obtain information by fraudulent means
  - sell 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 1 (Risk factors) of this document.

3.6.3.1 Covivio steps up its digital transformation

As a European real estate player, Covivio has undertaken a digital transformation, based on a collective reflection process. Led by the Chief IT Transformation and IT Officer (Laurie Goudallier) and the Director of Information Systems (Claude Sauvaigo), in collaboration with the members of the Executive Committee and Transformation Committees, this digital transformation is planned over three years and 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 develop 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 centralise 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 (*i.e.*, 2.3.2.2.2).

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 growth and 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 and then Italy and Germany by about 2023. 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 instiling 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 ensure 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.

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 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.

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 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 protection. In addition, in 2022 Covivio will set up 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. Furthermore, Covivio has also taken out specific fraud and cyber risk insurance policies.

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 are being transformed into 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 System: Security, Infrastructures, Architecture and Application Domains with 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. This enabled the company to characterise the solutions required in order to reduce the risk for building management networks and equipment. Their implementation is part of the process of testing the 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 which it leases out, Covivio strives to provide good conditions for accessing communication networks, but does not handle the cabling in tenant areas. Tenants are responsible for having this cabling undertaken based on their requirements.

3.7 CSR performance

3.7.1 Environmental indicators

The scope of non-financial reporting 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 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.

In order to ensure maximum accuracy and transparency, wherever consumption data is unavailable for a utility, it is not estimated and this affects the portfolio coverage rate. However, in the rare cases where an estimate or extrapolation is calculated, it is explained in the comments accompanying the reporting table concerned.

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)	●	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)	●	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)	●	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.

EPRA Performance Indicators	Compliance self-assessment	Covivio's approach
Energy intensity of buildings (in kWh/m²/year)	●	Energy-Int – Covivio reports its energy intensity ratios calculated per m² on the basis of the invoiced amounts (meter readings): energy (in kWh), divided by the corresponding occupied surface area (in m²). 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)	●	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.
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 m², as calculated directly from the invoice (meter readings) divided by the corresponding occupied surface area (in m²).
Total volume of water withdrawn by source (in m³ annual)	●	Water-Abs – Covivio reports its total annual water consumption in m³ 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 liters/person/year or m³/m²/year)	●	Water-Int - Data are reported in m³/m²GIA/year. The intensity ratios per m² are calculated by comparing the volumes collected to the corresponding occupied surface area (in m²).
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.

EPRA Performance Indicators	Compliance self-assessment	Covivio's approach
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.
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. (2.3.3)
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.

Recommendations and general principles of the EPRA	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 3.7.1. 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 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.

Recommendations and general principles of the EPRA	Compliance self-assessment	EPRAs BPR guidelines and methodology
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).
Consumption reporting – headquarters buildings	●	As indicated previously, Covivio reports the consumption for buildings occupied by its own employees. The results are presented in Section 3.7.1.6 under the Headquarters heading.
Intensity normalisation	●	The Intensity ratios by m^2 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 m^2. 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 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, this coverage ratio is calculated by surface area (in % of m^2) 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 47 sites out of the 135 in the financial scope. Exclusions concern assets under development, residential development (20 assets), acquired or sold during the year as well as buildings located in condominiums or ASLs. All consumption figures are based on 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 3.3.1.4)

As of 31 December 2021, 99.3% (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. 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 primary energy source and energy intensity ratio for buildings in use

The consumption reported (with climate adjustment) below uses the consumption 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 "tenant areas"		Single-let buildings		Portfolio total	
Total energy consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021	2020	2021	2020	2021	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)			218,516	242,029	197,983	209,773	544,513	348,808	763,029	590,836
Reporting scope coverage by surface area (in %)			100%	100%	99%	97%	85%	83%	88%	89%
Number of applicable properties			15/15	16/16	14/15	15/16	65/70	31/34	80/85	47/50
Proportion of estimated data			0%	0%	0%	0%	0%	0%	0%	0%
Intensity (in kWhfe/m²SHON/year)	**CRE1**	**Energy-Int**	**125**	**152**	**52**	**54**	**124**	**153**	**138**	**172**
Intensity (in kWhpe/m²SHON/year)			**169**	**185**	**97**	**102**	**263**	**317**	**261**	**299**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**5,971,905**	**7,916,672**	**-**	**-**	**14,064,263**	**8,194,872**	**20,036,168**	**16,111,543**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	5,971,905	7,916,672	-	-	13,684,303	7,869,125	19,656,208	15,785,796
Natural gas (direct energy) – renewable source			0	0	-	-	0	0	0	0
Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	-	-	198,143	142,377	198,143	142,377
Wood (direct energy)	302-1	Fuel-Abs	0	0	-	-	181,817	183,370	181,817	183,370
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**21,427,688**	**28,934,845**	**10,209,633**	**11,257,795**	**53,267,490**	**45,097,689**	**84,904,811**	**85,290,329**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	6,084,898	4,975,031	5,728,938	6,412,535	47,905,699	36,247,212	59,719,535	47,634,778
Electricity (indirect energy) – renewable source			6,107,052	6,875,861	4,480,695	4,845,260	717,128	2,680,977	11,304,874	14,402,097
Renewable energy production	302-1	Elec-Abs	0	0	-	-	135,779	149,503	135,779	149,503
of which solar			0	0	-	-	135,779	149,503	135,779	149,503
District heating and cooling (indirect energy)	302-1	DH&C-Abs	9,235,738	17,083,953	-	-	4,780,442	6,319,003	14,016,180	23,402,956
Total energy consumption (in kWhfe)			**27,399,593**	**36,851,517**	**10,209,633**	**11,257,795**	**67,331,752**	**53,292,560**	**104,940,978**	**101,401,872**
Total energy (in GJ)			98,639	132,665	36,755	40,528	242,394	191,853	377,788	365,047
Total energy consumption (in kWhpe)			**37,013,731**	**44,712,066**	**19,261,355**	**21,389,600**	**142,950,030**	**110,489,808**	**199,225,117**	**176,591,474**
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	289,203	727,930	26,145,709	22,612,760	26,003,237	21,336,346
Total measured and extrapolated energy consumption (in kWhpe)			37,013,731	44,712,066	19,550,558	22,117,530	169,095,739	133,102,568	225,228,354	197,927,820

		Total consumption (Abs) "operational control" scope				Emissions on a like-for-like basis (LfL) - "Operational control" scope			Like-for-like (LfL) scope - Total portfolio		
		2020	2021			2020	2021		2020	2021	
Coverage of the reporting scope by surface area (in m²SHON)		218,516	242,029			191,219			530,725		
Reporting scope coverage by surface area (in %)		100%	100%			100%			88%		
Number of applicable properties		15/15	16/16		EPRA BPRs	13/13			42/45		
Proportion of estimated data		0%	0%			0%			0%		
Paid by owner	EPRA BPRs			**Change**				**Change**			**Change**
Total Electricity (in kWh)		**12,191,950**	**11,850,892**	**-2.8%**		**9,851,240**	**10,691,323**	**8.5%**	**41,225,782**	**49,072,904**	**19.0%**
of which on a tenant submeter		0	0		**Elec-LfL**	0	0		0	0	
of which shared services	**Elec-Abs**	12,191,950	11,850,892	-2.8%		9,851,240	10,691,323	8.5%	41,225,782	49,072,904	19.0%
Total district heating and cooling (in kWh)		**9,235,738**	**17,083,953**	**85.0%**		**9,258,026**	**14,331,942**	**54.8%**	**12,608,027**	**20,124,312**	**59.6%**
of which on a tenant submeter		0	0		**DH&C-LfL**	0	0		0	0	
of which shared services	**DH&C-Abs**	9,235,738	17,083,953	85.0%		9,258,026	14,331,942	54.8%	12,608,027	20,124,312	59.6%
Total Gas-Fuel oil-Wood (in kWh)		**5,971,905**	**7,916,672**	**32.6%**		**6,437,602**	**7,574,537**	**17.7%**	**15,250,864**	**15,769,409**	**3.4%**
of which on a tenant submeter		0	0		**Fuel-LfL**	0	0		0	0	
of which shared services	**Fuel-Abs**	5,971,905	7,916,672	32.6%		6,437,602	7,574,537	17.7%	15,250,864	15,769,409	3.4%
				INTENSITY (IN KWHFE/M²SHON/YEAR)		**133.6**	**170.5**	**27.6%**	**130.2**	**160.1**	**23.0%**
				INTENSITY (KWHPE/M²SHON/YEAR)					**234.2**	**277.3**	**18.4%**

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		Total portfolio	
			Scope "operational control"		Scope "tenant 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	2020	2021	2020	2021	2020	2021	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)			218,516	242,029	197,983	209,773	544,513	348,808	763,029	590,836
Reporting scope coverage by surface area (in %)			100%	100%	99%	97%	85%	83%	88%	89%
Number of applicable properties			15/15	16/16	14/15	15/16	65/70	31/34	80/85	47/50
Proportion of estimated data			0%	0%	0%	0%	0%	0%	0%	0%
Carbon intensity (in $kgCO_2e/m^2SHON/year$)	**305-4**	**GHG-Int**	**13.8**	**11.3**	**1.2**	**1.2**	**9.6**	**10.2**	**11.1**	**11.1**
Total emissions (in tCO_2e)			**3,012**	**2,727**	**233**	**261**	**5,227**	**3,574**	**8,472**	**6,562**
of which direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,009	1,338	0	0	2,369	1371	3,378	2,709
of which direct emissions (in tCO_2e)	305-2	GHG-Indir-Abs	2,002	1,389	233	261	2,858	2203	5,094	3,853
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	4	9	956	731	1,106	793
Total extrapolated carbon emissions (in tCO_2e)			3,012	2,727	237	270	6,183	4,305	9,578	7,355

* 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 7,148 tCO_2e, with a carbon intensity of 12.1 $kgCO_2e/m^2/year$.

			Total emissions (Abs) - "Operational control" scope				Emissions on a like-for-like basis (LfL) - "Operational control" scope			Like-for-like (LfL) scope - Total portfolio		
	GRI Standards	EPRA BPRs	2020	2021			2020	2021		2020	2021	
Coverage of the reporting scope by surface area (in m²SHON)			218,516	242,029			191,219			530,725		
Reporting scope coverage by surface area (in %)			100%	100%			100%			88%		
Number of applicable properties			15/15	16/16			13/13			42/45		
Proportion of estimated data			0%	0%	Change		0%		Change		0%	Change
Carbon intensity (in $kgCO_2e/m^2SHON/year$)	**305-4**	**GHG-Int**	**13.8**	**11.3**	**-18.2%**		**15.6**	**11.5**	**-26.3%**	**12.0**	**10.8**	**-10.1%**
GHG Protocol						**EPRA BPRs**						
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,009	1,338	32.6%	GHG-Dir-LfL	1,088	1,280	17.7%	2573	2651	3.0%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	2,002	1,389	-30.6%	GHG-Indir-LfL	1,904	924	-51.4%	3780	3062	-19.0%
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)			**3,012**	**2,727**			**2,992**	**2,205**		**6,353**	**5,713**	
CHANGE IN CARBON EMISSIONS			**-9.4%**				**-26.3%**			**-10.1%**		

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[1] Aqueduct map 3.6% 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.* 3.5% 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.

			Multi-let buildings							
			Scope "operational control"		Scope "tenant areas"		Single-let buildings		TOTAL PORTFOLIO	
Total water consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021	2020	2021	2020	2021	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)			218,516	242,029			484,329	353,534	702,845	595,563
Reporting scope coverage by surface area (in %)			100%	100%			75%	84%	81%	90%
Number of applicable properties			15/15	16/16			43/70	27/34	58/85	43/50
Water intensity (in m³/m²SHON/year)	**CRE2**	**Water-Int**	**0.27**	**0.25**	N/A		**0.27**	**0.21**	**0.27**	**0.22**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**58,579**	**60,469**			**129,776**	**72,998**	**188,356**	**133,467**
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			42,812	13,764	42,818	14,939
Total extrapolated water consumption (in m³)			58,579	60,469			172,589	86,762	231,174	148,406
Water consumption - Like-for-like scope (LfL)										
Coverage of the reporting scope (in m² SHON)			191,457				341,378		532,835	
Reporting scope coverage by surface area (in %)			100%				83%		88%	
Number of applicable properties			13/13				24/32		37/45	
Proportion of estimated data			0%		N/A		0%		0%	
Water intensity (in m³/m²SHON/year)			**0.28**	**0.27**			**0.22**	**0.21**	**0.24**	**0.23**
Like-for-like water consumption (in m³)	303-1	Water-LfL	52,979	52,433			76,757	70,523	129,736	122,956
CHANGE IN WATER CONSUMPTION INTENSITY			**-1.0%**				**-8.1%**		**-5.2%**	

(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		TOTAL PORTFOLIO	
Total waste production (Abs)	EPRA BPRs	2020	2021	2020	2021	2020	2021	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)		178,965	182,736			304,388	208,132	483,353	390,868
Coverage of scope in surface area (in %)		82%	76%			47%	50%	56%	59%
Number of applicable properties		10/15	10/16			13/70	9/34	23/85	19/50
Proportion of estimated data		7%	13%			0%	18%	2%	16%
Total waste (in tonnes)	**306-2 Waste-Abs**	**536**	**483**			**928**	**633**	**1,464**	**1,116**
Total Hazardous waste (in tonnes)		0	0			0	0	0	0
of which recycled, re-used or composted waste	306-2 Waste-Abs	285	152	N/A		486	174	771	326
i.e. (in %)		53%	31%			52%	27%	53%	29%
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 t)		654	640			1,964	1,278	2,613	1,891
Waste production – Like-for-like (LfL)									
Coverage of the reporting scope by surface area (in m²SHON)		142,083				200,940		343,024	
Coverage of scope in surface area (in %)		74%		N/A		49%		57%	
Number of applicable properties		7/13				7/32		14/45	
Proportion of estimated data		11%				0%		5%	
Rate of selective collection		**100%**	**100%**			**100%**	**100%**	**100%**	**100%**
Total waste (in tonnes)	**306-2 Waste-LfL**	**493**	**397**			**555**	**499**	**1,048**	**896**
Total Hazardous waste (in tonnes)		**0**	**0**			**0**	**0**	**0**	**0**
of which recycled, re-used or composted waste		273	123			231	166	504	289
i.e. (in %)		55%	31%			42%	33%	48%	32%
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		**-19.5%**				**-10.1%**		**-14.5%**	

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).

Type and number of sustainably certified assets (Cert-Tot)

Green Bond 1: 100%: HQE (at least 9 E or VE targets out of 14) or BREEAM (Very Good as a minimum). Some of these assets also have in-use certification (HQE Operating/BREEAM In-Use).

Green Bond 2: 100%: The four developments aim either for HQE Excellent and/or BREEAM Excellent certifications (in France) or LEED Platinum (in Italy).

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	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)			126,014	138,080
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			8/8	8/8
Proportion of estimated data			0%	0%
Intensity (in kWhfe/m²SHON/year)	**CRE1**	**Energy-Int**	**108**	**133**
Intensity (in kWhpe/m²SHON/year)			**238**	**292**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**181,817**	**183,051**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	0	0
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	181,817	183,051
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**13,429,853**	**18,135,948**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	10,407,780	13,990,103
Electricity (indirect energy) – renewable source			717,128	0
Renewable energy production	302-1	Elec-Abs	135,779	149,503
of which solar			135,779	149,503
District heating and cooling (indirect energy)	302-1	DH&C-Abs	2,440,724	4,295,347
Total energy consumption (in kWhfe)			**13,611,671**	**18,318,999**
Total energy (in GJ)			49,002	65,948
Total energy consumption (in kWhpe)			**29,983,237**	**40,350,142**
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)			29,983,237	40,350,142

		Total consumption (Abs) "operational control" scope				Emissions on a like-for-like basis (LfL) - "Operational control" scope		
		2020	2021			2020	2021	
Coverage of the reporting scope by surface area (in m²SHON)		126,014	138,080			109,205		
Reporting scope coverage by surface area (in %)	EPRA BPRs	100%	100%		EPRA BPRs	100%		
Number of applicable properties		8/8	8/8			6/6		
Proportion of estimated data		0%	0%			0%		
Paid by owner				**Change**				**Change**
Total Electricity (in kWh)		**11,124,908**	**13,990,103**	**25.8%**		**10,006,055**	**12,709,552**	**27.0%**
of which on a tenant submeter	**Elec-Abs**				**Elec-LfL**			
of which shared services		11,124,908	13,990,103	25.8%		10,006,055	12,709,552	27.0%
Total heating and cooling networks (in kWh)		**2,440,724**	**4,295,347**	**76.0%**		**1,963,508**	**1,930,430**	**-1.7%**
of which on a tenant submeter	**DH&C-Abs**				**DH&C-LfL**			
of which shared services		2,440,724	4,295,347	76.0%		1,963,508	1,930,430	-1.7%
Total Gas-Fuel oil-Wood (in kWh)		**181,817**	**183,051**	**0.7%**		**109,689**	**183,051**	**66.9%**
of which on a tenant submeter	**Fuel-Abs**				**Fuel-LfL**			
of which shared services		181,817	183,051	0.7%		109,689	183,051	66.9%
				INTENSITY (IN KWHFE/M²SHON/YEAR)		**110.6**	**135.7**	**22.7%**

Carbon – Total direct and indirect GHG emissions and carbon intensity ratio for fully-owned assets (operational control scope)

	GRI Standards	EPRA BPRs	Total emissions (Abs) - "Operational control" scope 2020	2021			Emissions on a like-for-like basis (LfL) – "Operational control" scope 2020	2021	
Reporting scope coverage by surface area (in m²SHON)			126,014	138,080			109,205		
Reporting scope coverage by surface area (in %)			100%	100%			100%		
Number of applicable properties			8/8	8/8			6/6		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in kgCO₂e/m²SHON/year)	**305-4**	**GHG-Int**	**7.1**	**8.1**	**14.1%**		**7.0**	**7.1**	**1.0%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO₂e)	305-1	GHG-Dir-Abs	2	2	0.7%	GHG-Dir-LfL	1	2	66.9%
Scope 2 – Total indirect emissions (in tCO₂e)	305-2	GHG-Indir-Abs	887	1,110	25.1%	GHG-Indir-LfL	768	775	0.9%
Scope 3 – Other emissions (in tCO₂e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO₂e/year)			**890**	**1,113**			**770**	**778**	
CHANGE IN CARBON EMISSIONS				**25.1%**				**1.0%**	

Water – Total water consumption and water intensity ratio for fully owned buildings (operational control scope)

Total water consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021
Coverage of the reporting scope by surface area (in m²SHON)			126,014	138,080
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			8/8	8/8
Water intensity (in m³/m²SHON/year)	**CRE2**	**Water-Int**	**0.27**	**0.24**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**34,573**	**32,504**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			0	0
Total extrapolated water consumption (in m³)			34,573	32,504
Water consumption - Like-for-like scope (LfL)				
Coverage of the reporting scope by surface area (in m²SHON)			109,205	
Reporting scope coverage by surface area (in %)			100%	
Number of applicable properties			6/6	
Proportion of estimated data			0%	
Water intensity (in m³/m²SHON/year)			**0.27**	**0.26**
Like-for-like water consumption (in m³)	303-1	Water-LfL	29,736	27,925
CHANGE IN WATER CONSUMPTION INTENSITY			**-6.1%**	

Waste – Total mass of waste in tonnes by type and disposal method

Total waste production (Abs)	GRI Standards	EPRA BPRs	2020	2021
Coverage of reporting scope by surface area (in m²GLA)			116,778	114,633
Reporting scope coverage by surface area (in %)			93%	83%
Number of applicable properties			6/8	6/8
Proportion of estimated data			15%	18%
Total non-hazardous waste (in tonnes)	**306-2**	**Waste-Abs**	**371**	**468**
Total Hazardous waste (in tonnes)	**306-2**		**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	167	126
i.e. (in %)			44.9%	27%
Rate of selective collection			**100%**	**100%**
Total extrapolated production of waste (in t)			401	564
Waste production – Like-for-like (LfL)				
Coverage of reporting scope by surface area (in m²GLA)			99,969	
Reporting scope coverage by surface area (in %)			92%	
Number of applicable properties			4/6	
Proportion of estimated data			18%	
Rate of selective collection			**100%**	**100%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**335**	**410**
Total Hazardous waste (in tonnes)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			139	108
i.e. (in %)			42%	26%
CHANGE IN TOTAL WASTE PRODUCTION			**22.6%**	

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.

Type and number of sustainably certified assets (Cert-Tot) (3.3.1.4)

At 31 December 2021, 93.6% (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 of "private areas"	Single-tenant	Portfolio total	
Total energy consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021	2021	2021	2020	2021
Coverage of the reporting scope by surface area (in m²)			87,178	140,379	22,351	70,967	87,178	211,346
Reporting scope coverage by surface area (in %)			81%	100%	NC	38%	81%	64%
Number of applicable properties			10/11	12/12	6/12	7/27	10/11	19/39
Proportion of estimated data			0	0%	0%	0%	0%	0%
Intensity (in kWhfe/m²/year)	**CRE1**	**Energy-Int**	**130.9**	**136.1**	**41.5**	**197.8**	**130.9**	**161.2**
Intensity (in KWhpe/m²/year)			**130.9**	**136.1**	**84.8**	**398.8**	**130.9**	**233.3**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**3,664,885**	**4,080,653**	**-**	**0**	**3,664,885**	**4,080,653**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	3,664,885	4,080,653	-	0	3,664,885	4,080,653
Natural gas (direct energy) – renewable source			0	0	-	0	0	0
Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	-	0	0	0
Wood (direct energy)	302-1	Fuel-Abs	0	0	-	0	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**7,744,957**	**15,029,479**	**926,621**	**14,035,368**	**7,744,957**	**29,991,468**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	0	0	821,248	12,087,657	0	12,908,906
Electricity (indirect energy) – renewable source			5,189,834	11,354,188	105,373	2,025,419	5,189,834	13,484,979
Renewable energy production	302-1	Elec-Abs	0	9,624	-	77,708	0	87,332
of which solar			0	9,624	-	77,708	0	87,332
District heating and cooling (indirect energy)	302-1	DH&C-Abs	2,555,123	3,684,915	-	0	2,555,123	3,684,915
Total energy consumption (in kWhfe)			**11,409,842**	**19,110,131**	**926,621**	**14,035,368**	**11,409,842**	**34,072,120**
Total energy (in GJ)			41,075	68,796	3,336	50,527	41,075	122,660
Total energy consumption (in kWhpe)			**11,409,842**	**19,110,131**	**1,895,693**	**28,298,804**	**11,409,842**	**49,304,629**
Estimated consumption for vacant space (in kWhpe)			0	0	0	0	0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			2,594,825	0	NC	46,503,263	2,594,825	27,206,027
Total measured and extrapolated energy consumption (in kWhpe)			14,004,667	19,110,131	NC	74,802,067	14,004,667	76,510,656

		Total consumption (Abs)				Like-for-like (LfL)		
		2020	2021			2020	2021	
Coverage of reporting scope by surface area (in m²GLA)	EPRA BPRs	87,178	140,379		EPRA BPRs	81,869		
Reporting scope coverage by surface area (in %)		81%	100%			63%		
Number of applicable properties		10/11	12/12			8/10		
Proportion of estimated data		0%	0%			0%		
Paid by owner				**Change**				**Change**
Total Electricity (in kWh)		**5,189,834**	**11,354,188**	**118.8%**		**5,057,360**	**5,301,988**	**4.8%**
of which on a tenant submeter	**Elec-Abs**	0	0		**Elec-LfL**	0	0	
of which shared services		5,189,834	11,354,188	118.8%		5,057,360	5,301,988	4.8%
Total heating and cooling networks (in kWh)		**2,555,123**	**3,684,915**	**44.2%**		**2,598,987**	**2,687,137**	**3.4%**
of which on a tenant submeter	**DH&C-Abs**	0	0		**DH&C-LfL -LfL**	0	0	
of which shared services		2,555,123	3,684,915	44.2%		2,598,987	2,687,137	3.4%
Total Gas-Fuel oil-Wood (in kWh)		**3,664,885**	**4,080,653**	**11.3%**		**2,359,124**	**3,454,292**	**46.4%**
of which on a tenant submeter	**Fuel-Abs**	0	0		**Fuel-LfL**	0	0	
of which shared services		3,664,885	4,080,653	11.3%		2,359,124	3,454,292	46.4%
ENERGY INTENSITY (Kwhpe/m²/year)						**122.3**	**139.8**	**14.3%**

Carbon – Total GHG emissions and carbon intensity ratio for fully-owned assets (operational control scope)

			MULTI-LET BUILDINGS			SINGLE-LET BUILDINGS	TOTAL PORTFOLIO	
			Scope "operational control"		Scope "tenant 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	2020	2021	2021	2021	2020	2021
Reporting scope coverage by surface area (in m²)			87,178	140,379	22,351	70,967	87,178	211,346
Reporting scope coverage by surface area (in %)			81%	100%	NC	38%	81%	64%
Number of applicable properties			10/11	12/12	6/12	7/27	10/11	19/39
Proportion of estimated data			0%	0%	0%	0%	0%	0%
Carbon intensity (in kgCO_2e/m²/year)	**305-4**	**GHG-Int**	**15.5**	**9.3**	**10.3**	**47.9**	**16**	**23.4**
Total emissions (in tCO_2e)			**1,353**	**1,311**	**231**	**3,401**	**1,353**	**4,943**
of which direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	678	755	0	0	678	755
of which direct emissions (in tCO_2e)	305-2	GHG-Indir-Abs	675	556	231	3401	675	4,188
Estimated emissions on vacant areas (in tCO_2e)			0	0	0	0	0	0
Estimated emissions for occupied areas where no data is available (in tCO_2e)			308	0	NC	5,590	308	2,728
Total extrapolated carbon emissions (in tCO_2e)			1,661	1,311	NC	8,991	1,661	7,671

* 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 87,138 tCO_2e with a carbon intensity of 41.3 KgCO_2e/m²/year.

	GRI Standards	EPRA BPRs	Total emissions (Abs) - "Operational control" scope 2020	2021			Emissions on a like-for-like basis (LfL) - "Operational control" scope 2020	2021	
Coverage of the reporting scope by surface area (in m²)			87,178	140,379			81,869		
Reporting scope coverage by surface area (in %)			81%	100%			63%		
Number of applicable properties			10/11	12/12			8/10		
Proportion of estimated data			0	0%	Change			0%	
Carbon intensity (in $kgCO_2e/m^2$/year)	**305-4**	**GHG-Int**	**15.5**	**9.3**	**-39.8%**		**13.7**	**12.8**	**-7.0%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	678	755	11.3%	GHG-Dir-LfL	436	639	46.4%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	675	556	-17.7%	GHG-Indir-LfL	687	405	-41.0%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			**1,353**	**1,311**			**1,123**	**1,044**	
CHANGE IN CARBON EMISSIONS			**-39.8%**					**-7.0%**	

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[1] Aqueduct map, 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" 2020	2021	Scope "tenant areas" 2020	2021	SINGLE-LET BUILDINGS 2021	TOTAL PORTFOLIO 2020	2021
Total water consumption (Abs)	GRI Standards	EPRA BPRs							
Coverage of the reporting scope by surface area (in m²)			75,712	140,379			75,958	75,712	216,337
Reporting scope coverage by surface area (in %)			71%	100%			40%	71%	66%
Number of applicable properties			8/11	12/12			9/27	8/11	21/39
Water intensity (in m^3/m^2/year)	**CRE2**	**Water-Int**	**0.68**	**0.92**			**0.84**	**0.68**	**0.89**
Total water consumption (in m^3)	**303-1**	**Water-Abs**	**51,783**	**128,630**	N/A		**63,616**	**51,783**	**192,246**
Estimated water consumption in vacant space (in m^3)			0	0			0	0	0
Estimated consumption in occupied areas for which data is not available (in m^3)			21,402	0			93,491	21,402	99,198
Total extrapolated water consumption (in m^3)			73,185	128,630			157,107	73,185	291,444
Water consumption - Like-for-like scope (LfL)									
Coverage of the reporting scope (in m²)			69,731						
Reporting scope coverage by surface area (in %)			54%						
Number of applicable properties			6/10						
Proportion of estimated data			0%		N/A				
Water intensity (in m^3/m^2/year)			**0.65**	**0.92**					
Like-for-like water consumption (in m³)	303-1	Water-LfL	45,081	63,881					
CHANGE IN WATER CONSUMPTION INTENSITY			**41.7%**						

(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 "tenant areas"		SINGLE-LET BUILDINGS	TOTAL PORTFOLIO	
		2020	2021	2020	2021	2021	2020	2021
Reporting scope coverage by surface area (in m²)		103,554	72,981			12,500	103,554	85,481
Coverage of scope in surface area (in %)		97%	52%			7%	97%	26%
Number of applicable properties		10/11	10/12			1/27	10/11	11/39
Proportion of estimated data		100%	100%			100%	100%	100%
Total waste (in tonnes)	**306-2 Waste-Abs**	**1,451**	**1,010**			**127**	**1,451**	**1,137**
Total Hazardous waste (in tonnes)		0	0			0	0	0
of which recycled, re-used or composted waste	306-2 Waste-Abs	562	429	N/A		38	562	466
i.e. (in %)		39%	42%			30%	NC	NC
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		
Rate of selective collection		**100%**	**100%**			**100%**	**100%**	**100%**
Total extrapolated production of waste (in t)		1,500	1,943			1,900	1,500	4,362
Waste production – Like-for-like (LfL)								
Coverage of the reporting scope by surface area (in m 2HS)		62,082						
Coverage of scope in surface area (in %)		48%		N/A				
Number of applicable properties		8/10						
Proportion of estimated data		100%						
Rate of selective collection		**100%**	**100%**					
Total waste (in tonnes)	**306-2 Waste-LfL**	**875**	**903**					
Total Hazardous waste (in tonnes)		**0**	**0**					
of which recycled, re-used or composted waste		187	385					
i.e. (in %)		21%	43%					
of which incinerated (including with energy recovery)		NC	NC					
of which landfill		NC	NC					
of which other disposal methods		NC	NC					
CHANGE IN TOTAL WASTE PRODUCTION		**3.2%**						

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 et labels - (Cert-tot) (3.3.1.4)

34.2% of the portfolio is subject to certification at the end of 2021, an operation certification programme has been launched for the next two years.

Energy - Direct and indirect energy consumption by source and intensity ratios

The scope covered for this first year of collection was 298,118 m^2, *i.e.* a coverage rate of 95%. 11 of the 13 assets in the scope are multi-tenant buildings, thus falling within the scope of "operational control", on which the coverage rate was also 95% at the end of 2020.

Total final energy consumption = 57,496,338 kWhfe (of which 80% in the "operational control" scope)

Total primary energy consumption = 91,212,578 kWhpe

Final energy intensity = 198.9 kWhfe/m^2/year

Primary energy intensity = 315.5 kWhpe/m^2/year

Carbon – Total direct or indirect GHG emissions and greenhouse gas emissions from buildings

Total emissions = 10,598 tCO_2e (of which operational control scope: scope 1 = 1,151 tCO_2e and scope 2 = 8,578 tCO_2e)

Carbon intensity of the portfolio = 36.7 $kgCO_2e/m^2$/year

These data take into account the green electricity contracts that were subscribed for a major part of the assets during 2020.

Water – Total water consumption and water intensity ratio for buildings in use

Water scope: 303,891 m^2, *i.e.* 100% coverage

Total water consumption: 82,343 m^3

Water intensity of assets = 0.27 m^3/m^2/year

Waste – Total mass of waste in tonnes by type and disposal method

Total amount of waste reported = 1,205 metric tons (84% coverage rate)

100% of assets benefit from selective sorting equipment

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
- twelve construction periods: pre-1859 to post-2016
- four types of heat generation: urban heating systems, district heating, gas boilers and individual heating.

Type and number of sustainably certified assets (Cert-Tot) (3.3.1.4)

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	2020	2021
Coverage of reporting scope by surface area (in m²Nütz)			111,264	114,516
Reporting scope coverage by surface area (in %)			86%	86%
Number of applicable properties			170/198	171/201
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m²Nütz/year)	**CRE1**	**Energy-Int**	**192**	**185**
Intensity (in KWhpe/m²Nütz/year)			**204**	**197**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**9,045,767**	**9,085,209**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	8,783,216	8,826,142
Natural gas (direct energy) – renewable source	302-1		0	0
Fuel oil (direct energy)	302-1	Fuel-Abs	262,551	259,067
Wood (direct energy)	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**12,303,145**	**12,124,876**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	212,206	222,471
Electricity (indirect energy) – renewable source			0	0
Renewable energy production	302-1	Elec-Abs	31,694	32,316
of which solar			31,694	32,316
District heating and cooling (indirect energy)	302-1	DH&C-Abs	12,122,633	11,934,721
Total energy consumption (in kWhfe)			**21,348,912**	**21,210,085**
Total energy (in GJ)			76,856	76,356
Total energy consumption (in kWhpe)			**22,734,647**	**22,600,906**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas for which data is not available (in kWhpe)			3,782,967	3,609,717
Total measured and extrapolated energy consumption (in kWhpe)			26,517,614	26,210,623

* By extrapolating the consumption of the representative panel to the entire German residential portfolio, i.e. 2,587,283 m², energy consumption would amount to 446,959,710 kWhpe and 476,820,165 kWhpe, or an intensity of 184.3 kWhpe/m². This data is calculated by reintegrating the 27 assets equipped with individual heaters not included in the reporting scope (i.e. 6.8% of surface areas).

		2020	2021			2020	2021	
Coverage of reporting scope by surface area (in m²Nütz)		111,264	114,516			109,827		
Reporting scope coverage by surface area (in %)	EPRA BPRs	86%	86%		EPRA BPRs	84%		
Number of applicable properties		170/198	171/201			168/198		
Proportion of estimated data		0%	0%			0%		
				Change				Change
Total Electricity (in kWh)		**212,206**	**222,471**	**4.8%**		**210,941**	**197,767**	**-6.2%**
of which on a tenant submeter	**Elec-Abs**				**Elec-LfL**			
of which shared services		212,206	222,471	4.8%		210,941	197,767	-6.2%
Total district heating and cooling (in kWh)		**12,122,633**	**11,934,721**	**-1.6%**		**11,901,098**	**11,486,922**	**-3.5%**
of which on a tenant submeter	**DH&C-Abs**				**DH&C-LfL**			
of which shared services		12,122,633	11,934,721	-1.6%		11,901,098	11,486,922	-3.5%
Total Gas-Fuel oil-Wood (in kWh)		**9,045,767**	**9,085,209**	**0.4%**		**9,016,318**	**8,853,661**	**-1.8%**
of which on a tenant submeter	**Fuel-Abs**				**Fuel-LfL**			
of which shared services		9,045,767	9,085,209	0.4%		9,016,318	8,853,661	-1.8%
			INTENSITY (IN KWHFE/M²NÜTZ/YEAR)			**192.4**	**187.0**	**-2.8%**

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

	GRI Standards	EPRA BPRs	Total Emissions (Abs) 2020	Total Emissions (Abs) 2021			Emissions on a like-for-like basis (LfL) 2020	Emissions on a like-for-like basis (LfL) 2021	
Coverage of reporting scope by surface area (in m²Nütz)			111,264	114,516			109,827		
Reporting scope coverage by surface area (in %)			86%	86%			84%		
Number of applicable properties			170/198	171/201			168/198		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in $KgCO_2e/m^2Nütz/year$)	**305-4**	**GHG-Int**	**29.1**	**29.6**	**1.7%**		**29.2**	**29.8**	**1.9%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,695	1,702	0.4%	GHG-Dir-LfL	1,698	1,659	-2.3%
Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	1,540	1,684	9.3%	GHG-Indir-LfL	1,513	1,614	6.7%
Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO_2e/year)			**3,235**	**3,386**			**3,212**	**3,273**	
CHANGE IN CARBON EMISSIONS				**4.7%**				**1.9%**	

* By extrapolating Covivio Immobilien's carbon emissions to the scale of the total portfolio of 2,746,046 m² by adding the assets equipped with individual heating (i.e. 7% of the assets' surface area), total emissions amount to 68,249 tCO_2e, i.e. an intensity of 26.3kg CO_2e/m^2.

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[1] Aqueduct map, 44% of the water scope (*i.e.* 44.8% 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	2020	2021
Coverage of reporting scope by surface area (in m²Nütz)			123,663	125,835
Reporting scope coverage by surface area (in %)			95%	95%
Number of applicable properties			191/198	193/201
Water intensity (in m³/m²Nütz/year)	**CRE2**	**Water-Int**	**1.24**	**1.24**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**153,208**	**155,738**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			7,576	8,627
Total extrapolated water consumption (in m³)			160,784	164,395
Water consumption - Like-for-like scope (LfL)				
Coverage of reporting scope by surface area (in m²Nütz)			123,497	
Reporting scope coverage by surface area (in %)			95%	
Number of applicable properties			190/198	
Proportion of estimated data			0%	
Water intensity (in m³/m²Nütz/year)			**1.20**	**1.22**
Like-for-like water consumption (in m³)	303-1	Water-LfL	148,293	151,161
CHANGE IN WATER CONSUMPTION INTENSITY			**1.9%**	

By extrapolating water consumption to the entire portfolio (2,587,283 m2), a consumption level of 3,202,120 m³ is obtained.

Waste – Total mass of waste in tonnes by type and disposal method

Total waste production (Abs)	GRI Standards	EPRA BPRs	2020	2021
Coverage of reporting scope by surface area (in m²Nütz)			129,778	132,806
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			198/198	201/201
Proportion of estimated data			100%	100%
Total non-dangerous waste (in m³)	**306-2**	**Waste-Abs**	**2,202**	**2,371**
Total dangerous waste (in m³)	**306-2**	**Waste-Abs**	**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	102	111
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 t)				
Waste production – Like-for-like (LfL)				
Coverage of reporting scope by surface area (in m²Nütz)			130,468	
Reporting scope coverage by surface area (in %)			100%	
Number of applicable properties			198/198	
Proportion of estimated data			100%	
Rate of selective collection			**100%**	**100%**
Total non-dangerous waste (in m³)	**306-2**	**Waste-LfL**	**2,202**	**2,277**
Total dangerous waste (in m³)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			101.60	110
i.e. (in %)			5%	5%
CHANGE IN TOTAL WASTE PRODUCTION			**3.4%**	

(1) Beta Aqueduct 2019 – 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 scope of environmental reporting 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 2021 are excluded from this scope. Reporting therefore covers 285 assets out of the 323 comprising the financial scope (*i.e.* 1,950,869 m²).

Type and number of sustainably certified assets (Cert-Tot) (3.3.1.4)

As at 31 December 2021, 80.4% 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, 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	2020	2021
Reporting scope coverage by surface area (in m²)			1,511,694	1,619,222
Reporting scope coverage by surface area (in %)			82%	83%
Number of applicable properties			267/315	285/323
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m²/year)	**CRE1**	**Energy-Int**	**130**	**162**
Intensity (in KWhpe/m²/year)			**229**	**286**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**48,052,052**	**56,895,242**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	45,796,404	53,897,242
Natural gas (direct energy) – renewable source	302-1		0	1,050,668
Fuel oil (direct energy)	302-1	Fuel-Abs	2,255,649	1,917,333
Wood (direct energy)	302-1	Fuel-Abs	0	0
Total indirect energy (in kWhfe)	**302-1**	**Elec-Abs**	**148,429,742**	**204,881,294**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	107,438,264	124,711,523
Electricity (indirect energy) – renewable source			12,330,620	33,337,866
Renewable energy production	302-1	Elec-Abs	94,358	64,553
of which solar			94,358	64,553
District heating and cooling (indirect energy)	302-1	DH&C-Abs	28,755,215	46,896,458
Total energy consumption (in kWhfe)			**196,481,794**	**261,746,536**
Total energy (in GJ)			707,334	942,288
Total energy consumption (in kWhpe)			**345,890,986**	**463,198,137**
Estimated consumption for vacant space (in kWhpe)			0	0
Estimated consumption in occupied areas f or which data is not available (in kWhpe)			75,342,245	91,895,871
Total measured and extrapolated energy consumption (in kWhpe)			421,233,231	555,094,009

		Total consumption (Abs)				Like-for-like (LfL)		
		2020	2021			2020	2021	
Reporting scope coverage by surface area (in m²)		1,511,694	1,619,222			1,404,229		
Reporting scope coverage by surface area (in %)	EPRA BPRs	82%	83%		EPRA BPRs	76%		
Number of applicable properties		267/315	285/323			261/315		
Proportion of estimated data		0%	0%			0%		
				Change				Change
Total Electricity (in kWh)		**119,768,884**	**158,049,389**	**18.5%**		**110,508,714**	**136,932,490**	**23.9%**
of which on a tenant submeter	**Elec-Abs**				**Elec-LfL**			
of which shared services		119,768,884	158,049,389	18.5%		110,508,714	136,932,490	23.9%
Total heating and cooling networks (in kWh)	**DH&C -Abs**	**28,755,215**	**46,896,458**	**15.4%**	**DH&C -LfL**	**27,205,903**	**34,179,581**	**25.6%**
of which on a tenant submeter								
of which shared services		28,755,215	46,896,458	15.4%		27,205,903	34,179,581	25.6%
Total Gas-Fuel oil-Wood (in kWh)		**48,052,052**	**56,865,242**	**43.9%**		**46,498,942**	**50,495,252**	**8.6%**
of which on a tenant submeter	**Fuel-Abs**				**Fuel-LfL**			
of which shared services		48,052,052	56,865,242	43.9%		46,498,942	50,495,252	8.6%
				INTENSITY (IN KWHFE/M²/YEAR)		**131.2**	**157.8**	**20.3%**

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) 2020	2021			Emissions on a like-for-like basis (LfL) 2020	2021	
Reporting scope coverage by surface area (in m²)			1,511,694	1,619,222			1,404,229		
Reporting scope coverage by surface area (in %)			82%	83			76%		
Number of applicable properties			267/315	285/323			261/315		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in kgCO₂e/m²/year)			**17.8**	**20.5%**	**-15.0%**		**19.8**	**18.4**	**-7.5%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO₂e)	305-1	GHG- Dir-Abs	7,795	10,069	-29.2%	GHG-Dir-LfL	8,543	9,085	-6.3%
Scope 2 – Total indirect emissions (in tCO₂e)	305-2	GHG-Indir-Abs	19,104	23,068	-20.8%	GHG-Indir-LfL	19,326	16,698	-13.6%
Scope 3 – Other emissions (in tCO₂e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0		
Total emissions (in tCO₂e/year)			*26,899*	*33,137*			*27,869*	*25,782*	
CHANGE IN CARBON EMISSIONS								**-7.5%**	

* 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 46,575 tCO₂e, with a carbon intensity of 26.8 kgCO₂e/m²/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[1] Aqueduct map, 26% and 12.8% respectively of the surface water scope (*i.e.*, 34.3% and 13.6% of water consumption in 2019) is located in a region with a high or very high risk of baseline water stress (SASB IF-RE140a).

Total water consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021
Reporting scope coverage by surface area (in m²)			1,509,426	1,561,594
Reporting scope coverage by surface area (in %)			82%	80%
Number of applicable properties			264/315	263/323
Water intensity (in m³/m²Nütz/year)	**CRE2**	**Water-Int**	**0.95**	**1.09**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**1,438,268**	**1,707,116**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			315,916	412,723
Total extrapolated water consumption (in m³)			1,754,185	2,113,840
Water consumption - Like-for-like scope (LfL)				
Reporting scope coverage by surface area (in m²)			1,352,517	
Reporting scope coverage by surface area (in %)			73%	
Number of applicable properties			235/315	
Proportion of estimated data			0%	
Water intensity (in m³/m²Nütz/year)			**0.94**	**1.12**
Like-for-like water consumption (in m³)	303-1	Water-LfL	1,267,127	1,520,664
CHANGE IN WATER CONSUMPTION INTENSITY			**20.0%**	

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	2020	2021
Reporting scope coverage by surface area (in m²)			546,177	710,400
Reporting scope coverage by surface area (in %)			30%	37%
Number of applicable properties			30/315	45/323
Proportion of estimated data			41%	50%
Total non-hazardous waste (in tonnes)	**306-2**	**Waste-Abs**	**2,453**	**3,510**
Total Hazardous waste (in tonnes)	**306-2**		**0**	**0**
of which recycled, re-used or composted waste	306-2	Waste-Abs	805	1,315
i.e. (in %)			32.8%	37%
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			**93%**	**91%**
Total extrapolated production of waste (in t)				
Waste production – Like-for-like (LfL)				
Reporting scope coverage by surface area (in m²)			526,189	
Reporting scope coverage by surface area (in %)			29%	
Number of applicable properties			27/315	
Proportion of estimated data			46%	
Rate of selective collection			**96%**	**96%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**2,414**	**2,598**
Total Hazardous waste (in tonnes)	**306-2**	**Waste-LfL**	**0**	**0**
of which recycled, re-used or composted waste			805	1,080
i.e. (in %)			33%	42%
CHANGE IN TOTAL WASTE PRODUCTION			**7.7%**	

(1) Beta Aqueduct 2019 – 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.

Type and number of sustainably certified assets (Cert-Tot)

43% (in number), *i.e.*, three of Covivio's seven 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 Kleber in Paris. Covivio's Milan headquarters is also labelled BRaVe BB (3.3.1.4).

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	2020	2021
Reporting scope coverage by surface area (in m²)			27,708	24,966
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			8/8	7/7
Proportion of estimated data			0%	0%
Intensity (in KWhfe/m²/year)	**CRE1**	**Energy-Int**	**120**	**153**
Intensity (in KWhpe/m²/year)			**202**	**260**
Total direct energy (in kWhfe)	**302-1**	**Fuel-Abs**	**427,629**	**704,656**
Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	427,629	704,656
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**	**2,890,333**	**3,115,026**
Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	1,243,508	1,544,775
Electricity (indirect energy) – renewable source			337,919	316,404
Renewable energy production	302-1	Elec-Abs	15,638	15,023
of which solar			15,638	15,023
District heating and cooling (indirect energy)	302-1	DH&C-Abs	1,324,544	1,357,869
Total energy consumption (in kWhfe)			**3,317,961**	**3,819,681**
Total energy (in GJ)			11,945	13,751
Total energy consumption (in kWhpe)			**5,584,628**	**6,495,713**
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)			5,584,628	6,495,713

		Total consumption (Abs)				Like-for-like (LfL)		
		2020	2021			2020	2021	
Reporting scope coverage by surface area (in m²)		27,708	24,966			24,966		
Reporting scope coverage by surface area (in %)	EPRA BPRs	100%	100%		EPRA BPRs	100%		
Number of applicable properties		8/8	7/7			7/7		
Proportion of estimated data		0%	0%			0%		
Managed and paid by the Tenant				**Change**				**Change**
Total Electricity (in kWh)		**1,581,427**	**1,772,179**	**12.1%**		**1,573,451**	**1,772,179**	**12.6%**
of which on a tenant submeter	**Elec-Abs**				**Elec-LfL**			
of which shared services		1,581,427	1,772,179	12.1%		1,573,451	1,772,179	12.6%
Total heating and cooling networks (in kWh)		**1,324,544**	**1,357,869**	**2.5%**		**1,396,883**	**1,357,869**	**-2.8%**
of which on a tenant submeter	**DH&C-Abs**				**DH&C-LfL**			
of which shared services		1,324,544	1,357,869	2.5%		1,396,883	1,357,869	-2.8%
Total Gas-Fuel oil-Wood (in kWh)		**427,629**	**704,656**	**64.8%**		**441,497**	**704,656**	**59.6%**
of which on a tenant submeter	**Fuel-Abs**				**Fuel-LfL**			
of which shared services		427,629	704,656	64.8%		441,497	704,656	59.6%
				INTENSITY (IN KWHFE/M²/YEAR)		**136.7**	**153.6**	**12.4%**

Carbon – Total direct or indirect GHG emissions and carbon intensity ratio for "corporate" buildings (operational control scope)

	GRI Standards	EPRA BPRs	2020	2021			Like-for-like (LfL) 2020	2021	
Reporting scope coverage by surface area (in m²)			27,708	24,966			24,966		
Reporting scope coverage by surface area (in %)			100%	100%			100%		
Number of applicable properties			8/8	7/7			7/7		
Proportion of estimated data			0%	0%	Change		0%		Change
Carbon intensity (in kgCO₂e/m²/year)	**305-4**	**GHG-Int**	**19.5**	**24.9**	**27.6%**		**23.3**	**24.9**	**6.6%**
GHG Protocol						**EPRA BPRs**			
Scope 1 – Total direct emissions (in tCO₂e)	305-1	GHG-Dir-Abs	75	123	64.1%	GHG-Dir-LfL	77	123	59.4%
Scope 2 – Total indirect emissions (in tCO₂e)	305-2	GHG-Indir-Abs	467	498	6.7%	GHG-Indir-LfL	505	498	-1.4%
Scope 3 – Other emissions (in CO₂e)		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (in tCO₂e/year)			**541**	**621**			**583**	**621**	
CHANGE IN CARBON EMISSIONS				**14.8%**				**6.6%**	

* 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 715 tCO₂e, with a carbon intensity of 28.6 kgCO₂e/m²/year.

Water – Total water consumption and water intensity ratio for "corporate" buildings (operational control scope)

Total water consumption (Abs)	GRI Standards	EPRA BPRs	2020	2021
Reporting scope coverage by surface area (in m²)			27,708	24,966
Reporting scope coverage by surface area (in %)			100%	100%
Number of applicable properties			8/8	7/7
Water intensity (in m³/m²Nütz/year)	**CRE2**	**Water-Int**	**0.24**	**0.25**
Total water consumption (in m³)	**303-1**	**Water-Abs**	**6,638**	**6,348**
Estimated water consumption in vacant space (in m³)			0	0
Estimated consumption in occupied areas for which data is not available (in m³)			0	0
Total extrapolated water consumption (in m³)			6,638	6,348
Water consumption - Like-for-like scope (LfL)				
Reporting scope coverage by surface area (in m²)			24,966	
Reporting scope coverage by surface area (in %)			100%	
Number of applicable properties			7/7	
Proportion of estimated data			0%	
Water intensity (in m³/m²Nütz/year)			**0.24**	**0.25**
Like-for-like water consumption (in m³)	303-1	Water-LfL	6,096	6,348
CHANGE IN WATER CONSUMPTION INTENSITY			**4.1%**	

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	2020	2021
Reporting scope coverage by surface area (in m²)			11,806	8,876
Reporting scope coverage by surface area (in %)			43%	36%
Number of applicable properties			5/8	4/7
Proportion of estimated data			65%	53%
Total waste (in tonnes)	**306-2**	**Waste-Abs**	**124**	**91**
of which recycled, re-used or composted waste	306-2	Waste-Abs	68	41
i.e. (in %)	306-2		55%	46%
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 t)			290	255
Waste production – Like-for-like (LfL)				
Reporting scope coverage by surface area (in m²)			8,876	
Reporting scope coverage by surface area (in %)			36%	
Number of applicable properties			4/7	
Proportion of estimated data			53%	
Rate of selective collection			**100%**	**100%**
Total waste (in tonnes)	**306-2**	**Waste-LfL**	**111**	**91**
of which recycled, re-used or composted waste			59	41
i.e. (in %)			53%	46%
CHANGE IN TOTAL WASTE PRODUCTION			**-18.4%**	

3.7.1.8 Group consolidated environmental data

				Total operational control		Total Group	
		GRI	EPRA BPRs	2020	2021	2020	2021
ENERGY/ CARBON	Coverage of the energy/carbon reporting scope by surface area (m^2)			333,402	407,374	2,500,873	2,560,887
	Reporting scope coverage by surface area (in %)			94%	100%	84%	83%
	Intensity (kWhfe/m^2/year)	CRE1	Energy-Int	126.4	146.7	135.0	164.9
	Intensity (kWhpe/m^2/year)			162.0	172.6	233.9	280.4
	Total direct energy (kWhfe)	302-1	Fuel-Abs	10,064,419	12,701,980	81,226,501	86,847,303
	Natural gas (direct energy) – non-renewable source	302-1	Fuel-Abs	10,064,419	12,701,980	78,328,341	83,294,488
	Natural gas (direct energy) – renewable source	302-1		0	0	0	1,050,668
	Fuel oil (direct energy)	302-1	Fuel-Abs	0	0	2,716,342	2,318,777
	Wood (direct energy)	302-1	Fuel-Abs	0	0	181,817	183,370
	Total indirect energy (kWhfe)	302-1	Elec-Abs	32,062,978	47,079,350	256,272,988	335,402,992
	Electricity (indirect energy) – non-renewable source	302-1	Elec-Abs	7,328,406	6,430,806	168,613,514	186,933,453
	Electricity (indirect energy) – renewable source	302-1		11,634,805	18,546,453	29,163,247	61,541,347
	Renewable energy production	302-1	Elec-Abs	15,638	24,647	277,469	348,727
	of which solar			15,638	24,647	277,469	348,727
	District heating and cooling (indirect energy)	302-1	DH&C-Abs	13,115,405	22,126,738	58,773,695	87,276,920
	Total energy consumption (in kWhfe)			42,127,397	59,781,330	337,499,489	422,250,295
	Total energy (GJ)			151,659	215,213	1,214,998	1,520,101
	Total energy consumption (in kWhpe)			54,008,201	70,317,911	584,845,220	718,190,859
	CARBON INTENSITY ($kgCO_2e/m^2$/year)	305-4	GHG-Int	14.7	11.4	16.2	19
	GHG Protocol						
	Scope 1 – Total direct emissions (in tCO_2e)	305-1	GHG-Dir-Abs	1,762	2,216	1,762	2,216
	Scope 2 – Total indirect emissions (in tCO_2e)	305-2	GHG-Indir-Abs	3,144	2,443	3,144	2,443
	Scope 3 – Other emissions (in tCO_2e)		GHG-Indir-Abs	0	0	35,594	43,990
	Total emissions (tCO_2e/an)			4,906	4,659	40,500	48,649
Without climate adjustment	Total energy consumption (in kWhfe)			42,127,397	56,141,861	310,099,895	404,967,972
	Total energy consumption (in kWhpe)			54,008,202	66,070,373	547,831,489	681,520,280
	Scope 1 – Total direct emissions (in tCO_2e)			1,762	2,221	1,762	2,221
	Scope 2 – Total indirect emissions (in tCO_2e)			3,145	2,373	3,145	2,373
	Scope 3 – Other emissions (in tCO_2e)			0	0	34,241	42,720
	Total emissions (tCO_2e/year)			3,012	2,684	39,148	47,314
WATER	Reporting scope coverage by surface area (m^2)			321,936	407,374	2,411,646	2,524,295
	Reporting scope coverage by surface area (in %)			91%	100%	82%	82%
	WATER INTENSITY (m^3/m^2/year)	CRE2	Water-Int	0.36	0.48	0.76	0.87
	Total water consumption (in m^3)	303-1	Water-Abs	117,000	195,447	1,831,615	2,188,916
WASTE	Reporting scope coverage by surface area (m^2)			294,326	264,592	970,280	1,328,430
	Scope coverage (in %)			83%	65%	42%	43%
	Total non-hazardous waste (in tonnes)	306-2		2,111	1,584	6,766	8,225
	of which % recycled			43%	39%	27%	27%
Other environ-mental indicators	Percentage of buildings with environmental certification for construction or operation (in value)		Cert-Tot			88.1%	90.7%
	Share of buildings with an energy performance diagnostics (weighted average in value)					93.8% (excluding hotels)	93.6%
	Share of buildings less than 1 km from public transport					99.1%	99.8%
	Share of revenue eligible for taxonomy						86%
	Share of Capex eligible for taxonomy					NA	100%
	Share of OPEX eligible for taxonomy						100%

3.7.2 Social indicators

3.7.2.1 UES Covivio

	GRI STANDARDS	TOTAL	2019	2020	2021
Total workforce broken down by gender		**Total (including CAPs)**	317	301	302
		Men	41.6%	44.0%	43.0%
		Women	58.4%	56.0%	57.0%
Total workforce by type of employment contract broken down by gender		**Permanent**	**90.5%**	**94.0%**	**92.7%**
		Men	42.9%	45.0%	42.9%
		Women	57.1%	55.0%	57.1%
		Temporary	**1.3%**	**1.0%**	**2.0%**
		Men	25.0%	33.3%	0%
		Women	75.0%	66.7%	100%
		CAPs (Apprenticeship contracts)	**8.2%**	**5.0%**	**5.3%**
		Men	30.8%	40.0%	45.3%
		Women	69.2%	60.0%	54.7%
Total workforce by type of job broken down by gender		**Full time**	**92.1%**	**93.0%**	**92.7%**
		Men	44.2%	47.0%	45.0%
		Women	55.8%	53.0%	55.0%
		Part time	**7.9%**	**7.0%**	**7.3%**
		Men	12.0%	10.0%	18.2%
		Women	88.0%	90.0%	81.8%
Distribution of workforce by geographic area and broken down by gender	102-8	**Paris**	**74.4%**	**75.7%**	**74.5%**
		Men	41.1%	45.0%	45.3%
		Women	58.9%	55.0%	54.7%
		Metz	**19.2%**	**18.6%**	**20.2%**
		Men	42.6%	43.0%	37.7%
		Women	57.4%	57.0%	62.3%
		Regional Offices	**6.3%**	**5.6%**	**5.3%**
		Men	45.0%	41.0%	31.3%
		Women	55.0%	59.0%	68.8%
Breakdown of workforce by professional category		**Managers**	**80.1%**	**84.1%**	**83.4%**
		Men	45.7%	47.0%	44.4%
		Women	54.3%	53.0%	55.6%
		Supervisors	**10.4%**	**10.3%**	**8.9%**
		Men	18.2%	22.6%	22.2%
		Women	81.8%	77.4%	77.8%
		Employees	**9.5%**	**5.6%**	**7.6%**
		Men	33.3%	41.2%	52.2%
		Women	66.7%	58.8%	47.8%
Breakdown of managerial staff		Male managers	50.0%	49.3%	46.6%
		Female managers	50.0%	50.7%	53.4%
Breakdown of workforce by age group		Age < 30	22.4%	20.0%	18.2%
		30-50 years old	53.6%	53.0%	53.0%
		Age > 50	24.0%	27.0%	28.8%

	GRI STANDARDS	TOTAL	2019	2020	2021
Turnover of M/F personnel	401-1	**Total permanent contract departures**	**17**	**20**	**25**
		Turnover rate of permanent contract departures	**6.2%**	**7.0%**	**8.8%**
		Men	2.2%	2.1%	3.9%
		Women	4.0%	4.2%	4.9%
Turnover by age group		Age < 30	0.7%	1.0%	2.5%
		30-50 years old	4.3%	4.2%	5.3%
		Age > 50	1.1%	1.7%	1.1%
Turnover by geographic area		Paris	5.8%	4.9%	7.1%
		Metz	0.4%	1.7%	1.4%
		Regional Offices	0.0%	0.3%	0.4%
Turnover rate of less than two years		**Turnover rate related to permanent contract departures - 2 years**	**8.1%**	**1.9%**	**7.9%**
Level of incoming staff by contract type		**Total joiners (first contract to staff excluding replacement caretaker staff)**	**65**	**31**	**53**
		Total number of recruits on permanent contracts	**28**	**16**	**22**
		Of which conversion to permanent contract	**6**	**2**	**9**
		Youth Policy (summer jobs or apprentices)	32	12	0
		Medium temporary and temporary replacement contracts	5	3	6
Average number of hours of training per employee by gender and professional category	404-1	**Per employee**	**15**	**21**	**18.7**
		Per man	15	22	18.2
		Per woman	15	18	18.4
		Per manager	16	20	20.0
		Per supervisor	13	24	18.2
		Per employee	5	7	5.8
Percentage of employees receiving regular performance and career development reviews, by gender	404-3	**Total**	**99.0%**	**100%**	**99.6%**
		Per man	99.2%	100%	100%
		Per woman	98.8%	100%	99.4%
Absenteeism rate by gender		**Total**	**2.5%**	**2.5%**	**2.5%**
		Men	2.1%	1.7%	1.2%
		Women	2.8%	2.6%	2.9%
Work accident rate by geographic area and by gender	403-2	**Total**	**0.98%**	**0.96%**	**0.71%**
		Frequency rate	**6.1**	**5.95**	**4.10**
		Severity rate	**0.08**	**0.11**	**0.09**
		Men	0%	0.6%	0%
		Women	0.98%	0.3%	0.7%
		Paris	0.98%	0.96%	0.7%
		Metz	0%	0%	0%
		Regional Offices	0%	0%	0%
Occupational illness rate by geographic area and by gender		**Total**	**0%**	**0.3%**	**0.3%**
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) (excluding vocational training certificate contracts (CAPs) and suspension)	€56,171	€70,119	€69,753
		Base salary for women (average) (excluding vocational training certificate contracts (CAPs) and suspension)	€67,706	€57,724	€57,757
		F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract)	**0.83**	**0.82**	**0.83**
		Base salary, male managers	€61,014	€72,393	€72,210
		Base salary, female managers	€69,958	€62,219	€62,499
		F/M ratio, managers	**0.87**	**0.86**	**0.87**
		Average base salary, male supervisors	€33,693	€36,877	€36,913
		Average base salary, female supervisors	€37,234	€33,857	€33,857
		F/M ratio, supervisors	**0.90**	**0.92**	**0.92**
		Base salary, male office staff	€27,846	€32,209	€30,665
		Base salary, female office staff	€28,535	€32,686	€26,010
		F/M ratio, office staff	**0.98**	**1.00**	**0.85**

	GRI STANDARDS	TOTAL	2019	2020	2021
Return to work and retention rates after parental leave, by gender	403-1	Number of employees with right to parental leave (with hildren younger than 3 years)	11.0%	12.0%	12.0%
		Women	7.0%	7.3%	7.6%
		Men	4.0%	4.7%	4.3%
		Employees who took parental leave (part-time or full-time)	31.0%	33.0%	28.0%
		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**		**73.0%**	**68.0%**	**85.0%**
Total Payroll dedicated to training	**Covivio indicator**		**4.0%**	**3.95%**	**4.08%**
Internal mobility	**Covivio indicator**		**9**	**8**	**17**
Loans to personnel (% of employees who took out new loans compared to total staff)	**Covivio indicator**		**0.9%**	**0.0%**	**0.4%**
Works Council subsidies (% of payroll)	**Covivio indicator**		**2.0%**	**2.0%**	**2.0%**

3.7.2.2 Italy Offices

			2019	2020	2021
NUMBER OF EMPLOYEES	**GRI STANDARDS**	**TOTAL**	**157**	**94**	**99**
Total workforce broken down by gender		**Total (including CAPs)**	**157**	**94**	**99**
		Men	52.9%	52.1%	49.5%
		Women	47.1%	47.9%	50.5%
Total workforce by type of employment contract broken down by gender		**Permanent**	**93.0%**	**98.9%**	**99.0%**
		Men	55.5%	52.7%	49.0%
		Women	44.5%	47.3%	51.0%
		Temporary	**6.4%**	**1.1%**	**1.0%**
		Men	20.0%	0%	100%
		Women	80.0%	100%	0%
		CAP	**0.6%**	**0%**	**0%**
		Men	0%	0%	0%
		Women	100%	0%	0%
Total workforce reported by geographical area	102-8	**Rome**	**62.4%**	**41.5%**	**40.4%**
		Men	48.0%	38.5%	32.5%
		Women	52.0%	61.5%	67.5%
		Milan	**36.3%**	**57.4%**	**58.6%**
		Men	61.4%	61.1%	60.3%
		Women	38.6%	38.9%	39.7%
		Other Italian cities	**1.3%**	**1.1%**	**1.0%**
		Men	50.0%	100%	100%
		Women	50.0%	0%	0%
Total workforce by type of job broken down by gender		**Full time**	**95.5%**	**94.7%**	**94.9%**
		Men	55.3%	55.1%	52.1%
		Women	44.7%	44.9%	47.9%
		Part time	**4.5%**	**5.3%**	**5.1%**
		Men	0%	0%	0%
		Women	100%	100%	100%
Total workforce by type of professional category by gender		**Managers**	**8.9%**	**12.8%**	**12.1%**
		Men	57.1%	58.3%	58.3%
		Women	42.9%	41.7%	41.7%
		Non-manager	**91.1%**	**87.2%**	**87.9%**
		Men	52.4%	51.2%	48.3%
		Women	47.6%	48.8%	51.7%
Total workforce broken down by age group		Age < 30	5.1%	4.3%	6.1%
		30-50 years old	79.0%	74.5%	68.7%
		Aged over 50	15.9%	21.3%	25.3%
Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**12**	**7**	**6**
		of which temporary contracts	25.0%	14.3%	0%
		Turnover of permanent contracts	**6.8%**	**4.1%**	**6.5%**
		Men	4.5%	2.7%	4.3%
		Women	2.3%	1.4%	2.2%
		Age < 30	0%	0%	1.1%
		30-50 years old	6.8%	3.4%	3.2%
		Aged over 50	0%	0.7%	2.2%

			2019	2020	2021
Recruitment rate broken down by gender, work contract and age group	**401-1**	**Total new arrivals**	**22**	**2**	**11**
		of which temporary contracts	40.9%	50.0%	9.1%
		Recruitment rate, permanent contracts	**9.8%**	**0.7%**	**10.8%**
		Men	12.0%	0%	6.5%
		Women	7.0%	0.7%	4.3%
		Age < 30	50.0%	0%	3.2%
		30-50 years old	9.6%	0.7%	7.5%
		Aged over 50	0%	0%	0%
Average number of training hours per employee by gender and by professional category	**404-1**	**Total**	**35.0**	**10.3**	**27.5**
		Men	36.6	10.2	29.8
		Women	33.3	10.4	24.6
		Managers	22.2	1.5	34.3
		Non-manager	35.6	10.4	26.2
Proportion of employees given an annual performance and development appraisal interview, by gender	**404-3**	**Total**	**75.0%**	**86.0%**	**93.9%**
		Men	75.9%	95.9%	93.8%
		Women	74.0%	75.0%	94.0%
Absenteeism rate	**403-2**	**Total**	**2.9%**	**2.4%**	**1.0%**
		Men	NC	NC	0.6%
		Women	NC	NC	0.5%
Occupational illness rate		**Total**	**0%**	**0%**	**0%**
Workplace accident rate by gender		**Total**	**0.7%**	**1.1%**	**0%**
		Men	1.2%	2.0%	0%
		Women	0%	0%	0%
		Frequency rate	**3.96**	**5.29**	**0**
		Severity rate	**0.07**	**0.002**	**0**
Percentage of employees covered by a collective bargaining agreement	**102-41**	**Total**	**100%**	**100%**	**100%**
Male/female ratio of basic salary and remuneration, by professional category	**405-2**	Female basic salary (av)	€42,826	€52,810	€52,101
		Male basic salary (av)	€54,264	€64,822	€64,735
		F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract)	**0.79**	**0.81**	**0.80**
		Female manager basic salary	€122,315	€134,136	€134,471
		Male manager basic salary	€121,922	€136,429	€145,081
		F/M manager ratio	**1.00**	**0.98**	**0.93**
		Basic salary female non-manager	€35,707	€42,644	€42,949
		Basic salary male non-manager	€47,047	€53,127	€51,344
		F/M **non-manager** ratio	**0.76**	**0.80**	**0.84**
Percentage of total workforce represented in mixed Management-Employee Health and Safety Committees, monitoring and submitting opinions on the health and safety programme		**Total**	**100%**	**100%**	**100%**
Total Payroll dedicated to training	**Covivio indicator**	**Total**	**NC**	**NC**	**0.92%**
Training rate	**Covivio indicator**	**Total**	**69.0%**	**58.5%**	**74.7%**
Internal mobility (within a corporate entity)	**Covivio indicator**	**Total**	**8**	**3**	**2**
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	2019 520	2020 574	2021 627
Total workforce broken down by gender	102-8	**Total (including CAPs)**	**520**	**574**	**627**
		Men	51.9%	52.4%	53.3%
		Women	48.1%	47.6%	46.7%
Total workforce by type of employment contract broken down by gender		**Permanent**	**90.4%**	**90.4%**	**91.4%**
		Men	53.0%	53.9%	53.8%
		Women	47.0%	46.1%	46.2%
		Temporary	**7.1%**	**7.0%**	**6.1%**
		Men	40.5%	32.5%	42.1%
		Women	59.5%	67.5%	57.9%
		CAP	**2.5%**	**2.6%**	**2.6%**
		Men	46.2%	53.3%	62.5%
		Women	53.8%	46.7%	37.5%
Total workforce reported by geographical area		**Oberhausen**	**58.3%**	**55.6%**	**54.7%**
		Men	51.8%	52.4%	52.2%
		Women	48.2%	47.6%	47.8%
		Berlin	**31.3%**	**34.3%**	**34.9%**
		Men	54.6%	53.3%	55.7%
		Women	45.4%	46.7%	44.3%
		Other German cities	**10.4%**	**10.1%**	**10.4%**
		Men	44.4%	50.0%	50.8%
		Women	55.6%	50.0%	49.2%
Total workforce by type of job broken down by gender		**Full time**	**79.2%**	**78.6%**	**80.5%**
		Men	60.4%	60.8%	60.8%
		Women	39.6%	39.2%	39.2%
		Part time	**20.8%**	**21.4%**	**19.5%**
		Men	19.4%	22.0%	22.1%
		Women	80.6%	78.0%	77.9%
Total workforce by type of professional category reported by gender		**Managers**	**11.2%**	**12.7%**	**11.5%**
		Men	67.2%	65.8%	65.3%
		Women	32.8%	34.2%	34.7%
		Non-manager	**88.8%**	**87.3%**	**88.5%**
		Men	50.0%	50.5%	51.7%
		Women	50.0%	49.5%	48.3%
Total workforce broken down by age group		Age < 30	13.1%	15.2%	15.9%
		30-50 years old	51.3%	50.7%	53.4%
		Aged over 50	35.6%	34.1%	30.6%
Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**63**	**79**	**60**
		of which temporary contracts	36.5%	31.6%	16.7%
		Turnover of permanent contracts	9.6%	11.5%	9.6%
		Men	10.0%	6.8%	5.6%
		Women	9.0%	4.7%	4.0%
		Age < 30	10.3%	1.1%	1.0%
		30-50 years old	9.2%	6.8%	4.8%
		Aged over 50	9.9%	3.6%	3.9%

			2019	2020	2021
Recruitment rate broken down by gender, work contract and age group	**401-1**	**Total new arrivals**	**112**	**119**	**80**
		of which temporary contracts	40.2%	17.6%	15%
		Recruitment rate, permanent contracts	**16.0%**	**20.9%**	**13.1%**
		Men	18.7%	14.0%	8.5%
		Women	13.1%	6.8%	4.6%
		Age < 30	20.5%	3.4%	3%
		30-50 years old	22.1%	13.6%	9%
		Aged over 50	6.8%	3.8%	2%
Average number of hours of training per employee by gender and professional category	**404-1**	**Total**	**21.4**	**24.4**	**17.1**
		Men	20.7	26.0	16.3
		Women	21.9	22.3	17.9
		Managers	13.5	24.4	11.3
		Non-manager	22.3	24.5	18.4
Proportion of employees given an annual performance and development appraisal interview, by gender	**404-3**	**Total**	**62.3%**	**64.2%**	**67.0%**
		Men	65.2%	67.8%	72.1%
		Women	62.3%	60.3%	60.8%
Reported absenteeism rate by gender		**Total**	**3.8%**	**4.1%**	**3.8%**
		Men	3.8%	4.1%	3.2%
		Women	3.7%	4.1%	4.2%
Rate of occupational illnesses reported		**Total**	**0%**	**0%**	**0%**
Occupational accident rate reported by gender	**403-2**	**Total**	**1.7%**	**1.7%**	**1.75%**
		Men	2.0%	0.4%	1.95%
		Women	1.4%	3.3%	1.51%
		Frequency rate	**7.84**	**7.63**	**7.81**
		Severity rate	**0.07**	**0.014**	**0.012**
Percentage of employees covered by a collective bargaining agreement	**102-41**	**Total**	**98.8%**	**92.5%**	**93.0%**
Male/female ratio of basic salary and remuneration, by professional category	**405-2**	Female basic salary (av)	€48,909	€48,759	€49,986
		Male basic salary (av)	€57,976	€57,580	€58,255
		F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract)	**0.84**	**0.85**	**0.86**
		Female manager basic salary	€68,668	€74,308	€75,810
		Male manager basic salary	€88,363	€82,620	€86,508
		F/M manager ratio	**0.78**	**0.90**	**0.88**
		Basic salary female non-manager	€47,187	€46,017	€47,291
		Basic salary male non-manager	€52,661	€53,252	€54,293
		F/M non-manager ratio	**0.9**	**0.86**	**0.87**
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)	15	22	20
		Men	5	5	7
		Women	10	17	13
		Employees who have exercised their right to parental leave (full-time or part-time)	15	22	19
		Men	5	5	6
		Women	10	17	13
		Return rate after parental leave (full-time only)	14	11	14
		Men	4	5	6
		Women	10	6	8
		Retention rate following parental leave (12 months following return)	11	8	8
		Men	4	4	4
		Women	7	4	4

			2019	2020	2021
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**	**3.5%**	**3.5%**	**3.5%**
Payroll dedicated to training	**Covivio indicator**	**Total**	**5.2%**	**0.3%**	**0.8%**
Training rate	**Covivio indicator**	**Total**	**40.8%**	**16.4%**	**37.6%**
Internal mobility (within a corporate entity)	**Covivio indicator**	**Total**	**23**	**21**	**18**
Loans to personnel (% of employees who took out new loans compared to total staff)	**Covivio indicator**	**Total**	**2.5%**	**2.4%**	**0.6%**
Works Council grants	**Covivio indicator**	**Total**	**0.1%**	**0.1%**	**0.2%**

3.7.3.4 Group consolidated

NUMBER OF EMPLOYEES	GRI STANDARDS	TOTAL	2019	2020	2021
Total workforce broken down by gender	**102-8**	**Total (including CAPs)**	**994**	**969**	**1028**
		Men	485	483	513
		Women	509	486	515
Total workforce by type of employment contract broken down by gender		**Permanent**	**903**	**895**	**951**
		Men	453	455	476
		Women	450	440	475
		Temporary	**51**	**44**	**45**
		Men	18	14	17
		Women	33	30	28
		CAP	**40**	**30**	**32**
		Men	14	14	20
		Women	26	16	12
Total workforce reported by geographical area		**Germany**	**520**	**574**	**627**
		Men	270	301	334
		Women	250	273	293
		France	**317**	**301**	**302**
		Men	132	133	130
		Women	185	168	172
		Italy	**157**	**94**	**99**
		Men	83	49	49
		Women	74	45	50
Total workforce by type of job broken down by gender		**Full time**	**854**	**820**	**879**
		Men	461	454	482
		Women	393	366	397
		Part time	**140**	**149**	**149**
		Men	24	29	31
		Women	116	120	118
Total workforce by type of professional category reported by gender		**Managers**	**134**	**152**	**157**
		Men	78	88	88
		Women	56	64	69
		Non-manager	**860**	**817**	**871**
		Men	407	395	425
		Women	453	422	446
Total workforce broken down by age group		Age < 30	147	152	161
		30-50 years old	561	521	563
		Aged over 50	286	296	304

Turnover of personnel broken down by gender, work contract and age group	401-1	**Total departures**	**105**	**129**	**103**
		of which temporary contracts	37.1%	38.0%	21.4%
		Turnover of permanent contracts	**7.99%**	**8.86%**	**9.05%**
		Men	4.1%	4.7%	4.9%
		Women	3.9%	4.2%	4.1%
		Age < 30	0.7%	0.9%	1.5%
		30-50 years old	5.0%	5.4%	4.8%
		Aged over 50	2.3%	2.5%	2.8%
Recruitment rate broken down by gender, work contract and age group		**Total new arrivals**	**199**	**152**	**138**
		of which temporary contracts	45.7%	25.0%	27.5%
		Recruitment rate, permanent contracts	**13.08%**	**12.62%**	**11.17%**
		Men	7.3%	8.4%	6.5%
		Women	5.8%	4.3%	4.7%
		Age < 30	3.1%	2.7%	3.2%
		30-50 years old	8.5%	8.0%	6.9%
		Aged over 50	1.5%	2.1%	1.0%
Average number of hours of training per employee by gender and professional category	404-1	**Total**	**22.6**	**18.4**	**19.3**
		Men	23.5	19.9	19.0
		Women	21.4	16.7	19.0
		Managers	20.5	16.9	17.9
		Non-manager	20.9	15.2	17.8
Proportion of employees given an annual performance and development appraisal interview, by gender	404-3	**Total (Group weighted average)**	**76.0%**	**77.8%**	**79.4%**
		Men	76.3%	79.8%	81.3%
		Women	77.3%	75.9%	77.3%
Reported absenteeism rate by gender	403-2	**Total**	**3.2%**	**3.3%**	**3.0%**
		Men	2.7%	3.0%	2.5%
		Women	2.8%	3.1%	3.4%
Rate of occupational illnesses reported		**Total**	**0.0%**	**0.1%**	**0.1%**
Occupational accident rate r eported by gender		**Total**	**1.3%**	**1.4%**	**1.1%**
		Men	1.3%	0.6%	1.3%
		Women	1.0%	1.9%	0.9%
		Frequency rate	**6.66**	**6.86**	**5.91**
		Severity rate	**0.1799**	**0.1367**	**0.0976**
Percentage of employees covered by a collective bargaining agreement	102-41	**Total**	**99.4%**	**95.7%**	**95.8%**
Ratio of basic salary and remuneration of women to men, by professional category	405-2	**F/M ratio (excluding vocational training certificate contracts (CAPs) and suspension of contract) (Group weighted average)**	**0.83**	**0.84**	**0.85**
		F/M manager ratio	**0.78**	**0.90**	**0.88**
		F/M non-manager ratio	**0.9**	**0.86**	**0.87**
Total Payroll dedicated to training	Covivio indicator	**Total**	**4.0%**	**1.4%**	**1.8%**
Training rate	Covivio indicator	**Total**	**55.6%**	**37.1%**	**55.3%**
Internal mobility (within a corporate entity)	Covivio indicator	**Total**	**40**	**32**	**37**
Loans to personnel (% of employees who took out new loans compared to total staff)	Covivio indicator	**Total**	**1.6%**	**1.4%**	**0.5%**

3.7.3 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	3.5.2.4
Collective agreements and working conditions	3.5.3.1

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.

	Compliance with decree			
Topics and subtopics arising from the decree of 9 August 2017	France Offices	Italy Offices	Germany	Hotels in Europe
Employment				
Total workforce and breakdown of employees by gender, age and geographic area	3.7.2.1	3.7.2.2	3.7.2.3	3.7.2.1
New hires and redundancies				
Remuneration and changes in remuneration				
Organisation of work				
Organisation of working hours	3.7.2.1	3.7.2.2	3.7.2.3	3.7.2.1
Absenteeism				
Labour/management relations				
Organisation of staff communications, specifically employee information and consultation as well as negotiation procedures		3.5.3.1		
Analysis of collective labour agreements				
Health and safety				
Workplace health and safety conditions		3.5.3.1		
Analysis of workplace health and safety agreements signed with trade union organisations or employee representatives				
Workplace accidents, particularly frequency and severity, and occupational illnesses	3.7.2.1	3.7.2.2	3.7.2.3	3.7.2.1
Training policies implemented, particularly related to environmental protection				3.5.2.2
Total number of hours of training	3.7.2.1	3.7.2.2	3.7.2.3	3.7.2.1
Diversity and equal opportunities/equal treatment				
Policy established and steps taken to promote gender equality		3.5.2.4		
Policy established and steps taken to promote hiring and integration of people with disabilities				
Policy established and steps taken to combat discrimination				
Promotion of and compliance with the provisions of the fundamental ILO conventions				
Freedom of association and the right to collective bargaining		3.5.3.1		
The elimination of discrimination with respect of employment and occupation		3.5.2.4		
The elimination of forced or compulsory labour		3.2.3.3		
The effective abolition of child labour				

Topics and subtopics arising from the decree of 9 August 2017	Compliance with decree			
	France Offices	Italy Offices	Germany	Hotels in Europe
General environmental policy				
Company organisation to take environmental issues into account and processes i n place for environmental evaluation and certification, where applicable		3.2.5.1		
Employee environmental protection training and information		3.5.3.2.3		
Resources allocated to preventing environmental and pollution risks		3.3.3		
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		3.3.3.3		
Pollution and waste management				
Measures to prevent, reduce or remedy discharges into the water, air and soil that have serious environmental impacts		3.3.3.3		
Consideration of any form of pollution specific to a particular activity, especially noise and light pollution		3.3.3.3.2		
Circular economy, waste prevention and management				
Measures to prevent, recycle, reuse, and otherwise reclaim and eliminate waste		3.3.2.5		
Measures implemented to combat food waste				
Sustainable use of resources				
Water consumption and supply based on local constraints		3.3.2.4		
Consumption of raw materials and steps taken to improve efficiency of use		3.3.1.2		
Energy consumption, steps taken to improve energy efficiency and the use of renewable energy		3.3.2.2		
Land use		3.3.3.2		
Climate change				
Facilities emitting significant amounts of greenhouse gases		3.3.2.3		
Adaptation to climate change impacts		3.3.3.1		
Voluntary medium- and long-term GHG reduction targets and resources implemented		3.2.6		
Protection of biodiversity				
Steps taken to promote biodiversity		3.4.1.4		
Regional economic and social impact of the company's operations/Corporate commitments to Sustainable Development				
Employment and regional/local development		3.4.1.2.1		
Local and waterfront communities		3.4.1.2.2		
Relations and quality of dialogue with these individuals or organisations/stakeholders		3.4.1.1		
Partnership and sponsorship activities		3.4.1.3		
Sub-contracting and suppliers				
Consideration of social and environmental issues in the company's purchasing policy		3.4.2		
Significance of subcontracting and consideration, in relationships with subcontractors and suppliers, of their social and environmental responsibility				
Consideration, in relationships with subcontractors and suppliers, of their social and corporate responsibility				
Fair business practices				
Actions taken to prevent corruption		3.6.2		
Steps taken to ensure consumer health and safety		3.3.3.3		
Human Rights				
Steps taken to support human rights		3.2.3.3		

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.

3.7.4 SASB Index – Real Estate Standards

Sustainability Disclosure Topics & Accounting metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Offices/ France	Offices/ Italy	Residential/ 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	N.C.
	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) 3.3.1.4.1.	(1) 3.3.2.2.3 (2) 3.3.1.4.1	(1) 3.3.2.2.3 (2) 3.3.1.4.1	(1) 3.3.2.2.3 (2) 3.3.1.4.1	(1) 3.3.2.2.3 (2) 3.3.1.4.1
	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	N.C.
	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 submetered 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	N.A.	N.A.
	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	135	140	27	40,892 units	327	629 & 40,892 residential units
Leasable floor area, by property subsector	Quantitative	m^2	IF-RE-000.A	1,414,744	1,289,423	392,749	2,804,517	55,800 rooms	5,901,433 m^2 & 55,800 rooms
Percentage of indirectly managed assets, by property subsector	Quantitative	% by floor area	IF-RE-000.C	76.5%	88.5%	10%	0%	100%	N/A
Average occupancy rate, by property subsector	Quantitative	%	IF-RE-000.C	93.2	96.6	78.8	99.1	100	95

3.7.5 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)	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 for each business 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 3.5.2.4. 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. - cf. 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

Fiscal year ending 31 December 2021

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 member of the network of one of the Statutory Auditors of your company (hereinafter the "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 2021 (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.

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[1] (revised).

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 mobilised the skills of five people and took place between September 2021 and March 2022, over a total duration of intervention of about 11 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 and Risk, Compliance, Audit and Internal Control 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: Covivio Italy and France 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 changes in those data and
  - 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 portfolios listed below and covers between 15% and 100% of the consolidated data selected for these tests (15% of water consumption, 32% 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, 11 March 2022

Independent Third-Party

EY & Associés

Eric Duvaud

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 turnover Number of internal mobilities Percentage of employees receiving an annual performance and development review Ratio of basic salary and remuneration of women to men Training rate	Measures implemented to ensure the development of employees' skills Measures implemented to attract and retain talent Covivio's commitments to diversity and equal pay Measures implemented to ensure the development of employees' skills

Environmental Information	
Quantitative Information (including key performance indicators)	**Qualitative Information (actions or results)**
Greening rate of the portfolio (France Core Offices, Italy Offices, German Residential, Hotels Europe) Energy intensity (kWhfe/m^2/year and kWhpe/m^2/year) of the real estate portfolio Carbon intensity ($kgCO_2/m^2$/year) of the real estate portfolio (scope 1, scope 2 (market-based) and scope 3 (emissions from the energy consumption of tenant areas of multi-tenant offices, single-tenant offices in France, hotels and residential in Germany)) Water intensity (m^3/m^2/year) of the portfolio Percentage of sites benefiting from selective collection Total amount of waste Percentage of sites monitored for health and environmental risks Percentage of energy performance diagnostics carried out (France Core Offices, Italy Offices, German Residential, Hotels) Energy intensity (kWhfe/m^2/year and kWhpe/m^2/year) of the real estate portfolio	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)**
Public transport accessibility Level of accessibility of office buildings for people with reduced mobility Number of suppliers who have signed the new version of the Responsible Procurement Charter and responded to the CSR questionnaire Rate of coverage of the Responsible Procurement Charter (on strategic expenditure) The number of solicitations of ethics officers Rate of accessibility of office buildings to people with reduced mobility (PRM)	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 Relationships and cooperation with stakeholders, in particular customers

3.8.2 Verification of an 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 Green Bonds and the Green Private Placement and the allocation of funds raised under these bonds and this placement.

Fiscal year ending 31 December 2021

For the attention of Mr. Christophe Kullmann, Chief Executive Officer,

In our capacity as Statutory Auditor of the company, we hereby present our report on the compliance of the assets selected with environmental and social criteria for selection and monitoring processes, defined in the "Use of Proceeds"[1] requirements of the Green Bonds and the Green Private Placement in effect on 31 December 2021.

Responsibility of the company

It is the responsibility of the company's Chief Executive Officer 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 as to whether the assets selected for Green Bonds and the Green Private Placement in effect on 31 December 2021 comply, in all material aspects, with the Selection and Monitoring Criteria (Reasonable assurance report)
- attest to the allocation of funds raised under the Green Bonds and Green Private Placement to the selected assets and attest to the concordance of funds allocated to these assets with the amount in the accounts.

It is not our responsibility to assess the alignment of the framework of Covivio's Green Bonds and Green Private Placement with the ICMA "Green Bond Principles" (International Capital Market Association).

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. Eric Duvaud, 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 October 2021 and March 2022:

- we conducted interviews at the company's registered office to familiarise ourselves with the qualification and monitoring procedures, and to verify compliance with the Qualification and Monitoring Criteria with the supporting documents, accessible at the company's registered office and relating to the assets monitored in the context of issues of previous years (Fontenay le Floria, Vélizy Hélios, Vélizy Europe, Paris Passy Steel, Toulouse Riverside, Montrouge Flow, Montpellier Orange, Saint-Ouen So Pop, Paris Gobelins, Orly Askia, Lyon Silex2, Paris Jean Goujon, Châtillon IRO and Milan The Sign)
- we conducted interviews at the company's registered office to familiarise ourselves with the Qualification and Monitoring procedures, and to verify compliance with the Qualification and Monitoring Criteria with the supporting documents, accessible at the company's registered office and relating to the assets monitored in each case in the context of the "Green Private Placement" issue of January 2021 (Orly Belaïa and Milan Symbiosis D)
- we conducted interviews with the managers and tenants of three qualified assets (Metz Le Divo, Levallois Thaïs and Bordeaux Quai 8.2 E) 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 Green 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 in Chapter 3.3 of Covivio's Universal Registration Document, "Sustainable buildings".
- For the operating phase, part of the criteria cannot be applied and verified before one or several years of operation. For assets still under construction or recently delivered (Montrouge Flow, Montpellier Orange, Saint-Ouen So Pop, Paris Gobelins, Milan The Sign (BC), Lyon Silex2, Paris Jean Goujon and Milan Symbiosis D), the expected date of satisfaction of these criteria are specified in the table broken down by asset in Chapter 3.3.

(1) May 2016 "Green Bond Roadshow" press release available in English on the "Selected criteria" and "Reporting" criteria for responsible Green Bonds available at https://www.covivio.eu/app/uploads/2019/01/6-Covivio-Green-Bond-mai-2016-Prospectus.pdf September 2019 "Green Bond Framework" press release available in English on the qualification criteria ("Eligible Green Projects") and monitoring ("Reporting") for Green Bonds available at https://www.covivio.eu/app/uploads/2019/04/Covivio-Green-Bond-Framework-2019.pdf The Green Bond Framework of the Green Private Placement is that of the Green Bonds of September 2019, available at https://www.covivio.eu/app/uploads/2019/04/Covivio-Green-Bond-Framework-2019.pdf

Conclusion

In our opinion, the assets selected for Green Bonds and the Green Private Placement in effect on 31 December 2021 comply, in all material aspects, with the Selection and Monitoring Criteria.

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 Green Bonds and Green Private Placement issuance and the accounting records and their underlying data.

However, it is not our responsibility to express a conclusion on the use of the funds allocated to the eligible assets following their allocation.

In our capacity as Statutory Auditor of Covivio, we conducted, with Mazars, the audit of Covivio's consolidated financial statements for the year ended 31 December 2021. 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:

obtaining an understanding of the procedures put in place by Covivio to determine the information appearing in Chapter 3.3 of the company's Universal Registration Document

- verifying that the amounts allocated to the selected assets match the Green Bond issuance of May 2016 of €500 million and the Green Bond Issuance of September 2019 of €500 million. The Issy-les-Moulineaux Edo asset selected since 2016 under the Green Bonds scheme was sold during the 2021 financial year. As a result, the funds initially allocated to this asset were reallocated to two new eligible assets, Paris Gobelins and Orly Askia
- verifying the consistency between the information provided in the introduction of Chapter 3.3 "Sustainable Buildings" of Covivio's Universal Registration Document for the year ended 31 December 2021 and the data from the consolidated financial statements of the company for the same year.

Based on our work, in the context of the Green Bonds issuance and the Green Private Placement, we have nothing to report with regard to the allocation of the funds to the assets selected or the consistency of the amount of funds allocated to these eligible assets with the accounting records and underlying data.

Paris-La Défense, 11 March 2022

One of the Statutory Auditors

ERNST & YOUNG et Autres

Anne Herbein
Partner

Eric Duvaud
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 environmentally 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 with social well-being and 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.
- So that our teams contribute to increasing our commitments, Covivio employees may devote one solidarity day per year to support a societal project identified by the Foundation.

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 customers, suppliers and partners, representatives of the teams, shareholders, local authorities, urban planners, sociologists, etc. Every year, this Committee will publish the conclusions of its work on the monitoring of our objectives linked to the Purpose, and proposals for new commitments.



So Pop Paris
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4.1 Consolidated accounts as at 31 December 2021

4.1.1 Statement of financial position

Assets

(In € thousand)	Note 4.2.5	31/12/2021	31/12/2020
Intangible assets	***1.2***		
Goodwill		117,205	135,092
Other intangible fixed assets		14,705	25,114
Tangible assets	***1.2***		
Operating properties		1,326,616	1,347,995
Other tangible fixed assets		42,983	45,605
Fixed assets in progress		23,076	48,389
Investment properties	*1.3*	23,157,221	22,625,439
Non-current financial Assets	*2.2*	137,789	282,270
Investments in companies accounted for under the equity method	*3.2*	340,131	360,819
Deferred tax assets	*4*	106,404	103,698
Long-term derivative instruments	*11.5*	46,223	73,874
Total non-current assets		**25,312,354**	**25,048,295**
Assets held for sale	*1.3*	901,736	335,388
Loans and receivables	*5*	34,344	13,519
Inventories and work in progress	*6.2*	211,974	249,334
Short-term derivative instruments	*11.5*	18,256	25,504
Trade receivables	*7*	372,474	264,740
Tax receivables		32,328	20,902
Receivables from others	*8*	287,346	171,200
Prepaid expenses		3,618	4,718
Cash and cash equivalents	*9*	1,062,993	1,246,147
Total current assets		**2,925,070**	**2,331,454**
TOTAL ASSETS		**28,237,423**	**27,379,749**

Liabilities

(In € thousand)	Note 4.2.5	31/12/2021	31/12/2020
Capital		283,946	283,633
Share premium account		4,119,793	4,140,277
Treasury shares		-21,304	-19,651
Consolidated reserves		3,887,779	3,818,175
Net income		923,596	359,767
Total shareholders' equity, Group Share	**10**	**9,193,810**	**8,582,202**
Non- controlling interests		4,428,828	3,985,956
Total shareholders' equity		**13,622,638**	**12,568,157**
Long-term borrowings	11.2	10,057,558	10,459,091
Long-term rental liabilities	11.6	295,564	281,627
Long-term derivative instruments	11.5	146,247	360,214
Deferred tax liabilities	4	1,221,636	1,077,198
Staff termination benefits	12.2	53,337	57,466
Other long-term liabilities		30,314	23,291
Total non-current liabilities		**11,804,656**	**12,258,887**
Liabilities held for sale		274,603	0
Trade payables		149,299	127,197
Trade payables on fixed assets		78,302	90,774
Short-term borrowings	11.2	1,775,597	1,837,014
Short-term rental liabilities	11.6	10,659	15,994
Short-term derivative instruments	11.5	54,526	68,795
Security deposits		3,917	2,755
Advances and pre-payments received		237,815	208,972
Short-term provisions	12.2	15,479	34,988
Current taxes		33,416	32,643
Other short-term liabilities	13	119,254	111,272
Pre-booked income		57,263	22,302
Total current liabilities		**2,810,130**	**2,552,705**
TOTAL LIABILITIES		**28,237,423**	**27,379,749**

4.1.2 Statement of net income

(In € thousand)	Note 4.2	31/12/2021	31/12/2020
Rental income	6.2.1	866,307	866,836
Unrecovered property operating costs	6.2.2	-41,059	36,489
Expenses on properties	6.2.2	-31,943	-29,389
Net losses on unrecoverable receivables	6.2.2	-14,020	-24,882
Net rental income		**779,285**	**776,076**
EBITDA from Hotel Operating activity & Flex Office	**6.2.3**	**30,087**	**13,649**
Income from other activities	**6.2.3**	**28,841**	**26,436**
Management and administration income		14,072	15,691
Business expenses		-5,442	-6,678
Overheads		-122,861	-125,522
Net operating costs	**6.2.4**	**-114,231**	**-116,509**
Depreciation of operating assets	6.2.5	-75,171	-67,324
Net change in provision and other	6.2.5	16,995	4,388
OPERATING INCOME		**665,806**	**636,716**
Net income from inventory properties		-1,985	-3,422
Income from asset disposals	6.3	4,646	-1,219
Income from value adjustments	6.4	835,280	128,189
Income from disposal of securities	6.5	-840	12,145
Income from changes in scope	6.6	-23,273	-16,096
OPERATING RESULT		**1,479,634**	**756,314**
Cost of net financial debt	6.7	-166,965	-172,373
The interest cost for rental liabilities	5.11.6	-14,795	-14,030
Value adjustment on derivatives	6.8	142,614	-115,491
Discounting and foreign exchange gains or losses	6.8	-708	-89
Exceptional amortisation of loan issue costs	6.8	-4,105	-1,170
Share of income from companies accounted for under the equity method	5.3.2	27,370	189
NET INCOME BEFORE TAX		**1,463,045**	**453,351**
Deferred tax	6.9.2	-137,668	-25,786
Corporate taxes	6.9.2	-31,350	-35,311
NET INCOME FOR THE PERIOD		**1,294,027**	**392,255**
Net income from non-controlling interests		-370,430	-32,488
NET INCOME FOR THE PERIOD - GROUP SHARE		**923,596**	**359,767**
Group net earnings per share (in €)	**7.2**	**9.79**	**3.94**
Group diluted net earnings per share (in €)	**7.2**	**9.73**	**3.82**

4.1.3 Statement of comprehensive income

(In € thousand)	31/12/2021	31/12/2020
NET INCOME FOR THE PERIOD	**1,294,027**	**392,255**
Currency translation differences	549	-13,141
Of which effective portion of gains or losses on hedging instruments	6,866	-3,309
Other comprehensive income that can be reclassified to profit or loss	**7,415**	**-16,450**
Actuarial differences on employee benefits	1,307	-313
Change in value of operating assets	0	5,261
Other comprehensive income that cannot be reclassified to profit or loss	**1,307**	**4,948**
Other items of comprehensive income	**8,722**	**-11,502**
COMPREHENSIVE INCOME FOR THE PERIOD	**1,302,749**	**380,753**
of which attributable to owners of the parent company	927,973	359,907
of which attributable to non-controlling interests	374,776	20,846

4.1.4 Statement of changes in equity

(In € thousand)	Capital	Share premium account	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 2019	**261,660**	**3,882,299**	**-15,255**	**4,180,980**	**-12,038**	**8,297,646**	**4,060,698**	**12,358,343**
Dividends distribution		-61,151		-356,366		-417,517	-83,114	-500,631
Capital increase	21,556	321,702				343,258	-16,941	326,317
Allocation to the legal reserve	417	-2,573		2,156		0		0
Other			-4,396	-5,209		-9,605	-4,261	-13,866
Total comprehensive income for the period				**359,767**	**140**	**359,907**	**20,846**	**380,753**
Of which actuarial gains and losses on retirement benefits					*-181*	*-181*	*-132*	*-313*
Of which currency transaction gains and losses					*-3,248*	*-3,248*	*-9,893*	*-13,141*
Of which effective portion of gains or losses on hedging instruments					*-1,692*	*-1,692*	*-1,617*	*-3,309*
Of which change in the value of operating assets held in investments					*5,261*	*5,261*		*5,261*
Of which net income (loss)				*359,767*		*359,767*	*32,488*	*392,255*
Variation in scope and exchange rates				131		131	8,728	8,859
Shared-based payments				8,382		8,382		8,382
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		-20,139		-319,431		-339,570	-112,097	-451,667
Capital increase	313	-313				0		0
Allocation to the legal reserve		-41		41		0		0
Other		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 retirement benefits					*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**

4.1.5 Statement of cash flows

(In € thousand)	Note	31/12/2021	31/12/2020
Net consolidated result (including minority interests)		**1,294,027**	**392,255**
Net depreciation and amortisation charges and provisions (excluding those related to current assets)	*4.2.6.2.5*	92,217	95,905
Unrealised gains and losses relating to changes in fair value	*4.2.5.11.5 & 4.2.6.4*	-977,894	-12,695
Income and expenses calculated on stock options and related share-based payments		8,327	6,632
Other calculated income and expenses		-1,400	-14,428
Gains or losses on disposals		-12,132	-9,535
Share of income from companies accounted for under the equity method		-27,370	-189
Cash flow after tax and cost of net financial debt		**375,775**	**457,945**
Cost of net financial debt and interest charges on rental liabilities	*4.2.6.7 & 4.2.6.8*	168,833	171,866
Income tax expense (including deferred taxes)	*4.2.6.9.2*	169,018	43,378
Cash flow before tax and cost of net financial debt		**713,627**	**673,189**
Taxes paid		-58,370	-39,164
Change in working capital requirements on continuing operations (including employee benefits liabilities)	*4.2.5.7.2*	33,400	-133,333
Net cash flow from operating activities		**688,657**	**500,692**
Impact of changes in the scope	*4.2.6.6*	-73,990	-726,956
Disbursements related to acquisition of tangible and intangible fixed assets	*4.2.5.1.2*	-697,511	-631,327
Proceeds relating to the disposal of tangible and intangible fixed assets	*4.2.5.1.2*	762,166	689,667
Disbursements relating to acquisition of financial assets (non-consolidated securities)		-3,724	-336
Proceeds relating to the disposal of financial assets (non-consolidated securities)		2,650	92
Dividends received (companies accounted for under the equity method, non-consolidated securities)		33,316	12,770
Change in loans and advances granted		4,906	-875
Other cash flow from investment activities		-151	-193
Net cash flow from investing activities		**27,662**	**-657,157**
Impact of changes in the scope		-4,638	-5,688
Amounts received from shareholders in connection with capital increases:			
Paid by parent company shareholders		0	0
Paid by minority shareholders of consolidated companies	*4.1.4*	208,889	-16,941
Purchases and sales of treasury shares		-8,523	-9,878
Dividends paid during the reporting period:			
Dividends paid to parent company shareholders	*4.1.4*	-339,570	-74,065
Dividends paid to non-controlling interests of consolidated companies	*4.1.4*	-112,097	-83,114
Proceeds related to new borrowings	*4.2.5.11.2*	1,259,318	2,025,443
Repayments of borrowings (including finance lease agreements)	*4.2.5.11.2*	-1,651,274	-1,499,998
Net interest paid (including finance lease agreements)		-182,324	-167,279
Other cash flow from financing activities		-57,766	-60,107
Net cash flow from financing activities		**-887,985**	**108,374**
Impact of changes in the exchange rate		-14	-657
CHANGE IN NET CASH		**-171,681**	**-48,749**
Opening cash position		1,232,472	1,281,221
Closing cash position		1,060,791	1,232,472
NET VARIATION OF CASH-FLOW		**-171,681**	**-48,749**

4.2 Notes to the consolidated accounts

4.2.1 General principles

4.2.1.1 Accounting standards

The consolidated accounts of the Covivio group at 31 December 2021 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 their interpretations.

The financial statements were approved by the Board of Directors on 22 February 2022.

Accounting principles and methods used

The accounting principles applied for the consolidated financial statements as at 31 December 2021 are identical to those used for the consolidated accounts as at 31 December 2020, except for new standards and amendments whose application was mandatory on or after 1 January 2021 and which were not applied early by the Group.

The following amendments, which are mandatory as of 1 January 2021, did not have any impact on the Group's consolidated financial statements:

- amendments to IFRS 4 "Insurance contracts – provisional exemption from application of IFRS 9", adopted by the European Union on 15 December 2020. The deferred application is extended until the financial years beginning before 1 January 2023
- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "in relation to the reform of interbank benchmark rates – phase 2", adopted by the European Union on 13 January 2021. These amendments specify the accounting treatment to be applied when replacing an old benchmark interest rate with a new benchmark in a given contract, as well as the impact of this change on the hedging relationships affected by the reform.

The main indices used by the Group and affected by the reform are the Euribor and the Libor GBP (respectively replaced by the hybrid Euribor and the SONIA GBP). At 31 December 2021, the financial instruments that were previously indexed to the Libor GBP have been modified and are now indexed to the SONIA GBP + a spread of 0.1193%. These are variable financial debt (£400 million), derivatives (notional amounts of £580 million) and Cross Currency Swaps (notional amounts of £250 million) set up as part of the acquisition of a portfolio of assets in the United Kingdom. The other terms and conditions of these financial instruments remain unchanged and the changes made are considered "economically equivalent". These changes have no impact on the consolidated financial statements.

- amendments to IFRS 16 "Covid-19-related rent concessions beyond 30 June 2021", adopted by the European Union on 30 August 2021. This amendment offers lessees, and only lessees, exemption from assessing whether Covid-19-related rent concessions are lease modifications. This practical exemption enables tenants to account for Covid-19 related rent concessions as if they are not lease modifications, and to recognise the impact of rent concessions in net income for the period.

New standards adopted by the European Union whose application is possible from 1 January 2021, but not anticipated by the Group:

- amendments to IAS 37 "Onerous Contracts-Cost of Fulfilling a Contract", adopted on 28 June 2021; the effective date is 1 January 2022 according to the IASB. 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 IAS 16 "Property, Plant and Equipment – Proceeds before Intended Use", adopted on 28 June 2021; the effective date is 1 January 2022 according to the IASB
- amendments to IFRS 3 "Reference to the Conceptual Framework", published on 28 June 2021; the effective date is 1 January 2022 according to the IASB
- annual improvements (2018-2020 cycle) "Annual Improvements to IFRSs 2018-2020 Cycle", adopted on 28 June 2021; the effective date is 1 January 2022 according to the IASB
- IFRS 17 "Insurance contracts" and amendments, adopted on 19 November 2021; According to the IASB, the amendments will come into force on 1 January 2023. 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.

New standards awaiting adoption by the European Union, for which application is possible as of 1 January 2021, but which have not been early adopted by the Group:

- amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture", published on 11 September 2014
- amendments to IAS 8 "Definition of accounting estimates", published on 12 February 2021; 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 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
- amendments to IAS 1 "Presentation of Financial Statements – Practice Statement 2 – Disclosure of Accounting Policies", published on 12 February 2021; 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.

IFRS standards and amendments published by the IASB not authorised for financial years beginning on or after 1 January 2021, 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 2023 according to the IASB.

In addition, in April 2021, the IFRS Interpretation Committee issued its decision Granting benefits to periods of service (IAS 19), which clarifies the period during which certain defined benefit pension plans must be recognised. When the plan provides for the payment of an indemnity to an employee, if he/she is present at the date of his/her retirement, the amount of which depends on the length of service and is capped at a certain number of years of service, the Committee interpreting the IFRS standards considered that the obligation should be made only for the years of service prior to retirement for which the employee generates a right to the benefit (IFRIC Update 05/21). The alternative approach, which consists of allocating the benefit to the employee's entire career (without taking into account the ceiling for calculating the compensation) was not considered acceptable. The impact of the change in method is not material at Group level. Given the insignificant nature of the impact at the beginning of 2021, the 2020 financial statements have not been restated.

In April 2021, the IASB validated the IFRS Interpretation Committee's position on the recognition of configuration and customisation costs for software provided by a supplier in SaaS (Software as a Service) mode. Only services resulting in the creation of an additional controlled code may be eligible for capitalisation as intangible assets, the others being recognised as expenses. This decision has no impact on the consolidated financial statements.

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. 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 drive in terms of greening: the proportion of assets with HQE, BREAM, LEED or equivalent certification, in operation and/or under construction, reached 91%. This strategy actively contributes to achieving the new carbon trajectory. It is accompanied by a commitment to low-carbon construction on a European scale.

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	§ 4.2.5.11.7

4.2.2 Financial risk management

The operating and financial activities of the company are exposed to the following risks:

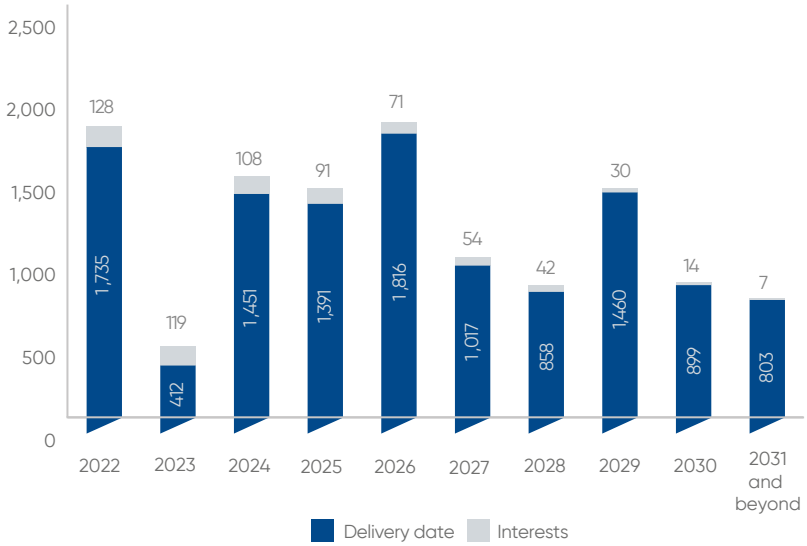
4.2.2.1 Marketing risk for properties under development

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 schedule of properties under development (see § 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 2021, the Covivio group's available cash and cash equivalents amounted to €3,046 million, including €1,792 million in confirmed credit lines, €1,063 million in cash and cash equivalents and €191 million in unused overdraft facilities.

The graph below summarises the maturities of borrowings (in €M) existing as at 31 December 2021:



The maturities in the graph above for 2021 include €1,281.4 million NEU Commercial Paper and €177 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 2021 and the average interest rate on debt, totalled €664 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 4.2.5.11.7.

During 2021, the Group raised long-term financing:

- Covivio raised €100 million of private placement under its EMTN programme (12 years at 0.875% coupon) as well as €300 million of long-term mortgage financing (up to 10 years) partly to refinance pre-existing debt (approximately 2/3) and the balance (1/3) to finance office development

  Covivio also redeemed the ORNANE at maturity in 2021 (€200 million) originally raised on its Italian scope

- Covivio Hotels raised (in addition to the capital increase of €250 million in June 2021) €599 million in long-term bonds (due July 2029 at 1% coupon) used to redeem or cancel the majority of the €675 million of lines repaid in 2021 (60% being mortgage financing) which had a short residual maturity: in particular the €250 millions of medium-term corporate financing raised in 2020 to finance its Italian, Czech and Hungarian acquisitions and the €187 million of the secured bond issued in 2012

- in Germany, Covivio Immobilien SE raised, secured, or renegotiated €236 million in new mortgage and long-term financing (10 years), including €164 million for the refinancing of existing debt with low leverage and maturities; at the same time as certain medium-term debt (€94 million with an average of five years) as part of the acquisition of new portfolios.

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 § 4.2.5.11.5). On 31 December 2021, after taking interest rate swaps into account, approximately 84% of the Group's debt was hedged, and the bulk of the remainder was covered by interest rate caps, which resulted in the following sensitivity to changes in interest rates:

(In € thousand)	Rate +100 bps at 31/12/2021	Rate +50 bps at 31/12/2021	Rate -50 bps at 31/12/2021
Cost of net financial debt, Group Share 2022	-20,499	-9,755	8,908

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 €0.9 million at 31 December 2021.

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 rental income.

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, 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. Covivio, a long-term partner of its main tenants, continued its policy of implementing solutions enabling them to weather the crisis.

However, given the financial strength of our tenants, the amount of impairment of trade receivables remained stable at €48.8 million compared to 31 December 2020.

4.2.2.6 Risks 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.

Regulatory environment in Berlin

On 23 February 2020, a law came into force providing for a rent cap in Berlin (Mietendeckel).

This law consists of a 5-year freeze on rents and the introduction of a cap based on criteria of location, the age of buildings and the standard of apartments. This new regulation was invalidated by the German Federal Court in April 2021. The cancellation of this law had a positive effect on the appraisal value of the assets located in Berlin (readjustment of rents to market value) and an impact of +€7 million on rental income for the year.

During a referendum (September 2021) on the nationalisation of apartments whose landlords own more than 3,000 homes, 57.6% of voters voted in favour of expropriation. It is now up to the Berlin Senate (now mainly against expropriation) to decide to submit a bill to a vote (the result of the referendum is not binding). The coalition decided to set up a commission of experts to verify within a year whether a decree would be legally and practically applicable. This subject has no impact on appraisals.

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:

- with 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 4.2.5.1.3.

4.2.2.7 Exchange rate risk

The Group operates both in and outside the euro zone following acquisition of the 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

	31/12/2021 (in £M)	5% decrease in GBP/EUR exchange rate (in €M)	10% decrease in GBP/EUR exchange rate (in €M)
Portfolio	663	-33.6	-69.8
Debt	400	21.8	43.7
Cross currency swap	250	13.6	27.3
IMPACT ON SHAREHOLDERS' EQUITY		**1.8**	**1.2**

(-) corresponds to a loss; (+) corresponds to a gain

4.2.2.8 Risks related to changes in the value of shares and bonds

The Group is exposed to risks for two classes of shares (see § 4.2.5.2.2).

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.

Furthermore, Covivio issued a convertible bond (ORNANE type) valued at each reporting date, proposals for corrections regarding by distinguishing a financial debt at amortised cost and a derivative component measured at fair value through profit or loss. The fair value corresponds to the bond's closing price, exposing the Group to changes in the bond's value. The ORNANE Italy maturing in 2021 was redeemed in February 2021 (see note 4.2.5.11.4).

4.2.2.9 Tax environment

4.2.2.9.1 Change by country

- The French tax environment has undergone changes relating to the corporate income tax rate, which has been reduced to 26.5% from 1 January 2021 (*versus* 28% as at 1 January 2020). The rate will be 25% from 1 January 2022.
- The Group has not observed any significant change in the Italian tax environment.
- In the case of Germany, a reform, effective from 1 July 2021, amends the rules on the payment of registration fees ("real estate transfer tax", "RETT") in the event of acquisition of shares in companies. The main purpose of this reform is (i) to change the holding rate at which the RETT becomes payable, from 95% to 90% and (ii) to set at ten years the minimum period during which the minority holder of the securities must hold their shares.

4.2.2.10.2 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. The list of the main ongoing proceedings includes the following:

- Covivio tax audit

  Covivio SA was audited for the 2017/2018/2019 financial years which resulted in a proposal to rectify (i) the tax on salaries up to €40 thousand, which was accepted and (ii) in the area of corporate income tax, which is disputed. Based on the arguments of our counsel, this dispute was not provisioned at 31 December 2021.

- Tax audits of German Residential

  Covivio Immobilien and some of its "Residential" subsidiaries were subject to a tax audit for fiscal years 2014 to 2019.

- The tax authorities issued proposals for adjustments in terms of (i) corporate income tax in the amount of approximately €10.9 million in principal, plus €2.6 million in late payment interest and (ii) registration fees ("RETT") in the amount of €5.8 million. These adjustments are disputed. However, they have been paid and are no longer provisioned at 31 December 2021

- Tax audits on Beni Stabili, which merged with Covivio

  - Tax dispute Comit Fund – Beni Stabili:

    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 authorities on 18 December 2015.

    The dispute with the tax authorities 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. On the basis of the analysis of our advisors, no provision was entered at 31 December 2021.

4.2.2.10.3 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, German 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.

The deferred tax is mainly due to the recognition of the portfolio's fair value (German rate: 15.825%, French rate: 25.83%, Italian rate: 20%). Please note that the hotel management businesses are taxed at a rate of between 30.18% and 32.28% in Germany and that deferred tax liabilities for this business have also been recognised at this rate.

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.

Covivio group must reassess whether it controls the issuing entity when facts and circumstances indicate that one or more of the three factors of control listed above have changed.

A structured entity is an entity structured in such a way that the voting rights or similar rights do not represent the determining factor in establishing control of the entity; this is particularly the case when the voting rights only involve administrative tasks and the relevant business activities are governed by contractual agreements.

If the Group does not hold a majority of the voting rights in an issuing entity in order to determine the power exercised over an entity, it analyses whether it has sufficient rights to unilaterally manage the issuing entity's relevant business activities. The Group takes into consideration any facts and circumstances when it evaluates whether the voting rights that it holds in the issuing entity are sufficient to confer power to the Group, including the following:

- the number of voting rights that the Group holds compared to the number of rights held respectively by the other holders of voting rights and their distribution
- 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

Share of the Alexanderplatz building with Covéa and Generali Vie – Impact rate of ownership

A partnership agreement was signed in June 2021 between Covivio, Covéa and Generali Vie to share the Alexanderplatz asset in Berlin. Covivio retains 55% of the share capital and continues to fully integrate Covivio Alexanderplatz Sarl.

Registration fee reform in German Residential – Rate of ownership impact

Following the entry into force of the reform of the rules on the payment of registration fees ("RETT") described in § 4.2.2.9.1, buybacks of non-controlling interests took place between group companies, which had the result of slightly modifying the rate of ownership of certain companies in the German Residential segment.

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.

93 companies in the France Offices segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Covivio	**France**	**Parent company**		
Hotel N2	France	FC	100.00	
Covivio Ravinelle	France	FC	100.00	100.00
SCI Fédérimmo	France	FC	60.00	60.00
EURL Fédération	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 1630 avenue de la Croix Rouge	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
SNC Télimob Nord	France	FC	100.00	100.00
SNC Télimob Rhone Alpes	France	FC	100.00	100.00

93 companies in the France Offices segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
SNC Télimob Sud Ouest	France	FC	100.00	100.00
SNC Télimob Paca	France	FC	100.00	100.00
SNC Télimob Ouest	France	FC	100.00	100.00
SARL Télimob Paris	France	FC	100.00	100.00
Pompidou	France	FC	100.00	100.00
11 place de l'Europe	France	FC	50.09	50.09
OPCI Office CB 21	France	FC	75.00	75.00
Lenovilla	France	EM/JV	50.10	50.10
Lenopromo	France	FC	100.00	100.00
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
SNC Promomurs	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	EM/EA	34.69	34.69
SCI Orianz	France	EM/EA	34.69	34.69
Wellio	France	FC	100.00	100.00
Le Clos de Chanteloup	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
Le Printemps Sartrouville	France	FC	100.00	100.00
Gaugin St-Ouen-L'Aumône	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
Tours Coty	France	FC	100.00	100.00
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

93 companies in the France Offices segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
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
Sully Chartres	France	Merger		100.00
SNC Télimob Est	France	Merger		100.00
Euromarseille BH	France	Merger		50.00
SCI du 288 rue Duguesclin	France	Merger		100.00
SCI du 2 rue de L'Ill	France	Merger		100.00
SARL du 2 rue Saint Charles	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.

14 Companies in the Italy Offices segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
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
RGD Gestioni Srl	Italy	FC	100.00	100.00
Real Estate Roma Olgiata Srl	Italy	FC	75.00	75.00
Covivio Immobiliare 9 SINQ SpA	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 Attività Immobiliari 2 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
Attivita Commerciali Beinasco Srl	Italy	Disposed of		100.00
Investire SpA SGR	Italy	Disposed of		17.90

The registered office of the companies in the Italy Offices segment is located at 10, Carlo Ottavio Cornaggia, 20123 Milan.

172 companies Hotels in Europe segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
SCA Covivio Hotels (parent company) 100% controlled	France	FC	43.78	43.46
SARL Loire	France	FC	43.78	43.46
Ruhl Côte d'Azur	France	FC	43.78	43.46
Foncière Otello	France	FC	43.78	43.46
Hôtel René Clair	France	FC	43.78	43.46
Ulysse Belgique	Belgium	FC	43.78	43.46
Ulysse Trefonds	Belgium	FC	43.78	43.46
Foncière No Bruxelles Grand Place	Belgium	FC	43.78	43.46
Foncière No Bruxelles Aéroport	Belgium	FC	43.78	43.46
Foncière No Bruges Centre	Belgium	FC	43.78	43.46
Foncière Gand Centre	Belgium	FC	43.78	43.46
Foncière Gand Opéra	Belgium	FC	43.78	43.46
Foncière IB Bruxelles Grand-Place	Belgium	FC	43.78	43.46
Foncière IB Bruxelles Aéroport	Belgium	FC	43.78	43.46
Foncière IB Bruges Centre	Belgium	FC	43.78	43.46

172 companies Hotels in Europe segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Foncière Antwerp Centre	Belgium	FC	43.78	43.46
Foncière Bruxelles Expo Atomium	Belgium	FC	43.78	43.46
Murdelux	Luxembourg	FC	43.78	43.46
Portmurs	Portugal	FC	43.78	43.46
Sunparks Oostduinkerke	Belgium	FC	43.78	43.46
Foncière Vielsam	Belgium	FC	43.78	43.46
Sunparks Trefonds	Belgium	FC	43.78	43.46
Foncière Kempense Meren	Belgium	FC	43.78	43.46
Iris Holding France	France	ME/EA	8.71	8.65
Foncière Iris SAS	France	ME/EA	8.71	8.65
Sables d'Olonne SAS	France	ME/EA	8.71	8.65
OPCI Iris Invest 2010	France	ME/EA	8.71	8.65
Covivio Hotels Gestion Immobilière	France	FC	43.78	43.46
Tulipe Holding Belgique	Belgium	ME/EA	8.71	8.65
Iris Tréfonds	Belgium	ME/EA	8.71	8.65
Foncière Louvain Centre	Belgium	ME/EA	8.71	8.65
Foncière Liège	Belgium	ME/EA	8.71	8.65
Foncière Bruxelles Aéroport	Belgium	ME/EA	8.71	8.65
Foncière Bruxelles Sud	Belgium	ME/EA	8.71	8.65
Foncière Bruge Station	Belgium	ME/EA	8.71	8.65
Narcisse Holding Belgique	Belgium	ME/EA	8.71	8.65
Foncière Bruxelles Tour Noire	Belgium	ME/EA	8.71	8.65
Foncière Louvain	Belgium	ME/EA	8.71	8.65
Foncière Malines	Belgium	ME/EA	8.71	8.65
Foncière Bruxelles Centre Gare	Belgium	ME/EA	8.71	8.65
Foncière Namur	Belgium	ME/EA	8.71	8.65
Iris investor Holding GmbH	Germany	ME/EA	8.71	8.65
Iris General Partner GmbH	Germany	ME/EA	8.71	4.35
Iris Berlin GmbH	Germany	ME/EA	8.71	8.65
Iris Bochum & Essen	Germany	ME/EA	8.71	8.65
Iris Frankfurt GmbH	Germany	ME/EA	8.71	8.65
Iris Verwaltungs GmbH & co KG	Germany	ME/EA	8.71	8.65
Iris Nurnberg GmbH	Germany	ME/EA	8.71	8.65
Iris Stuttgart GmbH	Germany	ME/EA	8.71	8.65
B&B Invest Lux 1	Germany	FC	43.78	43.46
B&B Invest Lux 2	Germany	FC	43.78	43.46
B&B Invest Lux 3	Germany	FC	43.78	43.46
Campeli	France	ME/EA	8.71	8.65
OPCI Camp Invest	France	ME/EA	8.71	8.65
Dahlia	France	ME/EA	8.76	8.69
Foncière B2 Hôtel Invest	France	FC	21.98	21.82
OPCI B2 Hôtel Invest	France	FC	21.98	21.82
Foncière B3 Hôtel Invest	France	FC	21.98	21.82
B&B Invest Lux 4	Germany	FC	43.78	43.46
NH Amsterdam Center Hotel HLD	Netherlands	FC	43.78	43.46
Hotel Amsterdam Centre Propco	Netherlands	FC	43.78	43.46
Mo Lux 1	Luxembourg	FC	43.78	43.46
LHM Holding Lux SARL	Luxembourg	FC	43.78	43.46
LHM ProCo Lux SARL	Germany	FC	45.58	45.28
SCI Rosace	France	FC	43.78	43.46

172 companies Hotels in Europe segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Mo Drelinden, Niederrad, Düsseldorf	Germany	FC	41.16	40.85
Mo Berlin	Germany	FC	41.16	40.85
Mo First Five	Germany	FC	42.84	42.57
Ringer	Germany	FC	43.78	43.46
B&B Invest Lux 5	Germany	FC	40.72	40.42
SCI Hôtel Porte Dorée	France	FC	43.78	43.46
FDM M Lux	Luxembourg	FC	43.78	43.46
OPCO Rosace	France	FC	43.78	43.46
Exco Hôtel	Belgium	FC	43.78	43.46
Invest Hôtel	Belgium	FC	43.78	43.46
H Invest Lux	Luxembourg	FC	43.78	43.46
Hermitage Holdco	France	FC	43.78	43.46
Samoens SAS	France	FC	21.94	21.77
Foncière B4 Hôtel Invest	France	FC	21.98	21.82
B&B Invest Espagne SLU	Spain	FC	43.78	43.46
Rock-Lux	Luxembourg	FC	43.78	43.46
Société Liloise Investissement Immobilier Hôtelier SA	France	FC	43.78	43.46
Berlin I (Propco Westin Grand Berlin)	Germany	FC	41.55	41.24
Opco Grand Hôtel Berlin Betriebs (Westin berlin)	Germany	FC	41.55	41.24
Berlin II (Propco Park Inn Alexanderplatz)	Germany	FC	41.55	41.24
Opco Hôtel Stadt Berlin Betriebs (Park-Inn)	Germany	FC	41.55	41.24
Berlin III (Propco Mercure Potsdam)	Germany	FC	41.55	41.24
Opco Hôtel Potsdam Betriebs (Mercure Potsdam)	Germany	FC	41.55	41.24
Dresden II (Propco Ibis Hôtel Dresden)	Germany	FC	41.55	41.24
Dresden III (Propco Ibis Hôtel Dresden)	Germany	FC	41.55	41.24
Dresden IV (Propco Ibis Hôtel Dresden)	Germany	FC	41.55	41.24
Opco BKL Hotelbetriebsgesellschaft (Dresden II to IV)	Germany	FC	41.55	41.24
Dresden V (Propco Pullman Newa Dresden)	Germany	FC	41.55	41.24
Opco Hôtel Newa Dresden Betriebs (Pullman)	Germany	FC	41.55	41.24
Leipzig I (Propco Westin Leipzig)	Germany	FC	41.55	41.24
Opco HotelgesellschaftGeberst, Betriebs (Westin Leipzig)	Germany	FC	41.55	41.24
Leipzig II (Propco Radisson Blu Leipzig)	Germany	FC	41.55	41.24
Opco Hôtel Deutschland Leipzig Betriebs (Radisson Blu)	Germany	FC	41.55	41.24
Erfurt I (Propco Radisson Blu Erfurt)	Germany	FC	41.55	41.24
Opco Hôtel Kosmos Erfurt (Radisson Blu)	Germany	FC	41.55	41.24
Airport Garden Hotel NV	Belgium	FC	43.78	43.46
Investment FDM Rocatiera	Spain	FC	43.78	43.46
Bardiomar	Spain	FC	43.78	43.46
Trade Center Hotel	Spain	FC	43.78	43.46
H Invest Lux 2	Luxembourg	FC	43.78	43.46
Constance	France	FC	43.78	43.46
Hotel Amsterdam Noord FDM	Netherlands	FC	43.78	43.46
Hotel Amersfoort FDM	Netherlands	FC	43.78	43.46
Constance Lux 1	Luxembourg	FC	43.78	43.46
Constance Lux 2	Luxembourg	FC	43.78	43.46
So Hospitality	France	FC	43.78	43.46
Nice-M	France	FC	43.78	43.46
Rock-Lux OPCO	Luxembourg	FC	43.78	43.46
Blythswood Square Hotel Holdco	United Kingdom	FC	43.78	43.46
George Hotel Investments Holdco	United Kingdom	FC	43.78	43.46

172 companies Hotels in Europe segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Grand Central Hotel company Holdco	United Kingdom	FC	43.78	43.46
Lagonda Leeds Holdco	United Kingdom	FC	43.78	43.46
Lagonda Palace Holdco	United Kingdom	FC	43.78	43.46
Lagonda Russell Holdco	United Kingdom	FC	43.78	43.46
Lagonda York Holdco	United Kingdom	FC	43.78	43.46
Oxford Spires Hotel Holdco	United Kingdom	FC	43.78	43.46
Oxford Thames Holdco	United Kingdom	FC	43.78	43.46
Roxburghe Investments Holdco	United Kingdom	FC	43.78	43.46
The St David's Hotel Cardiff Holdco	United Kingdom	FC	43.78	43.46
Wotton House Properties Holdco	United Kingdom	FC	43.78	43.46
Blythswood Square Hotel Glasgow	United Kingdom	FC	43.78	43.46
George Hotel Investments	United Kingdom	FC	43.78	43.46
Grand Central Hotel company	United Kingdom	FC	43.78	43.46
Lagonda Leeds PropCo	United Kingdom	FC	43.78	43.46
Lagonda Palace PropCo	United Kingdom	FC	43.78	43.46
Lagonda Russell PropCo	United Kingdom	FC	43.78	43.46
Lagonda York PropCo	United Kingdom	FC	43.78	43.46
Oxford Spires Ltd (Propco)	United Kingdom	FC	43.78	43.46
Oxford Thames Hotel Ltd (Propco)	United Kingdom	FC	43.78	43.46
Roxburghe Investments PropCo	United Kingdom	FC	43.78	43.46
The St David's Hotel Cardiff	United Kingdom	FC	43.78	43.46
Wotton House Properties	United Kingdom	FC	43.78	43.46
HEM Diesterlkade Amsterdam BV	Netherlands	FC	43.78	43.46
Dresden Dev	Luxembourg	FC	41.55	41.24
Delta Hotel Amersfoort	Netherlands	FC	43.78	43.46
Opci Oteli	France	ME/EA	13.64	13.54
CBI Orient SAS	France	ME/EA	13.64	13.54
CBI Express SAS	France	ME/EA	13.64	13.54
Kombon	France	ME/EA	14.59	14.49
Jouron	Belgium	ME/EA	14.59	14.49
Foncière Gand Cathédrale	Belgium	ME/EA	14.59	14.49
Foncière Bruxelles Sainte Catherine	Belgium	ME/EA	14.59	14.49
Foncière IGK	Belgium	ME/EA	14.59	14.49
Forsmint Investments	Poland	FC	43.78	43.46
Cerstook Investments	Poland	FC	43.78	43.46
Noxwood Investments	Poland	FC	43.78	43.46
Redwen Investments	Poland	FC	43.78	43.46
Sardobal Investments	Poland	FC	43.78	43.46
Kilmainham Property Holding	Ireland	FC	43.78	43.46
Thommont Ltd	Ireland	FC	43.78	43.46
Honeypool	Ireland	FC	43.78	43.46
Ingrid Hotels	Italy	FC	43.78	43.46
Ingrid France Holding	France	FC	43.78	43.46
Verdun Propco	France	FC	43.78	43.46
SC CZECH AAD	Czech Republic	FC	43.78	43.46
New York Palace Propco	Hungary	FC	43.78	43.46
Hotel Plaza SAS	France	FC	43.78	43.46
Palazzo Naiadi Rome Propco	Italy	FC	43.78	43.46
Palazzo Gaddi Florence Propco	Italy	FC	43.78	43.46
Bellini Venice Propco	Italy	FC	43.78	43.46

172 companies Hotels in Europe segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Dei Dogi Venice Propco	Italy	FC	43.78	43.46
SLIH AD	France	FC	43.78	43.46
SLIH CP	France	FC	43.78	43.46
SLIH GHB	France	FC	43.78	43.46
SLIH HDB	France	FC	43.78	43.46
SLIH HG	France	FC	43.78	43.46
SLIH HIR	France	FC	43.78	43.46
Foncière Ulysse	France	Merger		43.46
Foncière Manon	France	Merger		43.46
B&B Invest Lux 6	Germany	Liquidated		40.42
Rosselini Holding	Luxembourg	Merged		43.46
Anitah Holding	Italy	Merged		43.46
Ingrid Holdco	Italy	Merged		43.46

The registered office of the parent company Covivio Hotels and its main fully consolidated French subsidiaries is located at 30, avenue Kléber, 75116 Paris.

146 companies German Residential segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Covivio Immobilien SE (parent company) 100% controlled	**Germany**	**FC**	**61.70**	**61.70**
Lowenberger Strasse 2 4 Wohnenquartier	Germany	FC	65.57	
TSC 2 Holding Sàrl	Germany	FC	65.57	
TSC Berlin Alpha	Germany	FC	65.57	
TSC Berlin Beta	Germany	FC	65.57	
TSC Berlin Gamma	Germany	FC	65.57	
TSC Berlin Delta	Germany	FC	65.57	
TSC Berlin Epsilon	Germany	FC	65.57	
TSC Berlin Zeta	Germany	FC	65.57	
TSC Berlin Eta	Germany	FC	65.57	
TSC Berlin Theta	Germany	FC	65.57	
TSC Berlin Lota	Germany	FC	65.57	
TSC Berlin Kappa	Germany	FC	65.57	
TSC Berlin Lambda	Germany	FC	65.57	
TSC Berlin My	Germany	FC	65.57	
TSC Berlin XI	Germany	FC	65.57	
TSC Berlin Omicron	Germany	FC	65.57	
TSC Berlin Rho	Germany	FC	65.57	
TSC Berlin Sigma	Germany	FC	65.57	
TSC Berlin Tau	Germany	FC	65.57	
TSC Berlin Ypsilon	Germany	FC	65.57	
Akragas Immobilien	Germany	FC	65.57	
AC Gustav-Müller-Strasse Grundstucks	Germany	FC	61.70	
Areal Consult Grundstucks	Germany	FC	61.70	
Areal Invest Grafestrasse	Germany	FC	61.70	
Areal Invest XI Grunstucks	Germany	FC	61.70	
Areal Invest XIII Grundstücks	Germany	FC	61.70	
Areal Invest XXIX Grundstücks	Germany	FC	61.70	
Areal Invest XXIII Grundstücks	Germany	FC	61.70	
JFT Grundbesitz Nr. 28	Germany	FC	61.70	
Nox Capital Kulmer11 Grundbesitz	Germany	FC	61.70	
Nox Capital Nr. 15	Germany	FC	61.70	
Nox Capital Leinestraße 21 Grundbesitz	Germany	FC	61.70	

146 companies German Residential segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Nox Capital Kiehlufer39 Grundbesitz	Germany	FC	61.70	
Covivio Immobilien	Germany	FC	61.70	61.70
Covivio Lux Residential	Germany	FC	65.57	63.66
Covivio Valore 4	Germany	FC	65.57	63.74
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	64.00
Covivio Stadthaus	Germany	FC	65.57	64.00
Covivio Wohnbau	Germany	FC	65.57	67.83
Covivio Wohnungsgesellechaft GmbH Dümpten	Germany	FC	65.57	67.83
Covivio Berolinum 2	Germany	FC	65.57	63.66
Covivio Berolinum 3	Germany	FC	65.57	63.66
Covivio Berolinum 1	Germany	FC	65.57	63.66
Covivio Remscheid	Germany	FC	65.57	63.66
Covivio Valore 6	Germany	FC	65.57	63.74
Covivio Holding	Germany	FC	100.00	100.00
Covivio Berlin 67 GmbH	Germany	FC	65.57	64.00
Covivio Berlin 78 GmbH	Germany	FC	65.57	64.00
Covivio Berlin 79 GmbH	Germany	FC	65.57	64.00
Covivio Dresden GmbH	Germany	FC	65.57	63.66
Covivio Berlin I SARL	Germany	FC	65.57	63.66
Covivio Berlin V SARL	Germany	FC	65.57	63.85
Covivio Berlin C GmbH	Germany	FC	65.57	63.66
Covivio Dansk Holding Aps	Denmark	FC	61.70	61.70
Covivio Dasnk L Aps	Germany	FC	65.57	63.66
Covivio Berlin Prime	Germany	FC	65.57	65.53
Berlin Prime Commercial	Germany	FC	65.57	63.66
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
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	65.53
Covivio Bennet	Germany	FC	65.57	65.53
Covivio Marien-Carré	Germany	FC	65.57	65.57
Covivio Berlin IV ApS	Denmark	FC	61.70	61.70
Covivio Lux	Luxembourg	FC	100.00	100.00
Covivio Berolina Verwaltungs GmbH	Germany	FC	65.57	63.66
Residenz Berolina GmbH & Co KG	Germany	FC	67.33	65.51
Covivio Quadrigua IV GmbH	Germany	FC	65.57	63.66
Real Property Versicherungsmakler	Germany	FC	61.70	61.70
Covivio Quadrigua 15	Germany	FC	69.05	65.51
Covivio Quadrigua 45	Germany	FC	69.05	65.51
Covivio Quadrigua 36	Germany	FC	69.05	65.51
Covivio Quadrigua 46	Germany	FC	69.05	65.51
Covivio Quadrigua 40	Germany	FC	69.05	65.51

146 companies German Residential segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Covivio Quadrigua 47	Germany	FC	69.05	65.51
Covivio Quadrigua 48	Germany	FC	69.05	65.51
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	65.53
Covivio Gettmore	Luxembourg	FC	65.57	65.53
Saturn Properties Sarl	Germany	FC	65.57	65.53
Venus Properties Sarl	Germany	FC	65.57	65.53
Covivio Vinetree	Luxembourg	FC	65.57	65.53
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	65.53
Covivio Spree Wohnen 6	Germany	FC	65.57	65.53
Covivio Spree Wohnen 7	Germany	FC	65.57	65.53
Covivio Spree Wohnen 8	Germany	FC	65.57	65.53
Nordens Immobilien III	Germany	FC	65.57	65.53
Montana-Portfolio	Germany	FC	65.57	65.53
Covivio Cantianstrasse 18 Grundbesitz	Germany	FC	65.57	65.53
Covivio Konstanzer Str.54/Zahringerstr. 28, 28a Grundbesitz.	Germany	FC	65.57	65.53
Covivio Mariend. Damm28/Markgrafenstr.17 Grundbesitz	Germany	FC	65.57	65.53
Covivio Markstrasse 3 Grundbesitz	Germany	FC	65.57	65.53
Covivio Schnellerstrasse 44 Grundbesitz	Germany	FC	65.57	65.53
Covivio Schnönwalder Str.69 Grundbesitz	Germany	FC	65.57	65.53
Covivio Schulstrasse 16/17.Grundbesitz	Germany	FC	65.57	65.53
Covivio Sophie-Charlotten Strasse 31, 32 Grundbesitz	Germany	FC	65.57	65.53
Covivio Zelterstrasse 3 Grundbesitz	Germany	FC	65.57	65.53
Covivio Zinshäuser Alpha	Germany	FC	65.57	65.53
Covivio Zinshäuser Gamma	Germany	FC	65.57	65.53
Second Ragland	Germany	FC	65.57	65.53
Seed Portfolio 2	Germany	FC	65.57	65.53
Erz 1	Germany	FC	65.57	65.53
Covivio Berlin 9	Germany	FC	65.57	65.53
Erz 2	Germany	FC	65.57	65.53
Best Place Living	Germany	FC	31.47	31.47
Covivio Berlin 8	Germany	FC	65.57	65.53
Covivio Selectimmo.de	Germany	FC	65.57	65.57
Covivio Prenzlauer Promenade 49 Besitzgesellschaft	Germany	FC	65.57	65.53
Meco Bau	Germany	FC	61.70	61.70
Covivio Blankenburger Str.	Germany	FC	65.57	65.57
Covivio Immobilien Financing	Germany	FC	65.57	65.53
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 Rhenania 2	Germany	FC	65.57	65.57
Covivio Prime Financing	Germany	FC	61.70	61.70

146 companies German Residential segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Covivio Grundbesitz NRW	Germany	FC	65.57	67.49
Covivio Eiger 1	Germany	FC	65.57	67.49
Covivio Eiger II	Germany	FC	65.57	67.49
Covivio Southern Living Grundbesitz	Germany	FC	65.57	67.49
Covivio Grundbesitz NRW 2	Germany	FC	65.57	67.49
Buchstrasse 6 & Fehmarner Strasse 14	Germany	FC	65.57	67.49
Erkstrasse 20	Germany	FC	65.57	67.49
Martin Opitz Strasse 5	Germany	FC	65.57	67.49
Kurstrasse 23	Germany	FC	65.57	67.49
Pankstrasse 55 Verwaltungs	Germany	FC	65.57	67.49
Grospiusstrasse 4	Germany	FC	65.57	67.49
Grundbesitz Schillerstrasse 10	Germany	FC	65.57	67.49
Grundbesitz Firstrasse 22	Germany	FC	65.57	67.49
Covivio SE & CO KG 1	Germany	Merged		61.70
Covivio SE & CO KG 2	Germany	Merged		61.70
Covivio SE & CO KG 3	Germany	Merged		61.70
Covivio SE & CO KG 4	Germany	Merged		61.70
Covivio Immobilien Se & Co KG Residential	Germany	Merged		61.70
Küchenwelt Berlin GmbH	Germany	Merged		61.70
Covivio Zehnte GmbH	Germany	Merged		100.00
Covivio Beteiligungs GmbH & Co KG	Germany	Merged		100.00

The registered office of the parent company Covivio Immobilien SE is at Kleplerstrasse 110-112, – 45147 Essen.

22 companies Germany Offices segment	Country	Consolidation method in 2021	% held in 2021	% held in 2020
Covivio Office Holding	Germany	FC	100.00	100.00
Acopio Office Energie GmbH (Office Germany)	Germany	FC	100.00	
Covivio Alexanderplatz	Luxembourg	FC	55.00	100.00
Covivio Alexanderplatz	Germany	FC	100.00	100.00
Covivio Office Berlin	Germany	FC	100.00	99.81
Covivio Tino Schwierzina Strasse 32 Grundbezitz	Germany	FC	94.22	94.22
Covivio Gross-Berliner-Damm	Germany	FC	100.00	99.81
Covivio Office (formerly Godewind Immobilien)	Germany	FC	100.00	99.77
Covivio Office 1	Germany	FC	94.22	94.02
Covivio Beteilingungs	Germany	FC	94.22	94.02
Covivio Office 2	Germany	FC	94.22	94.02
Covivio Office 3	Germany	FC	94.22	94.02
Covivio Office 4	Germany	FC	94.22	94.02
Covivio Office 5	Germany	FC	94.22	94.02
Covivio Office 7	Germany	FC	94.22	94.02
Covivio Office 6	Germany	FC	89.90	89.69
Covivio Technical Services 1	Germany	FC	100.00	99.77
Covivio Technical Services 2	Germany	FC	94.22	94.02
Covivio Technical Services 3	Germany	FC	94.22	94.02
Covivio Technical Services 4	Germany	FC	94.22	94.02
Covivio Verwaltungs 4	Germany	FC	94.22	94.02
Covivio Construction	Germany	FC	100.00	99.77

The registered office of the parent company Covivio Office Holding is at Knesebeckstrasse 3, 10,623 Berlin.

13 companies in Other segment (France Residential, Car parks, Services)	Country	Consolidation method in 2021	% held in 2021	% held in 2020
1 company in France Residential:				
Foncière Développement Logements (parent company) 100% controlled	France	FC	100.00	100.00
Batisica	Luxembourg	Merged		100.00
Dulud	France	Merger		100.00
6 Car parks companies:				
République (parent company) 100% controlled	France	FC	100.00	100.00
Esplanade Belvédère II	France	FC	100.00	100.00
Comédie	France	FC	100.00	100.00
Gare	France	FC	50.80	50.80
Gespar	France	FC	50.00	50.00
Trinité	France	FC	100.00	100.00
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

FC: Full consolidation
EM/EA: Equity Method – Affiliates
EM/JV: Equity Method – Joint Ventures
NC: Not Consolidated
PC: Proportionate Consolidation

The registered office of the parent company Foncière Développement Logements is located at 8, avenue Kléber -75116 Paris.

There are 460 companies in the Group, including 412 fully consolidated companies and 48 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.

SCI 11 place de l'Europe (consolidated structured entity)

As at 31 December 2021, SCI 11 place de l'Europe was 50.1% held by Covivio and fully consolidated. The partnership with the Crédit Agricole Assurances Group (49.9%) was established as of 2013 as part of the Campus Eiffage project in Vélizy.

SNC Latécoère and Latécoère 2 (consolidated structured entities)

SCI Latécoère and Latécoère 2 were 50.1% held by Covivio at 31 December 2021 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 project to extend the Dassault Systèmes campus through the construction of a new 27,600 m² 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 2021, 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)

On 29 October 2019, a partnership was signed by Covivio and Crédit Agricole Assurances with a view to sharing the Paris Saint-Ouen So Pop development project, held by the company 6, rue Fructidor. This company owns a plot located on the border between Paris and St-Ouen where it intends to build a new office building (31,600 m² of floor space for offices and services, 7 storeys, 249 parking spaces). The building permit was obtained on 20 May 2019 and construction is due to be finalised in the first quarter of 2022.

Construction work was completed on a building as part of a CPI signed on 29 October 2019 by Fructidor and Fructipromo.

As at 31 December 2021, the company 6 rue Fructidor was 50.1% held by Covivio and fully consolidated.

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 2021 and fully consolidated.

The partnership with Assurances du Crédit Mutuel (50%) was set up in 2018 as part of the N2 Batignolles development project located in the Clichy Batignolles ZAC (development zone) in the 17th district of Paris. Delivery is scheduled for the end of 2022.

SNC Batignolles Promo is 50% owned by Hines.

SAS Samoëns (consolidated structured entity)

As at 31 December 2021, SAS Samoëns was 50.10% held by Covivio Hotels and fully consolidated. The partnership with Assurances du Crédit Mutuel (49.9%) was established as of October 2016 as part of the project to develop a Club Med holiday village in Samoëns, delivered in 2017. The Club Med Samoëns asset is the subject of a preliminary sale agreement as of 31 December 2021.

As manager of Samoëns, Covivio Hotels has the widest powers to act in the name and on behalf of the company in all circumstances, in keeping with its corporate purpose.

The partnership meets the criteria of a joint venture when the parties exercising joint control have rights to net assets of the partnership arrangement.

Covivio Alexanderplatz Sarl (consolidated structured entity)

Covivio Alexanderplatz Sarl was 55% held by Covivio as of 31 December 2021 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 the end of 2025. The construction of the building is carried out as part of a PDA 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 2021, 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 (Campus Thales) 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 2021 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.

4.2.4 Significant events during the period

Significant events during the period were as follows:

4.2.4.1 Major impacts of the Covid-19 crisis

Resumption of the hotel business from the 2nd half-year 2021

As the first half-year was still marked by numerous lockdown measures in Europe, the recovery of activity was mainly observed in the second half with occupancy rates rising sharply but remaining below the activity of the 2019 financial year. This resumption of activity resulted in the following main factors:

- the increase in rental income at variable rents for €10.7 million on the ACCOR portfolio and €12 million in rents on the portfolio in the United Kingdom; as of 31 December 2020, no rental income was recognised on UK assets due to the activation of the major underperformance clause
- the €14 million increase in EBITDA from hotels under management, mainly due to the gradual recovery in activity in the second half of the year.

In France and abroad, Covivio Hotels benefited from government subsidies and partial unemployment measures put in place for the hotel sector, worth €16.8 million.

Stable value of hotel assets

The appraisal values of hotel leases were broadly stable compared to 31 December 2020.

At 31 December 2021, impairment tests on hotels operated as Operating properties led to the impairment of goodwill on three assets in France for a total of -€17.9 million.

4.2.4.2 France Offices

Disposals (€312 million – profit or loss on disposals net of fees: +€3 million) and assets under preliminary sale agreements (€621 million)

In 2021, Covivio sold the Issy-les-Moulineaux EDO, Lezennes Hélios and Lyon Duguesclin assets, as well as Marseille Astrolabe (in partnership). These disposals resulted in a gain of +€3 million.

As of 31 December 2021, assets under promise amounted to €621 million (including Carré Suffren and the Eiffage Campus for €575 million, held in partnership at 60% and 50.1% respectively). In accordance with IFRS 5, all the assets and liabilities of these entities were classified as assets and liabilities held for sale as at 31 December 2021.

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 proceeded, on 18 January 2022, to unwind 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.

Development projects

The asset development programme is presented in note 4.2.5.1.4.

The 2021 financial year was marked by the delivery of four assets under development: Montrouge Flow, Montpellier Orange, Montpellier Bâtiment de service and Lyon Silex 2, as well as the start of two new projects, Lyon Sévigné and Paris Anjou.

The Paris Gobelins asset, operated directly as part of the Flex Office activity, was also delivered during the period.

Refinancing and redemption

In January, Covivio issued a green bond offering of €100 million, due in 2033, offering a fixed coupon of 0.875%.

4.2.4.3 Italy Offices

Disposals (€269 million – loss on disposals net of fees: -€7 million) and assets under preliminary sale agreements (€69 million)

During the period, assets were sold for a total of €269 million, generating an income from disposal net of costs of -€1.5 million.

As at 31 December 2021, assets under preliminary agreement amounted to €69 million.

In 2021, Covivio also sold the 17.90% stake it held in Investire Spa SGR for an amount equal to the net book value of the shares sold.

Signature of the Symbiosis project with SNAM – promotion activity

Covivio signed a contract with SNAM, the main Italian natural gas transport company, to build and sell a building of approximately 19,000 m^2. Currently under construction, the building will accommodate the company's head office when it is delivered in early 2024. The construction of this building is classified as a development activity and a percentage of completion margin has been recognised in the financial statements at 31 December 2021.

Development projects

The asset development programme is presented in note 4.2.5.1.4.

The 2021 fiscal year was marked by the delivery of three assets under development: Milan Schievano Buildings B and C and Milan Symbiosis D.

Repayment of the ORNANE 2021 at maturity

In February 2021, Covivio redeemed the convertible bond (ORNANE 2021) at maturity for an amount of €200 million.

4.2.4.4 Hotels in Europe

Disposals of assets (€70 million – profit or loss on disposals net of fees: €0 million) and assets under preliminary sale agreement (€155 million)

During the period, Covivio Hotels sold Jardiland assets, Courtepaille assets and one AccorInvest asset for €70 million.

As of 31 December 2021, sales commitments amounted to €155 million.

Refinancing and redemption

During the 2021 fiscal year, Covivio Hotels repaid credit lines set up in 2020 as part of the Italian, Czech and Hungarian acquisitions for €250 million.

The company also redeemed the bond maturing in November 2021 for €187 million.

In July and October 2021, Covivio Hotels issued an 8-year bond for €599 million, offering a fixed coupon of 1%.

4.2.4.5 German Residential

Strong increase in German Residential asset values

The German Residential segment recorded an increase in asset values of €818.8 million, mainly located in Berlin.

Acquisitions (assets: €248 million)

The Group acquired a portfolio of assets located in Berlin for €248 million.

Refinancing and redemption

Covivio Immobilien SE raised, secured, or renegotiated €236 million in loans with average terms of approximately 10 years.

4.2.4.6 Other (Including French Residential)

Early termination of the lease for the Beaugrenelle car park

The lease for the Beaugrenelle car park was terminated on 21 February 2021 (release effective 12 April 2021).

Pledge to sell parking activities

Covivio signed an agreement with Indigo Group to sell concessions and long-term leases for around ten car parks. This transaction took place in January 2022. In accordance with IFRS 5, all the assets and liabilities of these entities were classified as assets and liabilities held for sale as at 31 December 2021.

4.2.5 Related notes to the statement of financial position

4.2.5.1 Portfolio

4.2.5.1.1 Accounting principles applicable to tangible and intangible 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 3 years
- occupancy rights: 30 years.

Fixed assets in the concession segment – Concession activity

The Covivio group applies IFRIC 12 in the consolidated financial statements for car parks that are the subject of service concession agreements. An analysis of the Group's concession agreements results in classifying agreements as intangible assets as the Group is paid directly by users for all car parks operated without a subsidy from public authorities. These concession assets are assessed at historical cost less accumulated depreciation and any impairment.

The Group no longer has any fully owned car parks and consequently there are no longer any tangible "Car park" assets, other than right-of-use assets related to leases under IFRS 16.

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 2021 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, garden centres 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 evaluation 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 appraisal of real-estate-assets accounted for as investment properties was conducted in the context of a changing situation affected by the unprecedented Covid-19 crisis, for which the impact and outlook remained difficult to predict at the time the appraisals took place.

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.

Assets 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.

The hotels operated as 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)	31/12/2020	Scope change	Increase/ Charges	Disposal/ Reversals of provisions	Change in fair value	Transfers	Change in exchange rate	31/12/2021
Goodwill	**135,092**	**0**	**-17,886**	**0**	**0**	**-1**	**0**	**117,205**
Intangible assets[1]	**25,114**	**-28**	**4,670**	**-544**	**0**	**-14,507**	**0**	**14,705**
Gross amounts	93,111	-2,288	8,978	-1,865	0	-63,835	0	34,101
Depreciation	-67,997	2,260	-4,308	1,321	0	49,328	-0	-19,396
Tangible fixed assets	**1,441,989**	**61**	**-10,117**	**-17,861**	**0**	**-21,396**	**0**	**1,392,676**
Operating properties	1,347,995	1,100	-30,164	-17,270	0	24,955	-0	1,326,616
Gross amounts	1,697,236	773	20,841	-29,768	0	12,580	0	1,701,662
Depreciation	-349,241	327	-51,005	12,498	0	12,375	-0	-375,046
Other tangible fixed assets	45,605	-1,049	-8,416	-591	0	7,435	0	42,984
Gross amounts	181,573	-913	4,831	-1,767	0	7,002	0	190,726
Depreciation	-135,968	-136	-13,247	1,176	0	433	0	-147,742
Fixed assets in progress	48,389	10	28,463[2]	0	0	-53,786	0	23,076
Gross amounts	48,389	10	28,463	0	0	-53,786	0	23,076
Depreciation	0	0	0	0	0	0	0	0
Investment properties	**22,625,439**	**248,020**	**613,297**	**-373,818**	**819,794**	**-843,609**	**68,097**	**23,157,221**
Operating properties	20,912,297	248,020	223,307	-373,818	714,321	-342,380	68,097	21,449,845
Investment properties under development	1,713,142	0	389,990	0	105,473	-501,229	0	1,707,376
Assets held for sale	**335,388**	**0**	**25,599**	**-361,508**	**15,486**	**886,771**	**0**	**901,736**
Assets held for sale	335,388	0	25,599	-361,508	15,486	886,771	0	901,736
of which other assets held for sale	*0*	*0*	*0*	*0*	*0*	*35,962*	*0*	*35,962*
TOTAL	**24,563,022**	**248,053**	**615,564**	**-753,731**	**835,280**	**7,258**	**68,097**	**25,583,543**

(1) The "Intangible assets" line item includes expenditure relating to the implementation of an ERP for €9.7 million. Following the signing of the agreement to sell the car park companies, the assets and car park contracts under concession were transferred to assets held for sale in the amount of €14.3 million.

(2) Work carried out on the France Offices assets (€11.1 million) and on the assets in Operating Properties (€9 million).

Fixed assets in progress also includes instalments paid on asset acquisitions in Italy Offices (€4.4 million) and France Offices (€4.9 million).

The hotels held as Operating Properties totalled €1,163.4 million at 31 December 2021. In accordance with IAS 16, they are recognised in the "Tangible fixed assets" line.

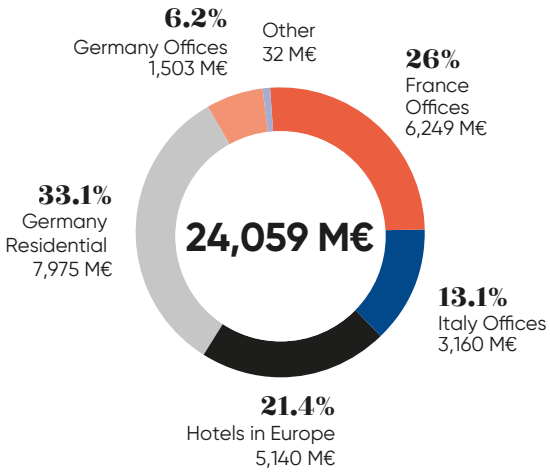
The total of the transfer column (€7.3 million) mainly corresponds to the reclassification under assets held for sale of the assets of car park companies and two France Offices companies.

The line "Disbursements related to acquisitions of property, plant and equipment and intangible assets" in the statement of cash flows (-€697.5 million) corresponds mainly to increases in the statement of portfolio movements excluding the impact of depreciation (-€702.0 million).

The "Proceeds relating to the disposal of tangible and intangible fixed assets" line in the Statement of Cash Flows (€762.2 million) primarily corresponds to income from disposals as presented in section 4.2.6.3. Income from asset disposals (+€752.4 million), and to the proceeds from the disposal of assets in inventory (+€3.5 million), restated for the change in receivables on asset disposals (-€6.7 million).

4.2.5.1.3 Investment properties and assets held for sale

Consolidated portfolio of assets at 31 December 2021 *(in €M)*



(In € thousand)	31/12/2020	Scope change	Increase	Disposal	Change in fair value	Transfers	Change in exchange rate	31/12/2021
Investment properties	**22,625,439**	**248,020**	**613,297**	**-373,818**	**819,794**	**-843,609**	**68,097**	**23,157,221**
Operating properties	20,912,297	248,020	223,307	-373,818	714,321	-342,380	68,097	21,449,845
France Offices	4,778,934	0	34,195	-101,462	-22,305	-236,158	0	4,453,204
Italy Offices	2,972,811	0	22,698	-234,735	-10,765	107,987	0	2,857,996
Hotels in Europe	5,001,696	1	35,272	-37,120	-22,556	-113,900	68,097	4,931,491
German Residential	6,830,679	248,019	111,865	-501	804,228	-100,276	0	7,894,014
Germany Offices	1,328,177	0	19,277	0	-34,281	-33	0	1,313,140
Investment properties under development	1,713,142	0	389,990	0	105,473	-501,229	0	1,707,376
France Offices	1,177,380	0	248,231	0	91,509	-347,260	0	1,169,860
Italy Offices	336,900	0	58,538	0	14,786	-176,626	0	233,598
Hotels in Europe	50,914	0	18,189	0	-15,831	0	0	53,272
German Residential	0	0	26,864	0	11,257	22,657	0	60,778
Germany Offices	147,948	0	38,168	0	3,752	0	0	189,868
Assets held for sale	**335,388**	**0**	**25,599**	**-361,508**	**15,486**	**886,771**	**0**	**901,736**
France Offices	236,960	0	25,805	-205,561	-8,830	577,125	0	625,499
Italy Offices	32,661	0	0	-31,862	-1,060	69,103	0	68,842
Hotels in Europe	50,955	0	-206	-23,995	22,093	105,940	0	154,787
German Residential	13,028	0	0	-98,902	3,283	102,669	0	20,078
Germany Offices	0	0	0	0	0	0	0	0
Other	1,784	0	0	-1,188	0	31,934	0	32,530
TOTAL	**22,960,827**	**248,020**	**638,896**	**-735,326**	**835,280**	**43,162**	**68,097**	**24,058,957**

The amounts in the "disposals" column correspond to the appraisal figures published on 31 December 2020.

4.2.5.1.4 Investment properties under development

Properties under development relate to building or redevelopment programmes that fall within the application of IAS 40 (revised).

(In € thousand)	31/12/2020	Acquisitions and works	Capitalised interest	Change in fair value	Transfers and disposals	Change in scope	31/12/2021
France Offices	**1,177,380**	**229,702**	**18,529**	**91,509**	**-347,260**	**0**	**1,169,860**
Italy Offices	**336,900**	**51,228**	**7,310**	**14,786**	**-176,626**	**0**	**233,598**
Hotels in Europe	**50,914**	**16,969**	**1,220**	**-15,831**	**0**	**0**	**53,272**
Germany Offices	**147,948**	**33,843**	**4,325**	**3,752**	**0**	**0**	**189,868**
German Residential	**0**	**26,864**	**0**	**11,257**	**22,657**	**0**	**60,778**
CONSOLIDATED TOTAL	**1,713,142**	**358,606**	**31,384**	**105,473**	**-501,229**	**0**	**1,707,376**

The "transfers and disposals" column includes the delivery of seven assets for -€696 million (four assets in France Offices and three assets in Italy Offices) and the transfer for €195 millions of seven assets supplying the pipeline with buildings under development.

The pandemic has caused a delay of around three months in the progress of work. There are no additional costs generated by the crisis other than those related to securing construction sites.

4.2.5.1.5 Expertise 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 of the ranges of unobservable inputs by business segment (level 3) used by the real estate appraisers:

France Offices, Italy Offices 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	754	2.8% -5.9%	3.1%	3.3% -6.8%	4.4%
North Eastern Paris	Level 3	428	3.9% -5.0%	5.0%	3.8% -5.3%	4.2%
Southern Paris	Level 3	738	3.2% -5.0%	4.2%	3.5% -5.3%	4.2%
Western Crescent	Level 3	1,084	3.6% -6.3%	5.3%	3.8% -6.10%	4.9%
Inner suburbs	Level 3	1,294	3.7% -6.0%	5.2%	3.8% -7.0%	4.6%
Outer suburbs	Level 3	40	6.3% -10.0%	6.5%	4.0% -9.3%	5.9%
Total Paris Regions		**4,338**	**2.8% -10.0%**		**3.3% -9.3%**	
Major Regional Cities	Level 3	683	3.8% -11.8%	4.6%	3.8% -11.5%	5.1%
Area	Level 3	53	5.0% -12.8%	5.5%	4.3% -11.0%	6.3%
Total Regions		**736**	**3.8% -12.8%**		**3.8% -11.5%**	
Development projects		1,170				
Other assets held for sale		4				
TOTAL FRANCE OFFICES		**6,249**				
Milan	Level 3	1,870	1.9% -7.8%	4.7%	4.5% -6.4%	5.2%
Rome	Level 3	175	2.9% -5.5%	5.1%	5.2% -6.9%	6.2%
Other	Level 3	882	4.5% -7.1%	5.9%	5.4% -6.9%	6.3%
Total in operation		**2,927**				
Development projects	Level 3	234			6.5% -9.0%	
TOTAL ITALY OFFICES		**3,160**				
Berlin	Level 3	45	5.2% -5.2%	5.2%	3.2% -3.2%	3.2%
Düsseldorf	Level 3	325	4.7% -4.8%	4.7%	4.0% -4.1%	4.1%
Frankfurt	Level 3	510	5.0% -6.0%	5.2%	4.4% -5.0%	4.5%
Hamburg	Level 3	303	4.4% -5.1%	4.6%	3.8% -4.4%	3.9%
Munich	Level 3	117	4.6% -6.3%	5.2%	4.1% -4.8%	4.3%
Total in operation		**1,300**	**4.4% -6.3%**	**4.9%**	**3.2% -5.0%**	**4.2%**
Development projects	Level 3	190				
Use rights	Level 3	14				
TOTAL GERMANY OFFICES		**1,503**				
Total offices		10,912				

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	658	4.0% -5.4%	4.6%	4.0% -6.4%	5.2%
Belgium	Level 3	242	5.4% -6.8%	6.2%	6.9% -8.4%	7.7%
Spain	Level 3	630	3.9% -7.8%	5.1%	5.2% -8.7%	6.3%
France	Level 3	-1,741	3.5% -6.7%	4.6%	4.3% -7.8%	5.8%
Netherlands	Level 3	157	4.7% -6.0%	5.0%	5.9% -7.8%	6.2%
United Kingdom	Level 3	785	4.0% -6.3%	4.7%	6.4% -9.5%	7.1%
Other	Level 3	562	5.5% -6.8%	5.8%	6.1% -8.0%	6.9%
Hotel Lease properties	**Level 3**	**4,776**	**3.5% -7.8%**	**4.9%**	**4.0% -9.5%**	**6.3%**
Retail	Level 3	61	5.5% -13.3%	6.7%	6.6% -16.6%	8.2%
TOTAL IN OPERATION		**4,837**				
Development projects	Level 3	53	4.5%	4.5%	5.5%	5.5%
Use rights	Level 3	249				
TOTAL HOTELS IN EUROPE		**5,140**				

German Residential

			Yield rate*			
Grouping of similar assets	Level	Portfolio (in €M)	Total portfolio	Block valued properties	Discounted cash flow rate	Average value (in €/m²)
Duisburg	Level 3	354	3.1% -4.5%	3.1% -4.5%	4.7% -6.0%	1,595
Essen	Level 3	840	2.6% -5.0%	2.6% -5.0%	4.1% -6.5%	1,956
Mülheim	Level 3	231	3.2% -4.6%	3.2% -4.6%	4.4% -5.8%	1,708
Oberhausen	Level 3	187	3.5% -5.4%	3.5% -5.4%	4.7% -6.6%	1,354
Datteln	Level 3	158	2.9% -4.5%	2.9% -4.5%	4.2% -5.8%	1,284
Berlin	Level 3	4,577	1.9% -4.5%	1.9% -4.5%	3.5% -6.1%	3,309
Düsseldorf	Level 3	219	2.2% -3.4%	2.2% -3.4%	3.7% -4.9%	2,998
Dresden	Level 3	500	2.5% -4.0%	2.5% -4.0%	3.8% -5.5%	2,423
Leipzig	Level 3	161	2.2% -4.7%	2.2% -4.7%	3.7% -5.4%	1,981
Hamburg	Level 3	594	1.7% -3.2%	1.7% -3.2%	3.4% -5.0%	3,807
Other	Level 3	154	2.7% -4.2%	2.7% -4.2%	4.2% -5.5%	2,043
TOTAL GERMAN RESIDENTIAL		**7,975**	**1.7% -5.4%**	**1.7% -5.4%**	**3.4% -6.6%**	

* Rate of return:
Yield rates: potential yield rates assumed excluding taxes (actual rents/appraisal values excluding taxes).

Impact of changes in the yield rate on changes in the fair value of real estate assets, by operating segment

(In € thousand)	Yield**	Yield rate -50 bps	Yield rate +50 bps
France Offices*	4.6%	621.3	-499.1
Italy Offices	5.3%	304.1	-251.8
Hotels in Europe*	5.3%	506.3	-418.7
German Residential	3.5%	1,333.4	-997.3
Germany Offices	3.4%	222.4	-165.7
TOTAL*	**4.4%**	**2,987.6**	**-2,332.6**

* Including assets held by equity affiliates, excl. operating property assets.

** Yield on operating portfolio – excl. duties.
The calculation of the yield rate in Hotels in Europe is based on the 2019 variable rents

- If the yield rate excluding taxes drops 50 bps (-0.5 points), the market value excluding taxes of the real estate assets will increase by €2,988 million.
- If the yield rate excluding taxes increases 50 bps (+0.5 point), the market value excluding taxes of the real estate assets will decrease by €2,333 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.

Securities available for sale of listed and non-consolidated companies are recorded at their stock-market price with an offsetting entry in shareholders' equity 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)	31/12/2020	Increase	Decrease	Change in fair value	Scope change	Transfers	Change in exchange rate	31/12/2021
Ordinary loans[1]	145,138	752	-547	0	0	-28,753	0	116,590
Current accounts	0	12,202	0	0	0	-12,202	0	0
Total loans	**145,138**	**12,954**	**-547**	**0**	**0**	**-40,955**	**0**	**116,590**
Securities at historical cost[2]	18,497	7,935	-3,309	0	0	-1,702	0	21,421
Receivables on financial assets[2]	121,775	248	-683	0	0	-112,645	0	8,695
TOTAL	**25,410**	**21,137**	**-4,539**	**0**	**0**	**-155,302**	**0**	**146,706**
Impairment[3]	-3,140	-5,811	34	0	0	0	0	-8,917
NET TOTAL	**282,270**	**15,326**	**-4,505**	**0**	**0**	**-155,302**	**0**	**137,789**

(1) Ordinary loans include receivables from equity investments in equity affiliates. The decrease for the period is mainly due to the reclassification of the loan granted to Euromed as a short-term loan (-€28.6 million).

(2) Other financial assets break down as follows:
- securities at historical cost: the change (+ €3 million) is explained by the injection of funds into "Fondo Porta Romana" in Italy Offices
- receivables on financial assets: the decrease mainly corresponds to receivables on disposals in Italy Offices (-€113 million) transferred in the short term.

(3) Including €5 million in impairment of receivables prior to 2021.

4.2.5.3 Investments in equity affiliates 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 equity affiliates and joint ventures

(In € thousand)	% ownership	Operating segment	Country	31/12/2020	31/12/2021	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	15,732	17,431	1,700	1,700	0
Lenovilla (New Velizy)	50.10%	France Offices	France	62,370	65,000	2,630	8,642	-6,012
Euromarseille (Euromed)	50.00%	France Offices	France	56,224	31,409	-24,816	261	-25,077
Cœur d'Orly (Askia and Belaïa)	50.00%	France Offices	France	25,805	30,437	4,632	6,071	-1,439
Investire Immobiliare and others		Italy Offices	Italy	13,334	38	-13,295	5	-13,300
Iris Holding France	19.90%	Hotels in Europe	Belgium, Germany	17,903	17,997	94	98	-3
OPCI IRIS Invest 2010	19.90%	Hotels in Europe	France	26,385	29,245	2,860	3,603	-743
OPCI Camp Invest	19.90%	Hotels in Europe	France	21,564	22,877	1,313	2,121	-808
Dahlia	20.00%	Hotels in Europe	France	17,618	18,470	851	851	0
Phoenix	31.15% and 33.33%	Hotels in Europe	France, Belgium	103,883	107,226	3,343	4,017	-675
TOTAL				**360,819**	**340,131**	**-20,688**	**27,370**	**-48,057**

The investments in equity affiliates at 31 December 2021 amounted to €340.1 million, compared with €360.8 million as at 31 December 2020, *i.e.* a decrease of €20.7 million.

The change for the period is mainly due to the disposal of the investment in Investire Spa SGR in Italy Offices (-€13.3 million), the distribution of dividends (-€33.3 million) and the result for the period (+€27.4 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)	SCI Factor E/SCI Orianz (Bordeaux Armagnac)
Covivio	**50.0%**	**50.0%**	**50.09%**	**34.7%**
Non-Group third parties	**50.0%**	**50.0%**	**49.91%**	**65.3%**
Crédit Agricole Assurances		50.0%	49.91%	
Aéroports de Paris	50.0%			
Icade				65.3%
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%
Crédit Agricole Assurances	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 equity affiliates and joint ventures

(In € thousand)	Asset name	Total balance sheet	Total non-current assets	Cash and cash equivalents	Total non-current liabilities excluding financial debt	Total current liabilities excluding financial debt	Financial payables	Rental income	Cost of net financial debt	Net income consolidated
Cœur d'Orly (Askia and Belaïa)	Cœur d'Orly	161,481	143,667	11,622	1,379	5,687	93,540	6,694	-761	10,703
Lenovilla (New Velizy)	New Velizy and extension	285,214	271,913	12,271	0	449	155,014	12,173	-1,427	17,250
Euromarseille (Euromed)	Euromed Center	136,689	123,616	10,165	540	7,169	139,182	5,242	-336	523
SCI Factor E and SCI Orianz	Bordeaux, Armagnac	153,618	137,988	14,724	633	5,086	97,651	6,758	-1,398	4,900
Iris Holding France	Hotels AccorHotels	223,903	200,604	22,456	19,565	3,598	110,166	4,536	-2,981	491
OPCI IRIS Invest 2010	Hotels AccorHotels	264,081	242,550	18,470	0	6,203	110,916	8,684	-2,097	18,106
OPCI Camp Invest	Campanile Hotels	192,549	173,480	16,243	0	687	76,901	11,996	-1,615	10,660
Dahlia	Hotels AccorHotels	167,856	162,994	3,597	0	1,361	74,146	3,950	-1,641	4,257
OPCI Oteli, Jouron, Kombon	Hotels AccorHotels	548,787	520,327	16,042	22,803	13,793	176,479	13,932	-2,157	12,548

4.2.5.4 Deferred tax liabilities on the reporting date

(In € thousand)	Balance sheet as at 31 December 2020	Increases: First time consolidation scope	Increases: Net income for the period	Increases: Difference in rates	Increases: Shareholder's equity	Other changes and transfers	Decreases: Net income for the period	Decreases: Shareholder's equity	Decreases: Change in exchange rate	Balance sheet at 31 December 2021
DTA										
Losses carried forward	96,954		15,520			-51	-17,574			94,849
Fair value of properties	45,390		10,359	1,642			-6,831		254	50,814
Derivatives	13,403		200			190	-5,994			7,799
Temporary differences	23,245		445			-96	-3,672	-578		19,344
	178,992									**172,806**
DTA/DTL offset	-75,294									-66,402
TOTAL DTA	**103,698**	**0**	**26,524**	**1,642**	**0**	**43**	**-34,071**	**-578**	**254**	**106,404**

(In € thousand)	Balance sheet as at 31 December 2020	Increases: First time consolidation scope	Increases: Net income for the period	Increases: Difference in rates	Increases: Shareholder's equity	Other changes and transfers	Decreases: Net income for the period	Decreases: Difference in rates	Decreases: Change in exchange rate	Balance sheet at 31 December 2021
DTL										
Fair value of properties	1,125,198		171,114	10,544		-732	-46,456		2,297	1,261,965
Derivatives	-153		1,877			190				1,914
Temporary differences	27,447		8,247			674	-12,204		-5	24,159
	1,152,492									**1,288,038**
DTA/DTL offset	-75,294									-66,402
TOTAL DTL	**1,077,198**	**0**	**181,238**	**10,544**	**0**	**132**	**-58,660**	**0**	**2,292**	**1,221,636**
NET TOTAL	**-973,500**	**0**	**-154,714**	**-8,902**	**0**	**-89**	**24,589**	**-578**	**-2,038**	**-1,115,232**
Impact on the income statement:						**-139,027**				
Of which DTA on the corporation tax line						**-1,359**				

Negative net balance = liabilities

At 31 December 2021, the consolidated deferred tax position showed a deferred tax asset of €106.4 million (*versus* €103.7 million as at 31 December 2020) and a deferred tax liability of €1,221.6 million (*versus* €1,077.2 million as at 31 December 2020).

The primary contributors to the net balance of deferred tax liabilities are:

- German Residential: €851 million
- Hotels in Europe: €237 million
- Germany Offices: €45 million
- Italy Offices: -€18 million.

The increase in net deferred tax liabilities (+€141.7 million) is mainly due to the impact of deferred taxes relating to increases in appraisal values (+€131.3 million) mainly in Germany.

The impact on 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 €1,058.2 million as detailed below:

(In € thousand)	Non-recognised DTA	Non-recognised tax loss carryforwards
France Offices	76,110	221,038
Italy Offices	20,632	103,162
Hotels in Europe	139,398	520,921
German Residential	6,695	42,306
Germany Offices	0	0
Other	58,797	170,756
TOTAL	**301,632**	**1,058,183**

4.2.5.5 Short-term loans

(In € thousand)	31/12/2020	Change in scope	Increase	Decrease	Transfers	31/12/2021
Short-term loan	13,519	0	5,733	-13,524	28,616	34,344
TOTAL	**13,519**	**0**	**5,733**	**-13,524**	**28,616**	**34,344**
Write-downs	0	0	0	0	0	0
NET TOTAL	**13,519**	**0**	**5,733**	**-13,524**	**28,616**	**34,344**

The change in short-term loans (+€20.8 million) is mainly due to the reclassification of the loan granted to Euromed as a ST loan (+ €28.6 million), the repayment of the loan granted to Lenovilla (-€4.8 million), the change in accrued interest on Swaps (-€0.9 million) and accrued interest (-€2.1 million).

4.2.5.6 Inventories and work-in-progress

4.2.5.6.1 Accounting principles applicable to inventories

Inventories are composed of two classification types: Property dealers (mainly in Italy, purchase/sale) and real estate development (housing 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)	31/12/2021 net	31/12/2020 net	Change
Real estate company trading properties	**18,625**	**22,994**	**-4,369**
Miscellaneous inventories (raw materials, goods)	**1,903**	**1,755**	**148**
France Offices	43,685	25,295	18,390
Italy Offices	732	35,573	-34,841
German Residential	145,786	157,472	-11,686
Germany Offices	1,243	6,245	-5,002
Real estate trading properties	**191,446**	**224,585**	**-33,139**
TOTAL INVENTORIES AND WORK-IN PROGRESS	**211,974**	**249,334**	**-37,360**

The balance sheet item "Inventories and work-in-progress" groups together inventories from trading activities in Italy Offices (€18 million), and assets dedicated to the real estate development business for €191.4 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.

In Italy Offices, the decrease (-€34.8 million) is related to the signing of the agreement with the tenant SNAM on the basis of which the land located in the Symbiosis area in Milan and the studies were removed from the inventory.

The decrease in inventories in German Residential (-€11.7 million) is linked to work on development assets (+€43.8 million), the disposal of development assets (-€44.7 million) and reclassification as investment property (-€11.2 million).

The decrease in inventory in Germany Offices (-€5 million) is linked to the works (+€5.8 million) and the inventory removal during the period (-€10.8 million) on the Alexanderplatz project.

4.2.5.7 Trade receivables

4.2.5.7.1 Accounting principles applicable to trade receivables and the receivables of 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 Trade receivables

(In € thousand)	31/12/2021	31/12/2020	Change
Expenses to be reinvoiced to tenants	216,066	175,477	40,589
Rent-free periods	14,934	31,018	-16,084
Trade receivables	190,282	108,195	82,087
TOTAL TRADE RECEIVABLES	**421,282**	**314,690**	**106,592**
Impairment of receivables	-48,808	-49,950	1,142
NET TOTAL TRADE RECEIVABLES	**372,474**	**264,740**	**107,734**

The increase in gross trade receivables is mainly due to receivables from the development activity in France Offices (+€47.6 million), and to rent receivables not due from hotels in the United Kingdom (+€28.8 million). On a symmetrical basis, credit notes to be established for the years 2020 and 2021 are recognised as liabilities for €51 million due to the activation of the major under-performance clause.

Impairment for trade receivables is stable. In Hotels in Europe, the impairment of receivables relates to receivables from an asset in Spain for €13.8 million and to receivables in France (retail) for €2.5 million.

The line "Change in working capital requirements on continuing operations" on the Cash Flow Statement consists of:

(In € thousand)	31/12/2021	31/12/2020
Impact of changes in inventories and work in progress	21,762	-35,795
Impact of changes in trade & other receivables	-1,821	210,247
Impact of changes in trade & other payables	13,459	-307,785
CHANGE IN WORKING CAPITAL REQUIREMENTS ON CONTINUING OPERATIONS (INCLUDING EMPLOYEE BENEFITS LIABILITIES)	**33,400**	**-133,333**

4.2.7.8 Other receivables

(In € thousand)	31/12/2021	31/12/2020	Change
Receivables from the State	93,308	101,390	-8,082
Receivables from others	73,322	58,665	14,657
Security deposits received (short-term)	114,926	7,771	107,155
Current accounts	5,790	3,375	2,415
TOTAL	**287,346**	**171,200**	**116,146**

- €93.3 million in government receivables comprise mainly VAT receivables.
- The change in receivables on disposals (€107.2 million) mainly concerns the Italy Offices (+€94.3 million) following the reclassification of receivables due in 2022.

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)	31/12/2021	31/12/2020
Cash and cash equivalents	626,318	577,180
Cash at bank	436,675	668,967
TOTAL	**1,062,993**	**1,246,147**

At 31 December 2021, 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 applicable to equity

Treasury shares

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 Statement of changes in shareholders' equity

The statement of changes in shareholders' equity and movements in the share capital are presented in note 4.1.4.

The Covivio share capital was 94,648,691 shares issued and fully paid up each with a par value of €3, *i.e.* €283.9 million at 31 December 2021. Covivio holds 360,298 treasury shares.

Changes in the number of shares during the period

Transaction	Shares issued	Treasury shares	Shares outstanding
NUMBER OF SHARES AT 31 DECEMBER 2020	**94,544,232**	**264,270**	**94,279,962**
Capital increase – delivery of free share plan	104,459		
Capital increase – dividend in shares			
Treasury shares – liquidity agreement		-5,264	
Treasury shares – employee award		101,292	
NUMBER OF SHARES AT 31 DECEMBER 2021	**94,648,691**	**360,298**	**94,288,393**

The dividend of €340 million was paid in cash and was taken from the 2020 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 (-€8.6 million).

The change in non-controlling interests (+€443.0 million) is mainly related to the distributions for the period (-€112.1 million) and the total comprehensive income for the period attributable to non-controlling interests (+€374.8 million), the capital increase of Covivio Hotels (+€135.4 million) as well as the capital increase of Covivio Alexanderplatz after partners took a stake of 45% (+€72.1 million).

The line "Amounts received from shareholders during capital increases paid by non-controlling interests" of the cash flow statement (€208.9 million) correspond mainly to the amounts received during the capital increases of Covivio Hotels and Covivio Alexanderplatz.

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".

Convertible bonds (ORNANE-type) issued by Covivio group are either (i) recognised at fair value in the income statement or (ii) recognised separately as a financial liability at amortised cost and an embedded derivative measured at fair value in the income statement.

The fair value is determined according to the closing bond price.

The Group companies hold movable and immovable assets through rental contracts (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)	31/12/2020	Increase	Decrease	Change in scope[1]	Change in exchange rate	Other changes	31/12/2021
Bank borrowing	6,853,743	431,722	-1,154,327	93,757	23,559	-224,933	6,023,521
Finance lease borrowing	11,166	1	-2,937	1	0	0	8,231
Other borrowings	193,172	108,683	-65,607	61,312	0	-17,461	280,099
Treasury bills	1,482,400	0	-24,000	0	0	0	1,458,400
Securitised loans	3,977	0	0	0	0	0	3,977
Non-convertible bonds	3,556,554	699,000	-186,553	0	0	0	4,069,001
Convertible bonds[2]	200,000	0	-200,000	0	0	0	0
Subtotal Interest-bearing loans	**12,301,012**	**1,239,406**	**-1,633,424**	**155,070**	**23,559**	**-242,394[3]**	**11,843,229**
Accrued interest	48,272	55,823	-64,024	10,335	0	-625	49,781
Deferral of loan expenses	-65,746	17,686	-10,650	0	110	-2,198	-60,798
Creditor banks	12,567	0	0	2	0	-11,626	943
Total borrowings (LT/ST) excl. fair value of ORNANE-type bonds	**12,296,105**	**1,312,915**	**-1,708,098**	**165,407**	**23,669**	**-256,843**	**11,833,155**
of which Long-term	**10,459,091**						**10,057,558**
of which Short-term	**1,837,014**						**1,775,597**
Valuation of financial instruments	329,541	0	0	0	0	-193,247	136,294
Convertible bond derivatives	89	0	0	0	0	-89	0
Total derivatives	**329,630**	**0**	**0**	**0**	**0**	**-193,336**	**136,294**
of which Assets	**-99,379**						**-64,479**
of which Liabilities	**429,008**						**200,773**
TOTAL BANK DEBT	**12,625,734**	**1,312,915**	**-1,708,098**	**165,407**	**23,669**	**-450,179**	**11,969,449**

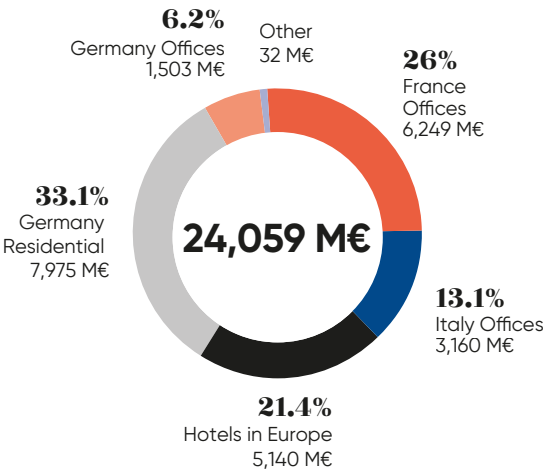
(1) The change in scope column includes the debt of €155.1 million related to the acquisition of a portfolio of assets in Berlin in Germany Residential.

(2) Details of convertible bonds are presented in section 4.2.5.11.4 – Convertible bonds.

(3) The other changes column includes the transfer to liabilities held for sale of the borrowings of the two companies transferable in France Offices.

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 2021 *(in €M)*



Net financial debt at 31 December 2021 – (In € thousand)

	31/12/2021	31/12/2020
Gross cash (a)	1,062,993	1,246,147
Debit balances and bank overdrafts from continuing operations (b)	-943	-12,567
Net cash and cash equivalents (c) = (a)-(b)	**1,062,050**	**1,233,580**
Of which available net cash and cash equivalents	***1,060,791***	***1,232,472***
Of which unavailable net cash and cash equivalents	***1,259***	***1,108***
Gross debt (d)	11,893,010	12,349,284
Amortisation of financing costs (e)	-60,798	-65,746
Net debt (d)-(c)+(e)	**10,770,162**	**11,049,957**

The line "Receipts related to new borrowings" of the cash flow statement (+€1,259.3 million) mainly corresponds to:

- increases in interest-bearing loans (+ €1,239.4 million), less bond premiums (-€2.7 million)
- increases in rental liabilities (+€33.2 million)
- less new loan issue costs (-€10.6 million).

The "Repayments of borrowings" line item of the Statement of Cash Flows (-€1,651.4 million) corresponds mainly to decreases in interest-bearing borrowings (-€1,633.4 million) and reductions in rental liabilities (-€17.8 million).

4.2.5.11.3 Bank borrowing

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 <€100 million)	Debt	Appraisal values at 31/12/2021[1]	Outstanding debt at 31/12/2021	Date of signature	Nominal Initial	Maturity
France Offices		€280 M and €145 M – Tour CB 21 and Carre Suffren		389,800	29/07/15 and 01/12/15	280,000 and 145,000	29/07/25 and 30/11/23
		€300 M – Orange		300,000	18/02/16	300,000	30/06/28
		€167.5 M - DS Campus		163,763	**25/02/21**	**165,000**	**23/02/29**
	> €100 M		**2,293,011**	**853,563**			
	< €100 M		**415,310**	**169,267**			
		Total France Offices	**2,708,321**	**1,022,830**			
Italy Offices		€804 M - Central		455,752	15/09/16	652,732	14/09/24
	> €100 M	**Total Italy Offices**	**1,205,724**	**455,752**			
Hotels in Europe		€279 M – Roca		175,333	29/03/17	277,188	29/03/25
		€290 M – OPCI B2 HI (B&B)		123,323	10/05/17	290,000	10/05/24
		£400 M – Rocky		474,040	24/07/18	475,145	24/07/26
		€178 M – ParkInn Alexanderplatz Berlin		176,131	30/12/19	178,000	30/12/29
	> €100 M		**1,863,737**	**948,827**			
	< €100 M		**1,401,387**	**521,112**			
		Total Hotels Europe	**3,265,124**	**1,469,939**			
German Residential		Cornerstone		146,629	01/10/14	136,737	30/06/25
		Refinancing Wohnbau/ Dümpten/Aurélia/Duomo		168,482	20/01/15	370,000	30/01/25
		Quadriga		149,504	16/06/15	197,983	31/03/26
		Refinancing Amadeus/ Herbstlaub/Valore/ Valartis/Sunflower		140,482	28/10/15	147,095	30/04/26
		Lego		150,289	24/06/16	195,003	30/09/24
		Refinancing KG2		103,700	26/01/17	140,000	29/01/27
		Refinancing Indigo, Prime		252,688	09/07/19	229,221	30/09/29
		Refinancing KG1		121,664	20/09/19	125,000	30/09/29
		Refinancing KG4		241,979	30/03/20	248,130	29/03/30
		Refinancing KG Residential		127,400	30/11/20	130,000	15/10/30
		Refinancing Arielle/Dresden/Maria		148,074	**21/05/21**	**129,483**	**15/05/31**
	> €100 M		**5,002,457**	**1,750,891**			
	< €100 M		**2,662,508**	**1,008,637**			
		Total German Residential	**7,664,965**	**2,759,528**			
Germany Offices	**> €100 M**	Godewind-Frankfurt Airport Center	254,300	130,000	17/12/19	130,000	30/12/25
	< €100 M		995,939	374,350			
		Total Germany Offices	**1,250,239**	**504,350**			
Total collateral			**16,094,373**	**6,212,399**			

(In € thousand)	Outstanding debt (> or <€100 million)	Debt	Appraisal values at 31/12/2021[1]	Outstanding debt at 31/12/2021	Date of signature	Nominal Initial	Maturity
France Offices		Treasury bills		1,458,400			
		€500 M – Green bond		500,000	20/05/16	500,000	20/05/26
		€500 M – Bond		595,000	21/06/17	500,000	21/06/27
		€500 M – Green bond		500,000	17/09/19	500,000	17/09/31
		€500 M – Bond		500,000	23/06/20	500,000	23/06/30
		€100 M – Green PP		100,000	**20/01/21**	**100,000**	**20/01/33**
		Italy Offices reallocation		-289,287			
	> €100 M			**3,364,113**			
		Total France Offices	**3,849,563**	**3,364,113**			
Italy Offices		€250 M – Bond		125,000	30/03/15	125,000	30/03/22
		€300 M – Bond		300,000	17/10/17	300,000	17/10/24
		€300 M – Bond		300,000	20/02/18	300,000	20/02/28
		France Offices reallocation		289,287			
	> €100 M		**2,039,088**	**1,014,287**			
	< €100 M			**3,977**			
		Total Italy Offices	**2,039,088**	**1,018,264**			
Hotels in Europe		€200 M – Private investment		200,000	29/05/15	200,000	29/05/23
		€350 M – Edinburgh		350,000	24/09/18	350,000	24/09/25
		€599 M – Bond		599,000	**27/07/21**	**599,000**	**27/07/29**
	> €100 M			**1,149,000**			
	< €100 M			**44,331**			
		Total Hotels Europe	**2,851,147**	**1,193,331**			
German Residential	**< €100 M**	**Total German Residential**	**347,733**				
Germany Offices	**< €100 M**	**Total Germany Offices**	**239,187**				
Other	**< €100 M**	France Residential	596	0			
		Car parks	39,575	0			
		Total Other	**40,171**	**0**			
Total unencumbered			**9,366,888**	**5,575,708**			
		Other liabilities		280,055			
France Offices		Transfer to assets and liabilities held for sale	4,028	-224,933			
Other		Transfer to assets and liabilities held for sale	31,934				
TOTAL			**25,497,223**	**11,843,229**			

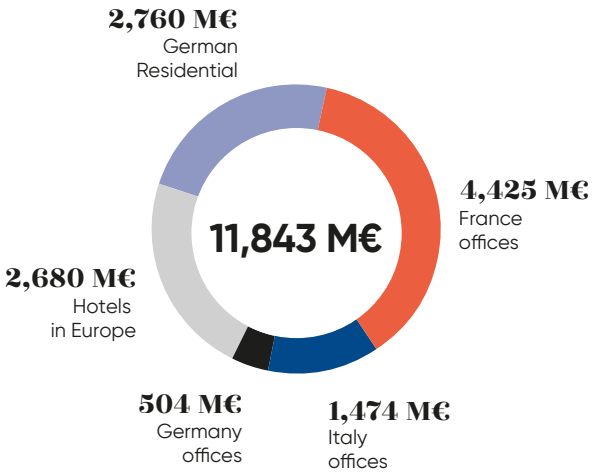
(1) The portfolio includes the fair value of assets operated directly by the company (head office, Flex Office) but does not include real estate inventories (trading, development) and the share of fair value of assets consolidated under the equity method.

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 31/12/2021	Delivery date 1 year	Balance at 31 December 2022	Maturity from 2 to 5 years	Outstandings at 31/12/2026 (more than 5 years)
Fixed-rate financial liabilities	**6,309,644**	**192,111**	**6,117,533**	**2,571,247**	**3,546,286**
France Offices – Bank borrowings	149,647	1,004	148,643	4,016	144,627
France Offices – Other	263,294	0	263,294	159,263	104,031
Germany Offices – Bank borrowings	504,350	600	503,750	503,750	0
Hotels in Europe – Bank borrowings	139,449	1,321	138,128	58,239	79,889
Hotels in Europe – Other	16,761	608	16,153	16,153	0
German Residential – Bank borrowings	1,163,119	59,598	1,103,521	479,818	623,703
German Residential – Other	47	2	45	9	36
Total borrowings and convertible bonds	**2,236,667**	**63,134**	**2,173,533**	**1,221,247**	**952,286**
France Offices – Bonds	1,905,713	0	1,905,713	500,000	1,405,713
Italy Offices – Bonds	1,014,287	125,000	889,287	300,000	589,287
Italy Offices – Securitisation	3,977	3,977	0	0	0
Hotels in Europe – Bonds	1,149,000	0	1,149,000	550,000	599,000
Total debts represented by securities	**4,072,977**	**128,977**	**3,944,000**	**1,350,000**	**2,594,000**
Floating-rate financial liabilities	**5,533,585**	**1,543,727**	**3,989,858**	**2,499,892**	**1,489,966**
France Offices – Bank borrowings	648,250	3,446	644,804	253,284	391,520
Italy Offices – Bank borrowings	455,752	9,661	446,091	446,091	0
Germany Offices – Other	0	0	0		0
Hotels in Europe – Bank borrowings	1,374,820	23,024	1,351,796	1,009,690	342,106
German Residential – Bank borrowings	1,596,363	49,196	1,547,167	790,827	756,340
Total borrowings and convertible bonds	**4,075,185**	**85,327**	**3,989,858**	**2,499,892**	**1,489,966**
France Offices – Treasury bills	1,458,400	1,458,400	0	0	0
Total debts represented by securities	**1,458,400**	**1,458,400**	**0**	**0**	**0**
TOTAL	**11,843,229**	**1,735,838**	**10,107,391**	**5,071,140**	**5,036,252**

Debt by operating segment as at 31 December 2021 (in €M)



4.2.5.11.4 Convertible bonds

Italy Offices:

The ORNANE is a hybrid instrument and is recognised as a Host contract (debt at amortised cost) and as an embedded derivative (financial instrument at fair value through the income statement).

In February 2021, the ORNANE maturing in 2021 from Covivio in Italy was repaid.

4.2.5.11.5 Derivatives

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)	31/12/2020 Net	Change in scope and reclassification of liabilities held for sale	Premiums – Restructuring balances	Impact on P&L	Impact on shareholders' equity	31/12/2021 Net
France Offices	-139,770	1,824	44,928	34,973		-58,045
Italy Offices	-27,569		8,557	3,312	6,866	-8,834
Germany Offices	-2,363		930	2,054		621
ORNANE-type bonds Italy Offices	-89			89		
Hotels in Europe	-106,150		8,134	69,642	-21,942	-50,317
German Residential	-53,688		1,426	32,543		-19,719
TOTAL	**-329,629**	**1,824**	**63,974**	**142,614**	**-15,076**	**-136,294**
				Of which	**Cash instruments – Liabilities**	**-200,773**
					Cash instruments – Assets	**64,479**

The total impact of the value adjustments on the derivatives on the income statement was +€142.6 million.

It mainly consists of changes in the value of derivatives (+€142.5 million). In accordance with IFRS 13, the fair values include the counterparty default risk (€0.9 million).

The impact on equity of -€21.9 million on the Hotels in Europe line corresponds to the change in the exchange rate of Cross Currency Swaps used to hedge the net investments in the United Kingdom.

The "Unrealised gains and losses relating to changes in fair value" line item in the Statement of Cash Flows (-€977.9 million), which makes it possible to calculate cash flows from operating activities, mainly incorporates the impact of changes in the value of cash instruments and the ORNANE (-€142.6 million), and the change in the value of the portfolio (-€835.3 million).

Breakdown of hedging instruments by maturity of notional values

(In € thousand)	At 31/12/2021	At less than one year	From 1 to 5 years	At more than 5 years
Fixed hedge				
Fixed rate payer swap	5,669,061	-218,314	2,109,284	3,778,091
Fixed rate receiver swap	2,718,344	0	2,108,344	610,000
Total swap	**2,950,717**	**-218,314**	**940**	**3,168,091**
Optional hedge				
Fixed pay swaption purchase	0	0	0	0
Fixed borrower swaption sale	200,000	0	0	200,000
Cap purchase	564,321	135,474	428,847	0
Floor purchase	151,794	732	123,062	28,000
Floor sale	43,000	0	43,000	0
TOTAL	**9,346,520**	**-82,108**	**4,812,537**	**4,616,091**

Hedge balance as at 31 December 2021

(In € thousand)	Fixed rate	Floating rate
Borrowings and financial debt (including creditor banks)	6,309,644	5,534,528
NET FINANCIAL LIABILITIES BEFORE HEDGING	**6,309,644**	**5,534,528**
Fixed hedge – Swaps		-2,950,717
Optional hedge – Caps		-564,321
Total hedges		**-3,515,038**
NET FINANCIAL LIABILITIES AFTER HEDGING	**6,309,644**	**2,019,490**

4.2.5.11.6 Rental liabilities

The balance of rental liabilities as at 31 December 2021 stood at €306.2 million, up from €297.6 million at 31 December 2020, an increase of €8.6 million. Exchange rate fluctuations related to long-term leases in the United Kingdom amounted to +€10.8 million. The extension of the probable duration of use of an asset in Italy was revised during the 2021 fiscal year to align with a lease term equal to that of the contract with the tenant, which generated an increase in the rental liability of €23.4 million. The early exit of the lease on a car park generated a decrease in rental liabilities of €4.8 million over the period. The rental liabilities of the Car parks activity were transferred to liabilities held for sale in accordance with IFRS 5 for €12.7 million.

At 31 December 2021, the interest expense relating to these rental liabilities was €14.8 million.

Breakdown of rental liabilities by maturity

(In € thousand)	At 31/12/2021	At less than one year	From 1 to 5 years	From 5 to 25 years	At more than 25 years
Lease liabilities on the balance sheet	306,223				
Lease liabilities held for sale	12,708				
RENTAL LIABILITIES	**318,931**	**14,250**	**33,343**	**58,450**	**212,888**

4.2.5.1.7 Banking 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 2021.

The most restrictive consolidated ICR covenants amounted to 200% for Covivio and Covivio Hotels at 31 December 2021.

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 2021, as they stood at 42.2% for Group Share LTV, 672% for Group Share ICR, and 4.8% 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
€130 M (2019) – REF I	Covivio Hotels	Hotels in Europe	≤ 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

Consolidated ICR	Company	Scope	Covenant	Ratio
€300 M (2016) – Orange	Covivio	France Offices	≥ 200%	in compliance
€130 M (2019) – REF I	Covivio Hotels	Hotels in Europe	> 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

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 applicable to provisions for contingencies and losses

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 Provisions

(In € thousand)	31/12/2020	Scope change	Charges	Reclustering	Change in actuarial gains and losses	Reversal of provision		31/12/2021
						Used	Unused	
Other provisions for litigation	2,883	0	641	-81		-125	-160	3,158
Provisions for guarantees	0	0	0				0	0
Provisions for taxes	26,472	0	1,352	-17,718		-305	-4	9,797
Provisions for renovating sites	2,616	0	0	-50		-1,189	0	1,377
Other provisions	3,017	0	311	-32		-1,463	-686	1,147
Provisions sub-total – current liabilities	**34,988**	**0**	**2,304**	**-17,881**	**0**	**-3,082**	**-850**	**15,479**
Provisions for retirement benefit	55,786	-1	941	0	-2,761	-2,186	-25	51,754
Provisions for long-service awards	1,680	0	10			98	-9	1,583
Sub-total Provisions - non-current liabilities	**57,466**	**-1**	**951**	**0**	**-2,761**	**-2,284**	**-34**	**53,337**
TOTAL PROVISIONS	**92,454**	**-1**	**3,255**	**-17,881**	**-2,761**	**-5,366**	**-884**	**68,816**

The provisions for litigation are broken down into €2.2 million for France Offices, €0.3 million for Italy Offices, and €0.6 million for Hotels in Europe.

Provisions for taxes concern Hotels in Europe for €8.9 million, Italy Offices for €0.7 million and Germany Offices for €0.2 million.

The provision for retirement indemnities totalled €51.8 million as at 31 December 2021 (of which €48 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: 0.501% (TEC 10 n +50 bps).

The main actuarial assumptions used to estimate the commitments in Germany were as follows:

Assumptions used in calculating provisions for retirement benefit obligations in Germany	German Residential		Germany Offices	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Discount rate	1.10%	0.85%	0.85%	0.45%
Annual wage growth	2.5%	2.5%	1.50%	1.25%
Rate of social security charges	1%/ 2%	1% / 2%		
Impact of provisions for retirement benefits on the income statement (in €k)				
Cost of services rendered during the year	-628	-613	0	0
Financial cost	-433	-501	-2	-1
Effects of plan reductions/settlements	0	0	0	0
TOTAL IMPACT ON THE INCOME STATEMENT	**-1,061**	**-1,114**	**-2**	**-1**

4.2.5.13 Other short-term liabilities

(In € thousand)	31/12/2021	31/12/2020	Change
Social debt	35,232	36,687	-1,455
Tax payables	45,487	25,391	20,096
Exit tax < 1 year	2,217	0	2,217
Current accounts – liabilities	5,430	335	5,095
Dividends to be paid	27	27	0
Other liabilities	30,861	48,832	-17,971
TOTAL	**119,254**	**111,272**	**7,982**

The change in tax liabilities is mainly in France Offices +€13.8 million and in Italy Offices +€8.2 million (€7.9 million in exit tax following the tax revaluation of assets).

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)	31/12/2021 Net	At amortised cost	At fair value through shareholders' equity	At fair value through the income statement	Fair value
Assets at amortised cost	Non-current financial Assets	19,997	19,997			19,997
Loans and receivables	Non-current financial Assets	117,792	117,792			117,792
	Total non-current financial Assets	**137,789**	**137,789**			**137,789**
Loans and receivables	Trade receivables[1]	357,540	357,540			357,540
Assets at fair value through profit or loss	Derivatives at fair value through profit or loss	64,479			64,479	64,479
Assets at fair value through profit or loss	Cash and cash equivalents	626,318			626,318	626,318
TOTAL FINANCIAL ASSETS		**1,186,126**	**495,329**	**0**	**690,797**	**1,186,126**
Liabilities at amortised cost	Financial payables	11,843,229	11,843,229			11,899,996[2]
Liabilities at fair value through profit or loss	Financial instruments (excluding ORNANE)	200,773		4,591	196,182	200,773
Liabilities at amortised cost	Security deposits	30,731	30,731			30,731
Liabilities at amortised cost	Trade payables	227,601	227,601			227,601
TOTAL FINANCIAL LIABILITIES		**12,302,334**	**12,101,561**	**4,591**	**196,182**	**12,359,101**

(1) Excluding deductible.

(2) The difference between the net book value and the fair value of the fixed rate debt is €56,767 thousand.

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
Derivatives at fair value through profit or loss		64,479		64,479
Cash and cash equivalents		626,318		626,318
Total financial Assets	**0**	**690,797**	**0**	**690,797**
Derivatives at fair value through profit or loss		200,773		200,773
Total financial Liabilities	**0**	**200,773**	**0**	**200,773**

4.2.6 Notes to the statement of net income

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 Germany 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

Rents remained stable at €866.3 million at 31 December 2021 compared to €866.8 million at 31 December 2020.

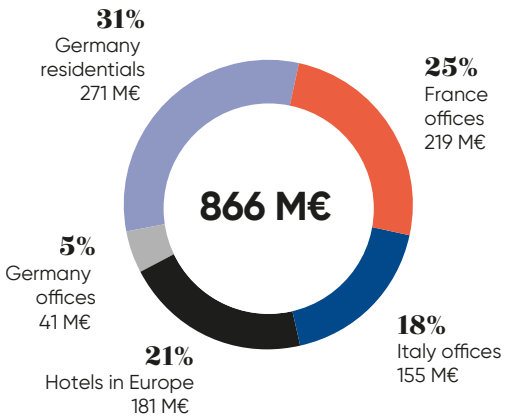
(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change in %
France Offices	218,699	237,300	-18,601	-7.8%
Italy Offices	155,180	172,007	-16,827	-9.8%
Germany Offices	40,582	49,784	-9,202	-18.5%
Total Offices rental income	**414,461**	**459,091**	**-44,630**	**-9.7%**
Hotels in Europe	180,871	151,295	29,576	19.5%
German Residential	270,943	256,046	14,897	5.8%
Other (including French Residential)	32	403	-371	-92.1%
Total rental income	**866,307**	**866,835**	**-528**	**-0.1%**

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 (-€18.6 million, -7.8%), mainly due to the impact of asset disposals (-€13.9 million) and vacancies (€11.4 million) fuelling the development pipeline, partially offset by the delivery of assets under development in 2020 and 2021 (+€12.6 million)
- a decrease in rents for Italy Offices (-16.8 million, -9.8%), mainly due to disposals (-€21.1 million)
- a decrease in rents for Germany Offices (-€9.2 million, *i.e.* -18.5%), mainly due to the recognition in 2020 of an indemnity of €7 million following the cancellation of the lease by a tenant
- an increase in rents from Hotels in Europe (+€29.6 million, *i.e.* +19.5%), mainly due to the impact of the recovery in activity in the second half of the year on variable rents and by acquisitions completed at the end of 2020. As a reminder, as of 31 December 2020, 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 Germany Residential (+€14.9 million, +5.8%) following acquisitions (+€6.4 million) and re-letting/indexation (+€8.2 million), mitigated by disposals (-€5.9 million); note the cancellation of the law on rent caps in Berlin, which generated an impact of +€7.0 million on rental income.

Rental income for 2021 by Operating segment (in €M)



4.2.6.2.2 Property costs

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change in %
Rental income	866,307	866,836	-529	-0.1%
Rebillable expenses	-143,818	-142,623	-1,195	0.8%
Income from rebilling of expenses	143,818	142,623	1,195	0.8%
Unrecovered property operating costs	-41,059	36,489	-4,570	12.5%
Expenses on properties	-31,943	-29,389	-2,555	8.7%
Net losses on unrecoverable receivables	-14,020	-24,882	10,862	n.a.
NET RENTAL INCOME	**779,285**	**776,076**	**3,209**	**0.4%**
Rate for property expenses	**-10.0%**	**-10.5%**		

- 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 bad debt expenses: These consist of losses on bad debts (including €10.9 million in Hotels in Europe for the 2021 fiscal year) and net provisions on doubtful receivables. Fiscal year 2020 is impacted by impairments on doubtful receivables related to the Covid-19 crisis for an amount of -€3.5 million in Italy Offices, -€14.1 million in Hotels in Europe and -€2.1 million in German Residential.

4.2.6.2.3 EBITDA from Hotel Operating activity and Flex Office and Income from other activities

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change in %
Revenues from Hotel Operating activity and Flex Office	124,083	102,090	21,993	21.5%
Operating expenses of Hotel Operating activity and Flex Office	-93,996	-88,441	-5,555	6.3%
EBITDA FROM HOTEL OPERATING ACTIVITY AND FLEX OFFICE	**30,087**	**13,649**	**16,438**	
Income from other activities	56,011	49,303	6,708	13.6%
Expenses of other activities	-27,170	-22,867	-4,303	18.8%
INCOME FROM OTHER ACTIVITIES	**28,841**	**26,436**	**2,405**	**9.1%**
TOTAL INCOME FROM OTHER ACTIVITIES	**58,928**	**40,085**	**18,843**	**47.0%**

- EBITDA from Hotel Operating activity and Flex Office consists of the EBITDA of the hotels under operation (€21.9 million *versus* €7.9 million as at 31 December 2020) and the income from Flex Office (€8.2 million *versus* €5.7 million as at 31 December 2020).

  The increase in EBITDA of hotels under management of +€14.0 million is linked to the recovery in activity during the second half of the year, particularly during the summer period. Government aid received (€16.8 million) made up for the low level of activity during the 1st half of 2021.

  Flex Office's results increased by €2.5 million, mainly due to the opening of a site in Milan, Italy in 2020 (+€1.7 million).

- Income from other activities includes income from property development in Germany (€17.6 million), Italy (€3.3 million) and France (€2.2 million). The results of the Car parks activity (€5.2 million) were slightly down (-€0.3 million) compared to 31 December 2020 following the recognition of an exceptional depreciation of fixed assets related to the early termination of the lease on a car park.

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)	31/12/2021	31/12/2020	Change (in €k)	Change in %
Management and administration income	14,072	15,691	-1,619	-10.3%
Business expenses	-5,442	-6,678	1,236	-18.5%
Overheads	-122,861	-125,522	2,661	-2.1%
TOTAL NET OPERATING COSTS	**-114,231**	**-116,509**	**2,278**	**-2.0%**

The decrease in management and administration revenues of -€1.6 million is mainly due to the sale in 2020 of Revalo, whose business was real estate management on behalf of third parties.

Overheads include staff costs, which are described in a specific analysis under section 4.2.7.1.1.

4.2.6.2.5 Depreciation of operating assets and net change in provisions and other

(In € thousand)	31/12/2021	31/12/2020	Change *(in €K)*
Depreciation of operating assets	-75,171	-67,324	-7,847
Net change in provision and other	16,995	4,388	12,607

Depreciation and amortisation of operating assets amounted to -€75.2 million at 31 December 2021, compared with -€67.3 million at 31 December 2020. This increase of -€7.8 million is mainly due to the impact of the scrapping of fixed assets following the restructuring of a Flex Office building delivered in 2021.

The Net change in provisions and other item includes the rebilling of long-term leases conferring ad rem rights to tenants (€12.4 million as at 31 December 2021 *versus* €2.7 million as at 31 December 2020) when the rental expense is restated. Indeed, in order not to distort the property expense ratio and following the cancellation of the rental expense in accordance with IFRS 16, the income from rebilling to tenants is presented as a net change in provisions and others.

As a reminder, as of 31 December 2020, no reinvoicing of long-term leases on assets in the United Kingdom had been recognised due to the activation of the major under-performance clause.

The line "Net depreciation, amortisation and provisions" of the cash flow statement of €92.2 million mainly includes €75.2 million in depreciation and amortisation of operating assets and €17.9 million in goodwill impairment on a portfolio of assets operated as operating properties.

4.2.6.3 Income from asset disposals

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change in %
Proceeds from asset disposals[1]	752,421	720,136	32,285	4.5%
Disposal values of assets sold[2]	-747,775	-721,355	-26,420	3.7%
INCOME FROM ASSET DISPOSALS	**4,646**	**-1,219**	**5,865**	

(1) Sale price net of disposal costs.
(2) Corresponds to the appraisal values published at 31 December 2020.

Income from asset disposals by business segment is shown in section 4.2.8.9.

4.2.6.4 Change in the fair value of assets

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)
France Offices	60,374	97,444	-37,070
Italy Offices	2,961	-45,610	48,571
Hotels in Europe	-16,294	-327,627	311,333
German Residential	818,768	413,707	405,061
Germany Offices	-30,529	-9,700	-20,829
Other (including French Residential)	0	-25	25
TOTAL CHANGE IN FAIR VALUE OF PROPERTIES	**835,280**	**128,189**	**707,091**

The €835.3 million positive change in the fair value of properties mainly relates to the German Residential portfolio for +€818.8 million (essentially assets located in Berlin).

4.2.6.5 Income from disposal of securities

In Germany Residential, Covivio sold the 5.1% stake it held in Solis for a disposal gain of €1.4 million.

Costs on the disposal of securities were recognized for €1.2 million in France Offices, as well as a price adjustment on the disposal of an asset for €1.2 million in Hotels in Europe.

4.2.6.6 Income from changes in scope & other

The results of changes in the scope of consolidation correspond mainly to the impairment of goodwill on a portfolio of assets operated in operating properties for -€17.9 million. They also record the acquisition costs of consolidated equity investments, which, in accordance with IFRS 3 "Business combinations", must be recognised as expenses for the fiscal year for -€5.4 million.

The line "Impact of changes in the scope of consolidation related to investment activities" (§ 39 of IAS 7) of -€74.0 million corresponds mainly to the acquisition of companies in Germany Residential for -€85.2 million and to the additional acquisition of shares in Covivio Office (formerly Godewind Immobilien) following a squeeze-out procedure for -€1.6 million, offset by the sale of shares in Investire Spa SGR in Italy Offices (+€13.3 million).

4.2.6.7 Cost of the net financial debt

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change in %
Interest income on cash transactions	11,080	8,270	2,809	34.0%
Interest expense on financing operations	-131,306	-136,397	5,091	-3.7%
Regular amortisations of loan issue costs	-13,634	-14,271	637	-4.5%
Net expenses on hedges	-33,105	-29,975	-3,130	10.4%
COST OF NET DEBT	**-166,965**	**-172,373**	**5,408**	**-3.1%**
Average annual rate of debt	**1.20%**	**1.29%**		

Excluding penalties and fixed-rate debt repurchase costs (€6.9 million at 31 December 2021 *versus* €13.1 million at 31 December 2020), the cost of debt remained stable.

4.2.6.8 Net financial income

(In € thousand)	31/12/2021	31/12/2020	Change (in €k)	Change (in %)
Cost of net financial debt	**-166,965**	**-172,373**	**5,408**	**-3.1%**
Interest cost for rental liabilities	**-14,795**	**-14,030**	**-765**	**5.5%**
Change in the fair value of financial instruments	142,525	-118,839	261,363	
Changes in the fair value of ORNANE-type bonds	89	3,348	-3,259	
Changes in the fair value of financial instruments	**142,614**	**-115,491**	**258,104**	
Net financial expenses from discounting	0	-353	353	
Foreign exchange gains and losses	-708	264	-972	
Discounting and foreign exchange gains or losses	**-708**	**-89**	**-619**	
Exceptional amortisation of loan issue costs	-4,052	-1,141	-2,911	
Other	-53	-29	-24	
Exceptional amortisation of loan issue costs	**-4,105**	**-1,170**	**-2,935**	
TOTAL FINANCIAL INCOME	**-43,959**	**-303,152**	**259,193**	**-85.5%**

The rise in interest rates impacted the fair value of financial instruments by +€142.6 million. As a result, the financial income was a net expense of -€44.0 million at 31 December 2021, compared with -€303.2 million at 31 December 2020.

The line "Cost of net financial debt and interest expenses on rental liabilities" of the TFT of €168.8 million corresponds to the cost of net financial debt for €167.0 million restated for the amortisation of loan issue expenses for +€13.6 million, interest expense on rental liabilities for €14.8 million and foreign exchange gains and losses for -€0.7 million.

4.2.6.9 Taxes payable and deferred tax liabilities

4.2.6.9.1 Accounting principles applicable to current and deferred taxes

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 assets
- 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 asset 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 2021, 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 year-end. 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. This option resulted in a "substitutive tax" of 3%, payable in three instalments until 2023.

As of 31 December 2021, the corresponding debt is present in the balance sheet for €8 million.

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	-4,029	387	-3,642	25.83%(1)
Italy	-8,067	39,424	31,357	20.00%(2)
Germany	-15,950	-159,570	-175,520	15.83%(3)
Belgium	-568	615	47	25.00%(4)
Luxembourg	-585	-7,548	-8,133	24.94%
United Kingdom	49	-7,081	-7,032	25.00%(5)
Netherlands	-1,092	-3,898	-4,990	25.00%(6)
Portugal	-393	-561	-954	22.50%
Spain	0	1,291	1,291	25.00%
Ireland	0	178	178	33.00%(7)
Poland	0	-75	-75	9.00%
Hungary	-74	-678	-752	9.00%
Czech Republic	-641	-151	-792	19.00%
TOTAL	**-31,350**	**-137,668**	**-169,018**	

(-) corresponds to a tax expense; (+) corresponds to tax income.

(1) In France, the tax rate for the 2021 financial year is 27.4%. The tax rate will be 25.83% from fiscal year 2022.

(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 business line, tax rates vary between 30.18% and 32.28%.

(4) In Belgium, the tax rate for the 2021 financial year is 25%.

(5) In the United Kingdom, the tax rate used for the 2021 financial year is 25%, compared to 19% in 2020.

(6) In the Netherlands, the rate for the 2021 financial year is 25%.

(7) In Ireland, the tax rate for the 2021 financial year is 12.5% for operating activities, 25% for holding companies and 33% for capital gains on disposals.

Taxes payable on disposals amounted to €7.5 million, mainly in German Residential. Taxes payable in Italy Offices relate to the payment of a "substitutive tax" of 3% for the tax revaluation of certain real estate assets (€7.9 million). In France Offices, the taxes payable are mainly related to the taxable results of the development activity for €3.9 million.

Impact of deferred taxes on income

(In € thousand)	31/12/2021	31/12/2020	Change
Italy Offices	37,059	-11,344	48,403
Germany Offices	7,623	-3,950	11,573
Hotels in Europe	-26,452	59,557	-86,010
German Residential	-155,918	-70,131	-85,787
Other	20	82	-62
TOTAL	**-137,668**	**-25,786**	**-111,883**

In Italy Offices, the deferred tax income is related to the cancellation of deferred tax liabilities following the payment of the "substitutive tax" of 3% for tax revaluation of certain real estate assets, in the amount of €52.4 million.

In Germany Offices, the deferred tax income is mainly related to the activation of deferred tax assets on tax loss carry forwards.

The deferred tax expense of Hotels in Europe is related, on the one hand, to the cancellation of deferred tax assets and the increase in the tax rate on the portfolio in the United Kingdom for -€9.1 million and secondly, a reversal of the deferred tax assets on tax loss carryforwards recognised in 2020 in Operating properties for -€10.9 million.

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	31/12/2021
Net income before tax, before income of equity affiliates	443,800	-48,043	1,039,918	1,435,675
Income tax expense recorded	26,660	236	-195,914	-169,018

The effective tax income recognised in the SIIC/SOCIMI tax segment includes deferred tax income of €34.2 million on Italy.

(In € thousand)		31/12/2021
Net Income before tax		**1,463,045**
Share of income from equity affiliates		-27,370
Net income before tax, before income of equity affiliates		**1,435,675**
of which SIIC/SOCIMI companies		443,800
of which companies subject to tax		991,875
Theoretical tax rate of 27.3745%	**(a)**	**-271,522**
Impact of rate differentials		121,794
Impact of tax credits and fixed tax rates		-681
Impact of permanent differences		-14,417
Changed to prior year losses without DTA		-1,293
Tax deficits without DTA		-8,232
Total tax impacts for the period	**(b)**	**97,172**
Impact of tax audits and taxes on prior years	(c)	-21,328
Income tax expense recorded	**(a)+(b)+(c)**	**-195,678**
OVERALL EFFECTIVE TAX RATE		**19.73%**

4.2.7 Other information

4.2.7.1 Personnel remuneration and benefits

4.2.7.1.1 Staff costs

At 31 December 2021, personnel expenses amounted to €140.6 million (compared with €137.8 million at 31 December 2020), breaking down as follows:

(In € thousand)	31/12/2021	31/12/2020
EBITDA from Hotel Operating activity and Flex Office	-34,551	-31,885
Overheads[1]	-79,014	-80,507
Income from asset disposals	-3,011	-3,090
TOTAL PERSONNEL EXPENSES IN THE STATEMENT OF NET INCOME	**-116,576**	**-115,482**
Development and promotion projects	-24,027	-22,323
TOTAL CAPITALISED PERSONNEL EXPENSES	**-24,027**	**-22,323**
TOTAL PERSONNEL EXPENSES	**-140,603**	**-137,805**

(1) Including free share expenses: €9.4 million in 2021 compared to €8.3 million in 2020.

Personnel expenses included in the EBITDA from Hotel Operating activity and Flex Office recorded an increase of €2.7 million due to the recovery in activity in the second half of the year. In the first half of 2021, the Group benefited from subsidies amounting to approximately €16.8 million (partial unemployment, payment subsidies or exemption from employer contributions).

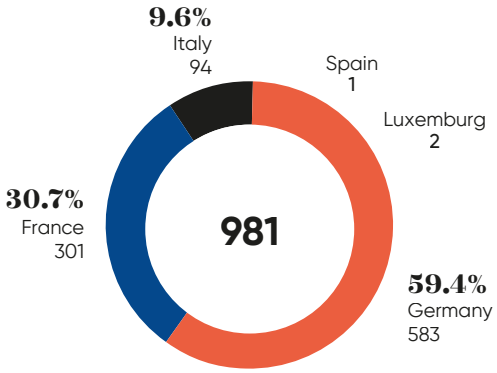
The Overheads item includes personnel expenses of €79.0 million, a decrease of €1.5 million compared to 31 December 2020. This decrease is mainly due to the sale of Revalo in Italy Offices (+€1.9 million) in connection with the decrease in Management revenues (see § 4.2.6.2.4).

It should be noted that the expense on free shares increased by €1.1 million compared to 31 December 2020. Indeed, the decrease in the share price between 31 December 2019 and 31 December 2020 had a positive impact on the URSSAF charge on free shares (income of €1.8 million in 2020 compared to a charge of €0.4 million in 2021).

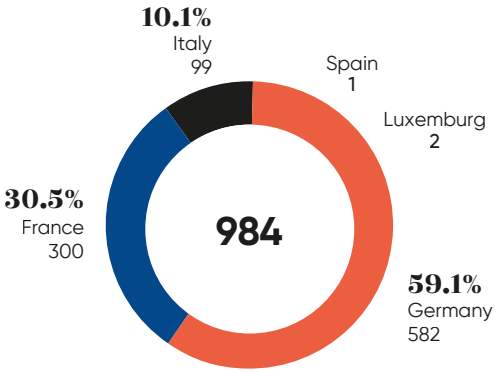
Headcount

At 31 December 2021, the headcount of fully consolidated companies, excluding companies in the Operating Properties business line, was 984 compared with 981 at 31 December 2020.

Headcount by country in number of employees



Headcount in 2020



Headcount in 2021

The average headcount during 2021 was 968 employees.

For the period, the companies in the Operating Properties business line had an average headcount of 1,186 people *versus* 1,074 as at 31 December 2020.

4.2.7.1.2 Description of share-based payments

Covivio awarded free shares in 2021. The following assumptions were made for the free shares:

Plan of 17 February 2021	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	17/02/2021	17/02/2021	17/02/2021
Number of shares awarded	28,212	28,213	5,250
Share price on the date awarded	€64.80	€64.80	€64.80
Exercise period for rights	3 years	3 years	3 years
Cost of forfeiture of dividends	-€11.00	-€11.00	-€11.00
Actuarial value of the share net of dividends not collected during the vesting period	€53.80	€53.80	€53.80
Revenue-related discount:			
In number of shares	4,583	4,583	853
As percentage of share price on the date awarded	16%	16%	16%
Value of the benefit per share	€28.85	€32.46	€43.27

Plan of 25 November 2021	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	25/11/2021	25/11/2021	25/11/2021
Number of shares awarded	63,000	63,000	89,090
Share price on the date awarded	€74.56	€74.56	€74.56
Exercise period for rights	4 years	4 years	3 years
Cost of forfeiture of dividends	- €15.00	- €15.00	- €12.00
Actuarial value of the share net of dividends not collected during the vesting period	€59.56	€59.56	€62.56
Revenue-related discount:			
In number of shares	12,679	12,679	14,625
As percentage of share price on the date awarded	20%	20%	16%
Value of the benefit per share	€30.06	€33.42	€50.32

During the 2021 financial year, the total number of free shares allocated was 276,765 (the balance of 263,629 shares at 31 December 2021 following the departure of employees). As stated elsewhere, the corresponding expense is recognised in income over the entire vesting period.

The cost of the free share awards recognised at 31 December 2021 amounted to €8.2 million, while the related social security contribution (URSSAF) was estimated at €0.4 million (charge). In addition, the URSSAF expenses paid in 2021 for the shares vested from the 2018 plans were reclassified as free share expenses in the amount of €0.8 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 €2.4 million, the 2019 plan for €2.0 million, the 2020 plan for €3.0 million, and the 2021 plan for €0.8 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 reflect the conversion of all dilutive potential ordinary shares, including free shares being vested and convertible bonds (ORNANE) type.

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 fiscal 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)	**923,596**
Average number of undiluted shares	**94,334,096**
Total dilution impact	**593,884**
Stock options	*0*
Number of free shares(1)	*593,884*
Share subscription warrants	*0*
Average number of diluted shares	**94,927,980**
NON-DILUTED EARNINGS PER SHARE (IN €)	**9.79**
Impact of dilution – free shares (in €)	**-0.06**
DILUTED EARNINGS PER SHARE (IN €)	**9.73**

(1) The number of shares being vested is broken down according to the following plans:

2018 plan	70,000
2019 plan	96,640
2020 plan	163,615
2021 plan	263,629
Total	593,884

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	31/12/2021	31/12/2020
Commitments related to consolidated companies		**95.9**	**90.6**
Commitments related to investments		0.0	0.0
Commitments given for specific transactions		90.6	90.6
Commitments given for disposal of equity interests – Liabilities guarantees		5.3	0.0
Commitments related to financing		**6,212.4**	**6,694.0**
Financial guarantees given (outstanding pledged debt)		6,212.4	6,694.0
Commitments related to operating activities		**2,098.2**	**1,352.7**
Commitments related to business development		**832.6**	**770.7**
Work commitments outstanding on assets under development[1]		787.4	702.0
Purchase commitments	2022-2024	27.1	45.5
Bank guaranties and other guaranties given		18.1	23.1
Commitments given related to the implementation of operating contracts		**399.8**	**246.6**
Work commitments outstanding on investment properties[2]		375.4	221.9
Other contractual commitments given in "rental income owed"	2037-2051	24.4	24.7
Commitments related to asset disposals		**865.8**	**335.4**
Preliminary sale agreements given		865.8	335.4

(1) Work still to be undertaken on buildings under development

(In € thousand)	Cost of works budgets signed	Amounts of works recognised	Total works commitment outstanding	Delivery date
France Offices	596.6	307.8	288.7	2022-2025
Italy Offices	198.5	14.0	184.5	2022-2024
Hotels in Europe	55.0	35.3	19.7	2022
German Residential	31.6	29.2	2.4	2022
Germany Offices	345.0	50.5	294.5	2025
TOTAL	**1,195.1**	**407.7**	**787.4**	

(2) Work still to be undertaken on investment properties, operating properties and inventory:

(In € thousand)	Cost of works budgets signed	Amounts of works recognised	Total works commitment outstanding	Delivery date
France Offices	267.3	44.5	222.8	2022 and +
Italy Offices	76.3	11.6	64.7	2023-2024
Hotels in Europe	34.6	18.7	15.8	2022-2026
German Residential	273.7	201.6	72.1	2023 and +
TOTAL	**651.8**	**276.4**	**375.4**	

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) 593,884 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 possibility for Covivio Hotels to exercise a put option at the end of the 10th year
- as part of the partnership with ACM VIE in the SCIs 9 and 15 rue des Cuirassiers (with the Silex properties), Covivio granted a guaranteed return dated 7 December 2017, which works as follows:
  - 2.80% per year beginning 7 December 2017 and ending at the close of the Silex 2 incentive period, or sixteen (16) months after delivery, for up to a minimum of fifty-four (54) months from the signing of this guarantee
  - this is after deducting any money paid by one of the SCIs to ACM VIE as a dividend (or interim dividend), repayment of premium, or interest during the guaranteed return period
  - in the event that subsequent to the end of the term of this guarantee, money is paid by the SCIs to ACM VIE, the partner would have to pay back these amounts to Covivio within ten (10) working days of their receipt.

Companies consolidated by the equity method

Information is presented for the Group Share.

Off-balance sheet commitments given (in € million)	Delivery date	31/12/2021	31/12/2020
Commitments related to consolidated companies		**0.0**	**0.0**
Commitments related to investments		0.0	0.0
Commitments given for specific transactions		0.0	0.0
Commitments related to financing		**128.2**	**144.0**
Financial guarantees given		128.2	144.0
Commitments related to operating activities		**0.0**	**0.0**
Financial instruments concluded for the reception or delivery of non-financial elements ("own use" contracts)		0.0	0.0
Commitments related to business development		**0.0**	**0.0**
Work commitments outstanding on assets under development		0.0	0.0
Bank guaranties and other guaranties given		0.0	0.0
Commitments given related to the implementation of operating contracts		**0.0**	**0.0**
Work commitments outstanding on assets under development		0.0	0.0
Exercise of finance lease options		0.0	0.0

4.2.7.3.2 Commitments received

Fully consolidated companies

Off-balance sheet commitments received (in €M)	Delivery date	31/12/2021	31/12/2020
Commitments related to consolidated companies		**0.0**	**0.0**
Other		0.0	0.0
Commitments related to financing		**1,792.1**	**1,748.9**
Financial guarantees received (authorised lines of credit not used)		1,792.1	1,748.9
Commitments related to operating activities		**6,897.7**	**6,747.0**
Other contractual commitments received related to the "Rent to be collected" activity(1)		4,445.7	4,920.5
Assets received in pledge, mortgage, or collateral, as well as guarantees received		396.4	521.7
Other contractual commitments received related to activity		0.0	0.0
Preliminary sale agreements received		865.8	335.4
Works commitment outstanding (fixed assets) =(1) +(2) commitments given		1,162.8	923.9
Purchase commitment (fixed assets)		27.1	45.5

(1) Other contractual commitments received related to the "Rent to be collected" activity:

(In € million)	France Offices	Italy Offices	Germany Offices	Hotels in Europe	Total
Under 1 year	176.1	16.6	41.7	185.8	420.1
between 1 and 5 years	524.8	33.9	116.6	890.2	1,565.5
Over 5 years	160.8	105.1	81.9	2,112.2	2,460.1
TOTAL	**861.7**	**155.6**	**240.2**	**3,188.2**	**4,445.7**

These are minimum payments to be received for non-cancellable operating leases.

Companies consolidated by the equity method

Information is presented for the Group Share.

Off-balance sheet commitments received (in €M)	Delivery date	31/12/2021	31/12/2020
Commitments related to consolidated companies		**0.0**	**0.0**
Commitments given for specific transactions		0.0	0.0
Commitments related to financing		**0.0**	**8.4**
Commitments related to financing not specifically required by IFRS 7		0.0	0.0
Financial guarantees received (authorised lines of credit not used)		80.0	8.4
Commitments related to operating activities		**8.2**	**14.8**
Assets received in pledge, mortgage, or collateral, as well as guarantees received		8.2	14.8
Works commitment outstanding (fixed assets) =(1) +(2) commitments given		0.0	0.0

Commitments on operating leases

General overview of the main provisions of simple operating lease agreements.

France Offices

	France Offices	
Lease types	Orange	Other Offices
Conditions for renewal or purchase	Proposed 6 month renewal or 12 months depending on the lease before lease maturity	Proposed 6 month renewal or 12 months depending on the lease before lease maturity
Indexing clauses	ILAT	ICC/ILAT
Term	3-6-9-12 years	3-6-9-12 years

The firm residual duration of leases of France Offices was 4.6 years, as at 31 December 2020.

Italy Offices

	Italy Offices	
Lease types	Telecom Italia	Other Offices
Conditions for renewal or purchase	Proposal for renewal 12 months before the expiration of the lease.	Proposal for renewal 12 months before the expiration of the lease.
Indexing clauses	ISTAT Index	ISTAT Index
Term	6-7-9-12 years	6-7-9-12 years

The firm residual duration of leases of the Italy Offices was 7.1 years compared to 7.4 years at 31 December 2020.

Germany Offices

Lease types	Germany Offices
Conditions for renewal or purchase	Proposed 6- or 12-month renewal before lease maturity
Indexing clauses	VPI Index
Term	3-5-10 years

The firm residual duration of leases of the German Offices was 4.9 years at 31 December 2020.

Hotels in Europe

Lease types	Hotels AccorHotels	Sunparks	NH (Italy, Czech Republic, Hungary and France)
Conditions for renewal or purchase	**France** ● Lessor commitment to offer three renewals ● Termination notice with a renewal offer to be sent 18 months before the end of the lease, with a response period of six months, for lessee to accept or decline. ● Renewal for 12 years with three-year termination option **Belgium** ● Proposal of three renewals of 12 years under the same conditions as the initial lease ● The Lessee may issue a notice of termination six months before end of lease.	● Two first renewals by the lessee ● Renewal for a firm term of ten years ● Request for renewal to be made by the lessee no later than 15 months before the end of the lease.	● Automatic renewal for 15 years upon expiry of the lease except in the event of termination by the lessee 18 months before the term expires. ● Right of first offer
Indexing clauses	Based on Hotel revenues	In line with the change in the healthcare index published by Moniteur Belge	75% of CPI (of the country)
Term	12 years firm	15 years firm	16 years firm

Lease types	Courtepaille restaurants	Jardiland	Meininger France
Conditions for renewal or purchase	• Prior notice for non-renewal by the lessee or the lessor 12 months before the end of the lease • If renewed, same conditions including whichever is the higher rent of the indexed guaranteed minimum or 8% of revenue	• Lessor commitment to propose two renewals as long as the tenant is a member of the Jardiland group • 1st renewal for nine years, of which six years are firm, second renewal for nine years with the option of three-year termination • Renewal at last indexed rent • Notice for non-renewal of 9 months before the expiry of the lease	• Commitment by lessor to offer renewal • Termination with renewal offer to be sent 24 months before the expiry of the lease, lessee response period of six months. • Lease renewed for nine years firm under the same conditions and charges as the initial lease. • For the following renewals, 18 months' notice must be respected
Indexing clauses	In line with the change in the commercial rent index (ILC)	In line with the change in the commercial rent index (ILC)	In line with the change in the commercial rent index (ILC)
Term	12 years firm	Leases for 6-12 years, 6-9-12 years or 12 years firm	12 years firm

Lease types	B&B Hotels France	B&B Hotels Spain	B&B Hotels Poland
Conditions for renewal or purchase	• Lessor commitment to offer two firm renewals for 12 years • 12 months' notice • 3rd renewal for 9 years (with possibility of termination every 3 years) • Renewal at last indexed rent	• Renewable twice for 15 years on the tenant's request	• An automatic renewal for a period of six years, except in the event of termination by the lessee 24 months before the term. • Right of first refusal
Indexing clauses	In line with the change in the commercial rent index (ILC)	100% of the Spanish CPI	100% of the Polish CPI
Term	12 years firm	22 years firm	24 years firm +6 years by amendment

Lease types	Hotel NH Germany 2 and Netherlands	Porte Dorée Motel One Hotels	Motel One Hotels Germany
Conditions for renewal or purchase	• Renewal at the end of the lease • Four renewal options for ten years • Right of first offer	• Lessor commitment to propose a renewal for a period of 12 years • Termination with renewal offer to be made 24 months before the end of the lease • Prior notice for non-renewal by the lessee no later than 18 months before the end of the lease	• An option to renew at the end of the 25 years, for five years (on the request of the tenant, who must notify the lessor in writing 24 months before the end of the lease).
Indexing clauses	100% of CPI of the country	In line with the change in the commercial rent index (ILC)	100% of the German CPI
Term	20.5 years firm	25 years firm	25 years firm

Lease types	Bardiomar	Trade Center Hotel	Rocatierra
Conditions for renewal or purchase	Not applicable	Not applicable	Not applicable
Indexing clauses	Variable rent with minimum guarantee. Variable depending on revenue	100% of the Spanish CPI	100% of the Spanish CPI + variable rents based on hotel results
Term	45 years firm	20 years firm	1 to 40.7 years firm

Lease types	B&B Hotels Germany	B&B Hotels Germany 2	B&B Hotels Germany 3 (LHM)
Conditions for renewal or purchase	• Two renewal options for 5 years under the same conditions and charges • One option for some assets - Zero for others • Right of first refusal + Preferential right	• Two possible extensions of five years, depending on assets • Right of first refusal + Preferential right	• No renewal option • Right of first refusal
Indexing clauses	100% German CPI	100% of the German CPI	85% of German CPI + variable depending on hotel results
Term	29 years firm 29 to 33 years +10 months firm	29 years firm	31 years +8 months firm

Lease types	Hotels in United Kingdom	NH Germany Hotels 1	NH Amsterdam centre Hotels
Conditions for renewal or purchase	• No renewal option • Right of first offer	• Renewal at expiration of the lease – Four renewal options for ten years • Right of first offer	• Renewal at expiration of the lease – Four renewal options for ten years • Right of first offer
Indexing clauses	100% of the English CPI	75% of the German CPI	100% of the Netherlands CPI
Term	25 years firm	20.5 years firm	25 years firm

Lease types	Club Med Da Balaia	Club Med Samoens
Conditions for renewal or purchase	• First renewal by the lessee (subject to the lessee being an affiliate of Club Med and requesting it nine months before the lease expires) • Renewal at the last indexed rent for a period of 15 years, of which eight years are firm	• Commitment by lessor to offer renewal • Notice of 18 months before the expiry date of the lease (if the notice is not respected, the notice would not be null but postponed to the useful date) • Renewal for nine years, of which six are firm for the first renewal, the following periods being in 3/6/9 • Compensation of €15 million if the lessee does not renew at the end of the initial lease • Possibility for the lessor to renew a furnished or unfurnished lease • Renewal rent at the last indexed rent (with or without furniture) for the first three-year period and then for the following periods at the MRV with cap and floor at 90/110 in the event of renewal under a furnished lease and 110/116 in the event of renewal under an unfurnished lease • Renewal rent at the MRV from the 2nd renewal
Indexing clauses	In line with the value of the Eurostat CPI index	In line with the change in the commercial rent index (ILC)
Term	Renewal at the last indexed rent for a period of 15 years, of which eight years are firm	12 years firm

The firm residual duration of leases for the Hotels in Europe was 13.3 years compared to 14.2 years at 31 December 2020.

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	409	0	11,938	Monitoring of projects and investments, Loans, Asset and property fees
Euromed	Equity affiliates	309	0	28,596	Loans, Asset and property fees
Lenovilla	Equity affiliates	360	0	19,938	Loans, Asset and property fees
SCI Factor E and SCI Orianz	Equity affiliates	126	259	17,203	Loans, Asset and property fees

4.2.7.5 Compensation of Covivio executives

(In € thousand)	31/12/2021	31/12/2020
Management		
Short-term benefits (fixed/variable)	2,637	3,307
Post-retirement benefits		
Long-term benefits		
Benefits in kind	119	140
Compensation for termination of contract		
TOTAL	**2,756**	**3,446**
Directors		
REMUNERATION OF BOARD MEMBERS	**631**	**566**

The variable portion does not include the free shares awarded. Moreover, 61,675 free shares were awarded to the senior executives of all Group subsidiaries in 2021 (including 56,425 shares awarded subject to performance conditions) and will be fully vested in 2024. The balance of these shares amounted to 48,629 shares at 31 December 2021 following the departure of executives.

In case of involuntary departure, an indemnity will be awarded to the following senior 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. The benefit of this compensation 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

	Mazars				Ernst & Young et Autres				Other			
	Amount		%		Amount		%		Amount		%	
(In € thousand)	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Statutory audit, certification, review of the individual and consolidated financial statements	**1,631**	**1,534**	**49%**	**51%**	**1,563**	**1,434**	**47%**	**48%**	**112**	**33**	**3%**	**1%**
Issuer	410	334	41%	48%	595	359	59%	52%				
Fully consolidated affiliates	1,062	1,041	52%	51%	884	991	44%	49%	78		4%	0%
Equity affiliates	159	159	57%	58%	84	84	30%	30%	34	33	12%	12%
Services other than auditing[1]	**121**	**59**	**31%**	**24%**	**269**	**184**	**69%**	**76%**	**0**	**0**	**0%**	**0%**
Issuer	55	35	32%	26%	119	102	68%	74%				
Fully consolidated affiliates	66	24	31%	23%	150	82	69%	77%				
Equity affiliates												
TOTAL	**1,752**	**1,593**	**47%**	**49%**	**1,832**	**1,618**	**50%**	**50%**	**112**	**33**	**3%**	**1%**

(1) Services other than auditing performed in 2021 relate to the CSR (€126 thousand), and other operations (€264 thousand).

4.2.7.7 Audit exemptions for Germany Offices subsidiaries

In accordance with section 264 para. 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 fiscal year ended on 31 December 2021.

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 as regards 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.

The Other segment includes non-significant activities such as car park rentals and the French Residential business.

4.2.8.2 Intangible assets

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Intangible fixed assets and goodwill	6,174	811	135,281	1,048	111	16,781	160,207
NET	**6,174**	**811**	**135,281**	**1,048**	**111**	**16,781**	**160,207**

2021 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Intangible fixed assets and goodwill	12,905	482	117,422	630	76	395	131,911
NET	**12,905**	**482**	**117,422**	**630**	**76**	**395**	**131,911**

The intangible assets and goodwill item decreased by €28.3 million compared to 31 December 2020. This decrease was mainly due to the Hotels in Europe (-€17.9 million) and Other (-€16.4 million) segments, partially offset by an increase of €6.7 million in France Offices.

The column "Other" includes the intangible fixed assets held under concession (Public Service Delegations) of the remaining car park companies. The decrease in this item is mainly due to the reclassification of car park assets as assets held for sale for a net amount of -€14.3 million.

The change in intangible assets of +€9.7 million in France Offices is related to expenses incurred as part of an IT project.

4.2.8.3 Tangible assets

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Operating properties	206,842	77,280	1,002,747	28,897	5,821	26,408	1,347,995
Other fixed assets	5,120	2,060	24,772	12,485	913	255	45,605
Fixed assets in progress	22,806	3,460	3,973	18,141	9	0	48,389
NET	**234,768**	**82,800**	**1,031,492**	**59,523**	**6,743**	**26,663**	**1,441,989**

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**

The change in property, plant and equipment (-€49.3 million) corresponds to the acquisition of equipment for (€4.8 million), advances and prepayments on works (+€9.4 million) works for the period (+€39.9 million) less the old components of a Flex Office asset following its commissioning (-€7.1 million), depreciation and amortisation for the period (-€64.3 million), the early exit of the car park lease (-€4.7 million) and the reclassification of car park assets as assets held for sale (-€12.5 million).

The works concern in particular Flex Office assets (+ €9.1 million) in France Offices, assets in Operating Properties (+€23.3 million) for Hotels in Europe and assets in the German Residential segment (+€4.1 million).

4.2.8.4 Investment properties/Assets held for sale

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Investment properties	4,778,934	2,972,811	5,001,696	6,830,679	1,328,177	0	20,912,297
Assets held for sale	236,960	32,661	50,955	13,028	0	1,784	335,388
Investment properties under development	1,177,380	336,900	50,914	0	147,948	0	1,713,142
TOTAL	**6,193,274**	**3,342,372**	**5,103,565**	**6,843,707**	**1,476,125**	**1,784**	**22,960,827**

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**

In France Offices, the change in the portfolio (€6,249 million in 2021 compared to €6,193 million in 2020) is due to the disposal of 2020 assets (-€320.2 million) including Issy-Les-Moulineaux Edo, Lyon Duguesclin and Lezennes Hélios, the change in fair value (+€60.4 million) and works (+€311.1 million).

Four projects under development were delivered for €519.9 million (Montrouge Flow, Montpellier Bâtiment de services, Montpellier Orange and Silex 2). Two new projects under development were started for €161.7 million (Lyon Sévigné and Paris Anjou).

In Italy Offices, the change (-€181.9 million) is related to asset disposals (-€266.6 million), mitigated by the change in fair value (+€3.0 million) and the works of the period (+€81.2 million). Three projects under development were delivered for €176.6 million (Milan Schievano Buildings B and C and Milan Symbiosis D).

The increase in Germany Residential (+€1,131.2 million) is mainly due to the effect of changes in asset values (+€818.8 million) and the acquisitions of companies with assets in Berlin (+€248.0 million). It is also linked to works (+€140.0 million), disposals during the period (-€99.4 million) and the transfer of fixed assets in progress (+€17.1 million). Five new projects under development were started for €22.7 million on which work was carried out for €26.9 million during the period.

In Germany Offices, the change in the portfolio (+€26.9 million) is related to the change in the fair value of assets (-€30.5 million) and to works (+€57.4 million).

The change in Hotels in Europe (+€36.0 million) is mainly due to the exchange rate variation (+€68.1 million, mainly due to the increase in the pound sterling) and to the work carried out during the year

(+€53.3 million), offset by the impact of disposals (-€69.1 million) and the change in the fair value of assets (-€16.3 million).

4.2.8.5 Financial assets

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Loans	77,983	0	67,095	13	0	47	145,138
Other financial assets	652	5,479	202	8,928	0	1,954	17,215
Receivables on financial assets	0	119,354	0	515	48	0	119,917
Sub-total non-current financial assets	**78,635**	**124,833**	**67,297**	**9,456**	**48**	**2,001**	**282,270**
Investments in equity affiliates	160,131	13,334	187,354	0	0	0	360,819
TOTAL FINANCIAL ASSETS	**238,766**	**138,167**	**254,651**	**9,456**	**48**	**2,001**	**643,089**

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**

Financial assets in the Italy Offices segment decreased due to a decrease in receivables on disposals (-€111.7 million transferred to current) and the disposal of the stake in Investire Spa SGR (-€13.3 million).

The decrease in financial assets in France Offices (-€43.9 million) is explained by the reclassification of loans as current for -€28.6 million and by the -€15.9 million decrease in the item of investments in equity affiliates mainly due to the result for the period of +€16.7 million offset by the payment of dividends for an amount of -€31.1 million.

The increase in financial assets of Hotels in Europe is mainly due to the allocation of the 2020 income of equity affiliates companies (-€2.3 million) and the results of equity-accounted companies (+€10.7 million).

4.2.8.6 Contribution to shareholders' equity

2020 – (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	*7,375,206*	*1,273,968*	*3,305,700*	*681,846*	*-45,404*	*12,591,316*
Elimination of securities	*0*	*-1,196,093*	*-2,046,830*	*-678,759*	*-87,432*	*-4,009,114*
Shareholders' equity Group Share	**7,375,206**	**77,875**	**1,258,870**	**3,087**	**-132,836**	**8,582,202**
Minority interests	822,849	1,835,344	1,314,012	11,582	2,169	3,985,956
SHAREHOLDERS' EQUITY	**8,198,055**	**1,913,219**	**2,572,882**	**14,669**	**-130,667**	**12,568,158**

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**

The increase in equity in German Residential is mainly due to the profit for the year (+€556.8 million) under the effect of the increase in asset values.

The increase in equity in the Germany Offices segment is mainly due to the capital increase carried out at the time of the entry of the partners into the Alexanderplatz transaction (+€63 million).

4.2.8.7 Financial liabilities

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Total long-term interest-bearing loans	3,106,896	1,650,411	2,680,705	2,523,517	497,562	0	10,459,091
Total short-term interest-bearing loans	1,330,827	225,785	228,552	50,373	1,475	2	1,837,014
TOTAL LT AND ST LOANS	**4,437,723**	**1,876,196**	**2,909,257**	**2,573,890**	**499,037**	**2**	**12,296,105**

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**

At 31 December 2021, part of the uncollateralised bank debt for France Offices was reallocated to Italy Offices (+€289 million).

4.2.8.8 Derivatives

2020 – (In € thousand)	France Offices	Italy Offices	Hotels in Europe	German Residential	Germany Offices	Other (including France Residential)	Total
Financial instruments – Assets	59,293	0	39,848	238	0	0	99,379
Financial instruments – Liabilities	199,063	27,658	145,998	53,926	2,363	0	429,008
NET FINANCIAL INSTRUMENTS	**139,770**	**27,658**	**106,150**	**53,688**	**2,363**	**0**	**329,630**

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**

4.2.8.9 Statement of net income by operating segments

In accordance with IFRS 12, § B11, inter-segment transactions, in particular management fees, are indicated separately in this presentation.

(In € thousand) – 2020	France Offices	Italy Offices	Germany Offices	Hotels in Europe	German Residential	Other (France Residential)	Intercos Inter-sector	31/12/2020
Rental income	237,467	172,007	49,784	151,296	256,098	403	-219	866,836
Unrecovered property operating costs	-10,502	-17,460	-5,045	-1,586	-1,694	-194	-8	-36,489
Expenses on properties	-8,267	-4,886	-1,904	-2,339	-19,394	-186	7,587	-29,389
Net losses on unrecoverable receivables	-1,252	-4,365	-1,416	-14,462	-3,471	84	0	-24,882
Net rental income	**217,446**	**145,296**	**41,419**	**132,909**	**231,539**	**107**	**7,360**	**776,076**
EBITDA from Hotel Operating activity & Flex Office	**5,422**	**282**	**0**	**7,943**	**0**	**2**	**0**	**13,649**
Income from other activities	**1,611**	**0**	**312**	**26**	**19,012**	**5,474**	**1**	**26,436**
Management and administration income	15,603	2,975	1,232	13,755	5,698	8,900	-32,472	15,691
Business expenses	-1,988	-624	-1,128	-12,500	-1,528	-132	11,222	-6,678
Overheads	-36,061	-18,191	-7,181	-20,455	-43,809	-13,058	13,233	-125,522
Net operating costs	**-22,446**	**-15,840**	**-7,077**	**-19,200**	**-39,639**	**-4,290**	**-8,017**	**-116,509**
Depreciation of operating assets	-9,588	-2,899	-953	-42,296	-3,246	-8,342	0	-67,324
Net change in provision and other	64	-142	-721	3,238	36	1387	526	4,388
OPERATING INCOME	**192,509**	**126,697**	**32,980**	**82,620**	**207,702**	**-5,662**	**-130**	**636,716**
Net income from inventory properties	**36**	**-4,346**	**0**	**0**	**846**	**42**	**0**	**-3,422**
Income from asset disposals	**6,755**	**-8,655**	**-9**	**-1,263**	**1,826**	**-3**	**130**	**-1,219**
Income from value adjustments	**97,444**	**-45,610**	**-9,700**	**-327,627**	**413,707**	**-25**	**0**	**128,189**
Income from disposal of securities	**0**	**322**	**0**	**-92**	**11,915**	**0**	**0**	**12,145**
Income from changes in scope	**-3,914**	**-18**	**-8,362**	**-3,802**	**0**	**0**	**0**	**-16,096**
OPERATING RESULT	**292,830**	**68,390**	**14,909**	**-250,163**	**635,996**	**-5,648**	**0**	**756,314**
Cost of net financial debt	-32,864	-24,493	-6,985	-58,204	-49,819	-9	-0	-172,373
The interest cost for rental liabilities	-61	-27	-512	-13,009	-6	-415	0	-14,030
Value adjustment on derivatives	-29,292	-14,308	712	-46,018	-26,584	0	0	-115,491
Discounting and foreign exchange gains or losses	-353	0	0	264	0	0	0	-89
Exceptional amortisation of loan issue costs	0	-288	0	-207	-675	0	0	-1,170
Share of income from companies accounted for under the equity method	13,198	501	0	-13,509	0	0	0	189
NET INCOME BEFORE TAX	**243,458**	**29,775**	**8,124**	**-380,847**	**558,913**	**-6,072**	**0**	**453,351**
Deferred tax	0	-11,344	-3,950	59,557	-70,131	82	0	-25,786
Corporate taxes	87	-376	-253	-13,278	-21,168	-323	0	-35,311
NET INCOME FOR THE PERIOD	**243,545**	**18,055**	**3,921**	**-334,567**	**467,614**	**-6,313**	**0**	**392,255**
Net income from non-controlling interests	-28,370	-23,978	-1,215	188,092	-167,066	49	0	-32,488
NET INCOME FOR THE PERIOD - GROUP SHARE	**215,174**	**-5,923**	**2,706**	**-146,474**	**300,548**	**-6,264**	**0**	**359,767**

(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**	**679**	**0**	**0**	**-1,983**
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	**-344**	**-29**	**-403**	**-22,497**	**0**	**0**	**0**	**-23,273**
OPERATING RESULT	**230,732**	**114,585**	**-5,039**	**99,138**	**1,044,622**	**-4,402**	**0**	**1,479,636**
Cost of 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**	**1,034,790**	**-4,360**	**0**	**1,463,047**
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**	**864,341**	**-4,476**	**0**	**1,294,029**
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**	**556,819**	**-4,443**	**0**	**923,598**

4.2.9 Post-balance sheet events

- On 18 January 2022, Covivio and ICADE signed an agreement to exchange shares; Icade transferred 6,531 shares in FACTOR E to Covivio in return, while Covivio transferred 3,469 shares in ORIANZ to ICADE.
- On 25 January 2022, Covivio and INDIGO signed three deeds of sale relating to République, EB2 and GESPAR.

4.3 Statutory Auditors' report on the consolidated accounts

Fiscal year ending 31 December 2021

To the 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 2021.

In our opinion, the consolidated financial statements give a true and fair view 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 in accordance with International Financial Reporting Standards as adopted by the European Union.

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.

Independent member

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2021 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

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) 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 matters were addressed in the context of our audit of the consolidated financial statements taken as a whole and in forming our opinion theron, and we do not provide a separate opinion on specific items of the consolidated financial statements.

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 2021 amounted to 82% of consolidated assets or €23.2 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. Furthermore, the global crisis caused by Covid-19 has 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 the applicable procedures 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 health crisis with the 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 within our audit teams, 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 (Code de commerce) 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. This information should be reported on by an independent third party.

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 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.

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 2021, MAZARS and ERNST & YOUNG et Autres were in the twenty-second year and ninth year, respectively, of total uninterrupted engagement.

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 taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), 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:

- 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) 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 (Code de commerce) 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.

Courbevoie and Paris-La Défense, 11 March 2022

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

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4.4 Individual financial statements at 31 December 2021

4.4.1 Balance sheet

Assets

(In € thousand)	Note 4.5.3	31/12/2021 Gross	Amortisation, depreciation and provisions	31/12/2021 Net	Of which net Italian Establishment 31/12/2021	31/12/2020 Net	Of which net Italian Establishment 31-Dec-20
Intangible fixed assets:	***1.1***	**25,406**	**12,702**	**12,704**	**3**	**6,082**	**324**
Start-up costs							
Software and similar rights		13,796	12,702	1,094	3	2,097	324
Goodwill(1)							
Intangible assets in progress		11,610		11,610		3,985	
Tangible fixed assets:	***1.1***	**1,988,064**	**304,223**	**1,683,841**	**1,354,259**	**1,876,917**	**1,465,298**
Land		711,722	5,681	706,041	601,882	752,232	632,224
Buildings		1,221,083	285,876	935,207	751,565	1,079,264	832,207
Other		38,636	8,937	29,699	812	31,455	867
Tangible fixed assets in progress		16,623	3,729	12,894		13,966	
Advances and pre-payments							
Financial assets:		**6,999,321**	**216,413**	**6,782,908**	**934,700**	**6,460,203**	**908,084**
Investment	*1.2*	5,354,642	209,561	5,145,081	882,246	4,933,873	859,203
Investment-related receivables							
Equity securities held for investment							
Other securities	*1.4*	74,548	1,464	73,084	52,454	69,984	48,881
Loans	*1.3*	1,569,378	5,388	1,563,990		1,456,266	
Other		753		753		79	
Total I – Fixed assets	***1***	**9,012,790**	**533,337**	**8,479,453**	**2,288,962**	**8,343,201**	**2,373,706**
Inventories and work in progress		43,329	27,825	15,504	15,504	16,955	16,955
Advances and pre-payments							
Operating receivables:	***2.1***	**298,933**	**49,797**	**249,136**	**112,842**	**325,589**	**160,562**
Trade receivables and related accounts		38,641	19,206	19,435	6,975	23,291	13,019
Current accounts and other receivables		260,292	30,591	229,701	105,867	302,297	147,543
Marketable securities:	***2.2***	**645,003**	**1,833**	**643,169**	**0**	**586,485**	**0**
Treasury shares		22,960	1,827	21,133		14,873	
Term accounts and other securities		622,042	6	622,037		571,612	
Cash and near cash		106,744		106,744	17,047	390,110	37,871
Prepaid expenses and accruals	*2.3*	110,121		110,121	539	100,077	861
Cash instruments	*2.3*	1,611		1,611		888	
Total II – Current assets	***2***	**1,205,741**	**79,456**	**1,126,285**	**145,932**	**1,420,104**	**216,249**
Deferred expenses (III)	*2.3*	11,540		11,540	4,082	13,671	5,234
Bond redemption premiums (IV)		10,294		10,294		10,275	
Currency translation gains (V)							
TOTAL (I + II + III + IV+ V)		**10,240,365**	**612,793**	**9,627,572**	**2,438,976**	**9,787,251**	**2,595,189**

(1) In accordance with ANC Regulation 2015-06, since the 2016 fiscal year, the technical merger losses have been allocated to the fixed assets items of the underlying assets.

Liabilities balance sheet

(In € thousand)	Note 4.5.3	31/12/2021	Of which Italian Establishment 31/12/2021	31/12/2020	Of which Italian Establishment 31-Dec-20
Shareholders' equity:		**4,487,192**		**4,507,363**	
Capital [of which €283,946 thousand paid]		283,946		283,633	
Issue premium, merger premium and additional paid-in capital		4,119,793		4,140,277	
Revaluation reserves		83,453		83,453	
Reserves and retained earnings:		**29,665**		**29,858**	
Legal reserve		28,363		28,322	
Statutory or contractual reserves					
Revaluation reserves available for distribution		0		0	
Other					
Retained earnings		1,302		1,537	
Profit (loss) for the year		**287,595**	**-24,510**	**318,811**	**-15,926**
Investment subsidies					
Regulated provisions		34,024		33,964	
Total I – shareholders' equity	**3**	**4,838,477**	**-24,510**	**4,889,996**	**-15,926**
Other shareholders' equity					
Proceeds from issue of participating shares					
Conditional advances					
Total I bis – shareholders' equity		**0**		**0**	**0**
Provisions for risks		13,682	3,427	12,533	5,431
Provisions for losses		3,204	306	4,023	569
Total II – Provisions for contingencies and losses	**4**	**16,886**	**3,733**	**16,556**	**6,000**
Payables					
Financial liabilities:	**5**	**4,660,754**	**749,257**	**4,757,633**	**949,471**
Convertible bonds	5.1	0	0	200,735	200,735
Other bonds		2,946,454	734,169	2,845,629	734,173
Borrowings and debt from credit institutions[1]		1,460,609	0	1,484,764	0
Current accounts and various financial debts		253,690	15,088	226,505	14,563
Advances and pre-payments received		4,088	365	3,869	0
Operating payables:		43,288	20,203	38,057	24,033
Trade payables and related accounts		18,910	9,078	25,376	20,976
Tax and social security liabilities		24,378	11,125	12,681	3,057
Sundry liabilities:		15,926	11,508	22,401	16,377
Debt on fixed assets and related accounts		9,199	8,281	9,639	6,703
Other		6,727	3,227	12,762	9,675
Cash instruments	5.2	23,027		30,281	0
Pre-booked income		25,125	2,873	28,459	3,259
Total III – Current liabilities		**4,772,209**	**784,205**	**4,880,700**	**993,141**
Currency translation losses (IV)					
Liaison account with branches			1,675,548		1,611,974
TOTAL (I+ I BIS+ II+ III+ IV)		**9,627,572**	**2,438,976**	**9,787,251**	**2,595,189**
(1) Of which current bank borrowings and bank overdraft		0		44	

4.4.2 Income statement

(In € thousand)	Note 4.5.4	31/12/2021	Of which Italian Establishment 31/12/2021	31/12/2020	Of which Italian Establishment 31-Dec-20
Operating income					
Sales of goods		1,500	1,500	1,405	1,405
Sales (goods and services)		146,556	73,234	161,043	82,465
Net revenues	**1.1**	**148,056**	**74,734**	**162,448**	**83,870**
Production in stock		1,451	1,451	3,618	3,618
Reversals of provisions (and depreciation) and transferred charges	1.2	13,678	8,879	11,083	5,000
Other income		359	30	194	44
Total I – Operating income	**1**	**163,544**	**85,093**	**177,344**	**92,532**
Operating expenses					
Purchases – Real estate traders		1,451	1,451	3,618	3,618
Change in inventories – Real estate companies		3,798	3,798	1,270	1,270
Other purchases and external expenses		39,283	19,063	44,486	18,852
Duties, taxes and related payments		15,341	9,155	17,549	10,573
Salaries and wages		26,387	5,773	23,514	5,979
Social security charges		9,670	1,716	10,054	1,518
Allowance for depreciation and provisions:					
On fixed assets: amortisation charges		52,879	38,023	59,414	43,603
On fixed assets: depreciation charges		29,598	26,725	49,576	44,167
On current assets: depreciation charges		8,322	8,171	8,637	7,816
For contingencies and losses: provisions		2,108	1,337	3,852	2,836
Other expenses		5,348	3,481	5,375	3,457
Total II – Operating expenses	**1.3**	**194,184**	**118,692**	**227,344**	**143,690**
1. Operating income (I-II)	**1**	**-30,640**	**-33,598**	**-50,000**	**-51,158**
Financial income					
Share of income from joint operations					
Profit or loss transferred III					
Losses or profit transferred IV		**16**		**175**	
Investment	2.1	284,622	48,893	318,271	36,526
From other marketable securities and fixed asset receivables		10,885	-2	11,118	4
Other interest and similar income		58,292	838	46,568	636
Merger premiums		39,546		38,839	3,100
Reversals of provisions and transferred expenses	2.3	12,481	1,160	19,748	538
Net income from disposal of marketable securities					
Total V – Financial income	**2**	**405,826**	**50,888**	**434,544**	**40,805**
Financial expenses					
Allowance for depreciation and provisions		57,828	6,507	19,581	504
Interest and similar expenses		114,359	28,140	118,732	33,781
Merger deficits		642		199	0
Net expenses from disposal of marketable securities		2,606		3,335	0
Total VI – Financial expenses	**2**	**175,435**	**34,647**	**141,847**	**34,285**
2. Financial result (V-VI)	**2**	**230,391**	**16,241**	**292,698**	**6,519**
3. Current profit before tax (I-II+III-IV+V-VI)		**199,735**	**-17,357**	**242,698**	**-44,639**
Non-recurring income					
On management transactions		192		240	43
On capital transactions		284,593	69,432	461,468	319,944

(In € thousand)	Note 4.5.4	31/12/2021	Of which Italian Establishment 31/12/2021	31/12/2020	Of which Italian Establishment 31-Dec-20
Reversals of provisions and transferred expenses		0	0	229	0
Total VII – Non-recurring income	**3**	**284,785**	**69,432**	**461,937**	**319,987**
Non-recurring expenses					
On management transactions		145	23	671	133
On capital transactions		185,949	68,794	384,831	291,356
Allowance for depreciation and provisions		61		191	0
Total VIII – Non-recurring expenses	**3**	**186,155**	**68,817**	**385,692**	**291,489**
4. Non-recurring income (VII-VIII)	**3**	**98,630**	**615**	**76,245**	**28,498**
Employee profit-sharing (IX)					
Corporate income tax (X)	4	10,770	7,769	-43	-214
Total revenue (I+III+V+VII)		**854,155**	**205,414**	**1,073,825**	**453,324**
Total expenses (II+IV+VI+VIII+IX+X)		**566,560**	**229,924**	**755,014**	**469,250**
NET INCOME OR LOSS		**287,595**	**-24,510**	**318,811**	**-15,926**

4.5 Notes to the company financial statements

4.5.1 Significant events during the financial year

4.5.1.1 Acquisitions and construction work on properties under development

€9,568 of works carried out on the two projects under development in Italy (Corso Italia €2,939 thousand and Via Unione/Via Torino €6,629 thousand).

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 31/12/2020
Sales:				
Issy EDO	50,596	132,300	81,704	131,665
Lezennes Hélios	18,842	34,544	15,702	31,500
Expropriation Cap 18	2,491	3,439	957	3,439
COVIVO FRANCE	**71,929**	**170,283**	**98,363**	**166,604**
Milano – via Colonna	16,162	19,000	2,838	19,000
Roma – via Baldovinetti	588	600	12	587
Milano – via Eritrea	1,480	1,720	240	1,500
Milano – via Messina (A-B-C-D)	0	12	12	
Padova – via Foscolo	1,176	1,200	24	1,176
Milano – piazza S. Pietro in Gessate	15,993	19,580	3,587	17,200
Torino – via Giordano Bruno	10,372	10,000	-372	10,600
Beinasco – CC Le Fornaci	19,552	15,500	-4,052	19,900
COVIVIO ITALIE	**65,322**	**67,612**	**2,290**	**69,963**
COVIVIO	**137,251**	**237,895**	**100,653/100,653**	**236,567**

4.5.1.3 Change in equity investments

Change in the ownership interest in subsidiaries

Following the Covivio Hotels capital increase, Covivio acquired 7,040,918 Covivio Hotels shares for an amount of €112,654 thousand. In addition, Covivio acquired 279,500 shares for an amount of €4,499 thousand.

The stake in Covivio Hotels increased from 43.46% to 43.84%.

Other changes in equity interests

Covivio participated in the capital increases of Covivio Alexanderplatz following the entry of the partners COVEA and GENERALVIE for an amount of €92,359 thousand, its shareholding rate is now 55%.

4.5.1.4 Corporate structure simplification

Mergers with the full transfer of assets and liabilities (in French, Transmission Universelle du Patrimoine – TUP) were carried out in 2021 to simplify the Group's corporate structure.

Subsidiary involved	Nature and date of the transaction	Corporate purpose
SNC Sully Chartres	FTA on 30/06/2021 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.
SCI du 2 rue de L'Ill	FTA on 30/06/2021 without retroactive tax effect	Acquisition and management of real estate assets and rights located at 2 rue de l'Ill -68110 ILLZACH.
SARL du 2 rue Saint Charles	FTA on 30/09/2021 with retroactive tax effect	Acquisition and management of real estate assets and rights located at 2 rue Saint Charles -51100 REIMS
SCI du 288 rue Duguesclin	FTA on 30/09/2021 without retroactive tax effect	Acquisition and management of real estate assets and rights located at 288 rue Duguesclin, 69006 Lyon.

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, which is disputed. Based on the arguments of our counsel, this dispute was not provisioned at 31/12/2021.

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 authorities on 18 December 2015.

The dispute with the tax authorities 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. On the basis of the analysis of our advisors, no provision was entered at 31 December 2021.

4.5.1.6 Increase in capital

During the year, the share capital changed as follows:

- Creation of 104,459 shares with a par value of €313,377 in the context of grants under free share plansThe total capital as at 31 December 2021 stood at €283,946,073, up from €283,632,696 at 31 December 2020, an increase of €313,377. It is made up of 94,648,691 shares, all of the same class, with a par value of €3 each, amounting to €283,946,073.

At 31 December 2021, the company held 360,298 treasury shares.

4.5.1.7 Diversification of financing and repayment of bank debt

In 2021, Covivio issued a new bond maturing in 2033 of €100 million.

In addition, credit lines and commercial paper were drawn down for a total amount of €24 million.

The Italian Branch's borrowings amount to €734.1 million.

4.5.1.8 Pandemic

Given the size of our tenants and the nature of the real estate leases (fixed), the Covid-19 crisis has not had a significant impact on our France Offices business. On the other hand, the Italian institution recorded a few payment defaults in 2020 which were subject to impairments. At 31 December 2021, there were no significant arrears.

4.5.1.9 Main indicators

The main financial aggregates are as follows:

(In € thousand)	2021	2020
Balance sheet total	9,627,572	9,787,251
Revenues	148,056	162,448
Dividends received from subsidiaries	284,622	318,271
Financial expenses	175,435	141,847
Earnings for the year	287,595	318,811

4.5.2 Accounting policies and methods

Covivio is the parent company of the Covivio group, and draws up 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 fiscal year to the next
- independent fiscal 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.

Tangible fixed assets have been recorded under the component method since 1 January 2005.

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 depreciated over ten years.

4.5.2.2 Tangible 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 year

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 year
IT equipment	L	5 years
Office equipment	L	10 year

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 and depreciation".

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 year-end, 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 published triple net asset values 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 fiscal 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 provisions, 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 six months overdue, or involving a departed tenant
- 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 Derivatives

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 risks and charges

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 risk 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 depreciated.

4.5.2.7 Retirement benefits

Covivio applies the IFRIC 21 approach to the parent company financial statements concerning employee benefit obligations.

4.5.2.8 Provisions for financial contingencies and losses:

The provisions for risks and financial charges 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 draw-down periods. Successive draw-downs 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 Prepaid expenses

Deferred expenses correspond to the issue cost of borrowings and are amortised over the loan period. An exceptional impairment is booked 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

4.5.3.1 Fixed assets

4.5.3.1.1 Adjustment to gross values

(In € thousand)	Note 4.5.3	Gross values at 31/12/2020	Increases: Acquisitions and works	Increases: Transfers	Decreases: Sales and other disposals	Decreases: FTA and Merger	Gross value at 31 December 2021
Intangible assets		**17,802**	**8,031**	**-224**	**203**	**0**	**25,406**
Concessions, software		13,817	4	178(1)	203 '(1)	0	13,796
Fixed assets in progress		3,985	8,027	-402(1)			11,610
Tangible fixed assets		**2,136,402**	**23,423**	**-1,775**	**169,985**	**0**	**1,988,064**
Land		757,913	0	-278	45,914		711,722
Land under finance leases		0		0	0		0
• Buildings		1,324,557	18,100/18,100	1,454	123,029		1,221,083
• Other tangible fixed assets		39,110	28	541	1,043		38,636
Deficit on real estate assets		34,306			835		33,471
Fixtures and fittings		554			9		566
Office and IT equipment		2,509	7	541	119		2,937
Furniture		-1,741			79		1,662
• Fixed assets in progress		14,821	5,294	-3,493			16,623
Financial fixed assets		**6,641,640**	**728,940**	**0**	**366,556**	**4,704**	**6,999,321**
Equity investments	1.2	5,110,687	250,932	10	2,284	4,704	5,354,642
Loans	1.3	1,459,593	430,097	0	320,312	0	1,569,378
Securities	1.4	66,486	3,728	-10	3		70,200
• Treasury shares	1.4	4,795	43,510		43,958		4,347
Other non-current financial assets		79	673		0		752
TOTAL FIXED ASSETS		**8,795,844**	**760,394**	**-1,999**	**536,745**	**4,704**	**9,012,790**

(1) The increase in intangible assets in progress is related to the development of new existing software modules, namely SAP for €6,640 thousand and move to cloud for €697 thousand, the outflows mainly correspond to the commissioning of YCF and YVI software. At 31 December 2021, the IEC item mainly includes the SAP ERP for an amount of €9,722 thousand.

4.5.3.1.2 Change in equity investments

At 31 December 2021, Covivio held an interest in 99 companies.

In addition to equity investments detailed under significant events, the following equity investments were made in 2021:

- Covivio acquired the company TRINITE as part of the negotiations to buy out the car park companies, its holding rate is 100%
- Covivio acquired Hôtel N2, a hotel operating and business management company, with a stake of 100%.

The two largest investments are:

- Covivio Hotels: €1,324 million
- Covivio holding GmbH: €1,021 million.

Amount at 31/12/2020 (in €k)		5,110,687
Shares integrated into the company following FTAs and mergers		
Companies undergoing FTAs	**Shares contributed**	
Total increase related to FTAs and mergers		**0**
Acquisition of securities and similar		
	Covivio Hotels	112,655
	Trinité	10,898
	SAS Covivio Alexanderplatz	81,208
Capital increase		
	SAS Covivio Alexanderplatz	11,151
	Covivio Hotels	4,499
	Hotel N2	1
	Sarl Covivio Attivita Immobiliari 3	15
	Covivio Dévelopment SpA SIINQ	30,500
	Sarl Covivio Attivita Immobiliari 4	5
Reclustering		
	Sarl Covivio Attivita Immobiliari 4	10
Total increase relating to acquisitions		**250,942**
Decrease (disposal)		
	Parking de la Comédie	5
	Sarl Attivita Commerciali Beinasco	1,769
Capital reduction		
	Sarl Attivita Commerciali Beinasco	510
Total decrease related to capital reductions and disposals		**2,284**
Securities released from the company following FTA or merger		
	SCI 288 rue Duguesclin	4,498
	SCI 2 rue de L'Ill	198
	SARL 2 rue Saint Charles	7
	SNC Sully Chartres	1
Total decrease due to FTAs or mergers		**4,704**
AMOUNT AT 31/12/2021 (IN €K)		**5,354,642**

4.5.3.1.3 Details on loans

The loans consist of:

Type of loan	(in €k)
Loans to subsidiaries	1,561,788
Accrued interest on subordinated loans	4,753
Accrued interest on SWAP	2,721
Loans to personnel	51
Other loans	64
TOTAL AT 31/12/2021	**1,569,378**

Capital 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	149,520	0
9 rue Cuirassiers	146,700	1,196
Covivio Holding Gmbh	135,000	63
SCI Danton Malakoff	123,558	0
Palmer Plage	99,463	0
SCI Avenue de la Marne	97,962	0
SAS 6 rue Fructidor	92,707	0
SCI Rueil B2	85,978	0
SCI N2 Batignolles	66,925	0
SCI Latécoère 2	58,196	0
SCI Charenton	56,047	0
Omega B	49,996	608
Covivio Immobilien SE	40,000	16
SCI Cité Numérique	36,102	0
Covivio 2	29,869	695
SCI Meudon Saulnier	29,000	0
Bga Transactions	28,400	789
SCI Atlantis	26,000	0
SCI Euromarseille 2	22,143	0
SCI Lenovilla	19,938	0
Covivio Office Holding GmbH	18,200	367
SCI 11 Place de l'Europe	18,044	0
Acopio GmbH	18,000	2
Federation	17,000	733
SNC Bordeaux Lac	14,800	0
32 av P. Grenier	12,100	0
EM/EA	11,076	42
Other	59,064	243
TOTAL	**1,561,788**	**4,753**

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 2022 at the earliest to October 2049 at the latest is stipulated in the agreement.

4.5.3.1.4 Other securities

This item amounting to €71,281 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	61,297	4,347

A provision was set up for the treasury shares under the liquidity agreement in the amount of €40 thousand on the basis of the average share price in December 2021.

4.5.3.1.5 Change in amortisation, depreciation and provisions

(In € thousand)	*Note 3.5.3*	Depr. 31/12/2020	Charges	Reversal and disposal	FTA and Merger	Reclustering	Depr. 31/12/2021
Intangible assets		**11,720**	**1,185**	**203**		**0**	**12,702**
Concessions, software		11,720	1,185	203	0	0	12,702
Merger deficits							0
Tangible fixed assets		**259,485**	**78,664**	**31,927**	**0**	**-1,999**	**304,223**
Buildings		180,410	47,464	13,847		-568	213,460
Leased buildings		0	0	0	0	0	0
Other tangible fixed assets		7,655	1,602	320	0	0	8,937
Provisions on land and buildings		71,420	29,598	17,761	0	-1,431	81,826
Provisions on land and buildings under finance leases		0	0	0	0	0	0
Financial fixed assets		**181,438**	**39,505**	**4,529**	**1**	**0**	**216,413**
Investment	*1.2*	176,814	36,633	3,885	1	0	209,561
Loans	*1.3*	3,327	2,673	613	0	0	5,388
Securities		1,282	158	17	0	0	1,424
Treasury shares		14	40	14	0	0	40
TOTAL AMORTISATION AND DEPRECIATION		**452,643**	**119,354**	**36,659**	**1**	**-1,999**	**533,337**

(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, €81,826 thousand of impairment was recognised on the buildings, *i.e.* €11,024 thousand and €70,802 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)	31/12/2020	Charges	FTA and Merger	Reversals of provisions	31/12/2021
FDL*	131,396	18,450	0	0	149,846
Central Sicaf SPA	20,495	0	0	523	19,972
Covivio Property*	12,759	0	0	0	12,759
Republic*	20	9,503	0	0	9,523
BS7 SPA	5,800	3,487	0	0	9,287
Covivio Office Holding GmbH	0	2,294	0	0	2,294
Covivio Développement*	1,852	0	0	0	1,852
SARL Covivio Immobiliare 9	0	1,569	0	0	1,569

(In € thousand)	31/12/2020	Charges	FTA and Merger	Reversals of provisions	31/12/2021
RGD Gestioni SRL	39	1,285	0	0	1,324
Covivio 2	3,590	0	0	2,706	884
SCI EB2	57	29	0	0	85
1630 av Croix Rouge*	83	0	0	0	83
GFR Ravinelle	0	0	0	0	0
Foncière Margaux	22	8	0	0	30
Covivio Attività Immobiliari 3	9	7	0	0	16
Gespar	17	0	0	7	10
EURL Proptech*	3	0	0	0	3
SCCV Chartres avenue de Sully*	2	0	0	0	2
Hotel N2	0	1	0	0	1
SCI Meudon Saulnier*	1	0	0	0	1
SNC Wellio*	1	0	0	0	1
SNC Le Clos de Chanteloup*	1	0	0	0	1
SNC Bordeaux Lac*	1	0	0	0	1
SNC Sully Chartres	1	0	-1	0	0
SNC Sucy Parc*	1	0	0	0	1
SNC La Marina Fréjus*	1	0	0	0	1
SNC Normandie Niemen Bobigny*	1	0	0	0	1
SNC le printemps de Sartrouville*	1	0	0	0	1
SNC GauguinST Ouen L'Aumone*	1	0	0	0	1
SNC Tours Coty*	1	0	0	0	1
SNC Valence Victor Hugo*	1	0	0	0	1
SNC Nantes Talensac*	1	0	0	0	1
SNC Marignane Saint-Pierre*	1	0	0	0	1
SNC Jean Jacques Bosc*	1	0	0	0	1
SCI Terres Neuves*	1	0	0	0	1
SNC André Lavignolle*	1	0	0	0	1
SCI de la Louisiane*	1	0	0	0	1
SNC Saint Germain Hennemont*	1	0	0	0	1
SNC Antony Avenue De Gaule*	1	0	0	0	1
SNC Aix en Provence Sezanne*	1	0	0	0	1
Cœur d'Orly Promotion	1	0	0	0	1
SCCV Fontenay sous Bois le 9ème art*	1	0	0	0	1
Attività Commerciali Beinaco S.r.l.	608	0	0	608	0
Covivio Alexanderplatz SAS	30	0	0	30	0
Covivio Attività Immobiliari 2	9	0	0	9	0
SCCV Bobigny Le 9e Art	1	0	0	1	0
Comédie	0	0	0	0	0
		0	0		0
Other securities	1,282	158		17	1,424
TOTAL DEPRECIATIONS	**178,097**	**36,791**	**-1**	**3,902**	**210,985**

* 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 was recognised.

Market prices and NAV of listed subsidiaries:

Name of listed subsidiary	Average share price December 2021	EPRA NDV at 31/12/2021
Covivio Hotels	16.3	21.4

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 31/12/2021	Impairments at 31/12/2020	Charges	FTA allocations	Reversals of provisions	Write-downs 31/12/2021
SCI Meudon Saulnier	29,000	2,486	962			3,448
SNC Bordeaux Lac	14,800		1,494			1,494
SCI Terres Neuves	143	151	29			180
SCCV Fontenay Sous Bois Le 9e Art	5,504	2	175			177
SCCV Chartres avenue de Sully	715	160			114	46
SNC Jean Jacques Bosc	400	30	14			44
Covivio Alexanderplatz	821	499			499	0
Loans	**51,383**	**3,327**	**2,673**		**613**	**5,388**
SNC Wellio	22,151	9,737	5,651			15,389
Covivio Property	2,939		2,939			2,939
Covivio Développement	1,135	43	1,092			1,135
SNC Le clos de Chanteloup	1,332	762	57			819
SNC André Lavignolle	3,971	44	364			408
1630 av Croix Rouge	2,626	97	248			345
SNC Saint Germain Hennemont	4,720	12	176			188
SNC Normandie Niemen Bobigny	1,214	162	3			165
SNC Sucy Parc	1,084	121	44			165
EURL Proptech	132	114	18			132
SNC Bordeaux Lac	1,989	1,332			1,332	
SNC Sully Chartres	0	519		519		
others*	7,026	134	171			305
Current accounts(1)	**50,319**	**13,077**	**10,763**	**519**	**1,332**	**21,989**
Receivables/disposals of fixed assets	88,983	207			207	0
Receivables from others	26,379	2,905	5,703		28	8,579
Purchaser arrears(2)	46	12	23		12	23
Debtor accounts	115,408	3,124	5,726	0	247	8,602

* Other: impairment of less than €130 thousand.

(1) Provisions for current accounts are recorded taking into account the negative net equity of subsidiaries and provisions booked 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 at 31/12/2021	Amount due in less than 1 year	Of which Gross Amount Italian Establishment	Amount due in less than 1 year Italian Establishment	Gross amount as of 31/12/2020
Trade receivables and related accounts[1]	38,641	38,641	25,423	25,423	44,925
Of which expenses that may be recovered from tenants[2]	3,327	3,327			3,937
Invoice not yet submitted	6,258	6,258		6,423	12,347
Other receivables[3]	260,292	260,292	114,447	114,447	318,498
Current accounts	142,474	142,474	1,721	1,721	171,977
Other receivables	115,408	115,408	112,024	112,024	142,603
Tax receivable	1,008	1,008	701	701	2,260
VAT receivables	1,247	1,247			1,526
Principal's current account	154	154			132
TOTAL RECEIVABLES	**298,933**	**298,933**	**139,870**	**139,870**	**363,424**

(1) Application of the impairment rules presented in the accounting rules and methods resulted in a provision for trade receivables being recognised for an amount of €945 thousand and a writeback of €3,372 thousand. At 31 December 2021, total impairment stood at €19,206 thousand, of which €18,448 thousand for the Italian Branch compared with €21,088 thousand at 31 December 2020.

(2) These expenses result in pre-payment requests issued to tenants being recorded as liabilities on the balance sheet under "Advances and pre-payments" in the amount of €4,088 thousand (see § 4.5.3.5 Financial debt).

(3) Impairment on other receivables is broken down as follows:

Receivables and impairments (in €k)	Gross values of receivables at 31/12/2021	Impairments at 31/12/2020	Charges	FTA	Reversals of provisions	Write-downs 31/12/2021
Current accounts[3]	**50,319**	**13,077**	**10,763**	**519**	**1,332**	**21,989**
Purchaser unpaid	46	12	23	0	12	23
Miscellaneous receivables COVIVIO France	3,338					
Miscellaneous receivables Italian Branch	112,024	3,112	5,703	0	235	8,579
Debtor accounts	**115,408**	**3,124**	**5,726**	**0**	**247**	**8,602**
TOTAL DEPRECIATIONS OTHER RECEIVABLES						**30,591**

4.5.3.2.2 Marketable securities

The realisable value of the marketable securities was €6,038 thousand as at 31 December 2021. There was no significant unrealised gain, as the Group states the unrealised gains in the last week of each fiscal year. (Sale/buyback)

(In € thousand)	Gross values at 31/12/2020	Acquis.	Disposals	Reclustering	Gross values at 31/12/2021
Shares held by the company for allocation to employees – profit-sharing[1]	0		2,577	2,577	0
Shares held by the company pending allocation[1]	16,241			-2,577	13,664
Shares held by the company for allocation to employees - AGA Plan[1]		9,296			9,296
	16,241	**9,296**	**2,577**		**22,960**
Term account	565,000	180,180	130,090		615,090
VMP[2]	5,467	17,614	17,043		6,038
Accrued interest on investments	1,069	824	1,069		824
BMTN to be received	79	90	79		90
	571,615	198,708	148,281		622,042
TOTAL MARKETABLE SECURITIES	**587,856**	**208,004**	**150,858**	**0**	**645,003**

(1) 166,866 shares awaiting allocation, these shares were written down for €1,827 thousand on the basis of the average share price of December 2021.

132,135 shares were acquired in 2021, they are allocated to the 2020 free share plan, and have been the subject of a provision for risks and expenses of €4,130 thousand.

(2) As at 31 December 2021, the portfolio of marketable securities comprised traditional money market investment funds (SICAV). The company does not make any speculative investments involving a capital risk. These marketable securities were written down for an amount of €6 thousand.

4.5.3.2.3 Accruals – assets

(In € thousand)	Gross values at 31/12/2021	Of which Italian Establishment as at 31/12/2021	Gross values at 31/12/2020	Of which Italian Establishment 31/12/2020
Accrued operating expenses[1]	**1,181**	**539**	**1,713**	**861**
Accrued financial expenses	**108,939**	**0**	**98,364**	**0**
Agent commissions	17		114	
Spreading of balances[2]	108,922		98,250	
Isolated Open Positions[2]				
Total prepaid expenses	**110,121**	**539**	**100,077**	**861**
Treasury instruments (Cap/Floor premiums)	1,300		466	
Treasury instruments IOP	311		422	
Total treasury instruments	**1,611**	**0**	**888**	**0**
Deferred expenses (Loan issue costs)[3]	11,540	4,082	13,671	5,234
TOTAL ACCRUALS	**11,540**	**4,082**	**13,671**	**5,234**

(1) Prepaid operating expenses correspond to external expenses for which the service will be provided after 31/12/2021.

(2) During the 2021 fiscal year, the premiums paid from the renegotiation of six swaps amounted to €40.4 million. These premiums were spread over the residual term of the swaps. The outstanding premiums to be spread amount to €108.92 million and correspond to a historic accumulation of €174.4 million in premiums paid.

(3) Deferred expenses exclusively comprise the bond issue costs spread over the term of the bond.

4.5.3.3 Shareholders' equity

		Increase	Decreases		
(In € thousand)	31/12/2020	Capital increase	Other changes during the year	Allocation of net income/dividend	31/12/2021
Share capital[1]	283,633	313			283,946
Share premium[1]	3,239,337	-313			3,239,023
Additional paid-in capital	296,342				296,342
Merger premiums	604,599		9	-20,180	584,428
Revaluation reserves	83,453				83,453
Legal reserve	28,322			42	28,363
Retained earnings[2]	1,537		384	-619	1,302
Allocation of 2020 net income[3]	318,811			-318,811	0
Net income for the 2021 fiscal year			287,595		287,595
Regulated provisions	33,964		61		34,024
SHAREHOLDERS' EQUITY	**4,889,996**	**0**	**288,049**	**-339,568**	**4,838,477**

(1) Capital increase of 104,459 shares as part of the allocation of free share plans.

(2) Covivio decided to apply the IFRIC approach in the parent company financial statements concerning off-balance sheet commitments. This change in method made at 31 December 2021 impacts shareholders' equity for an amount of €384 thousand.

(3) The Ordinary and Extraordinary General Meeting on 20 April 2021 allocated income as described below and paid a dividend of €3.60 per share.

(In € thousand)	
Net income for the fiscal year ended 31 December 2020	318,811
Merger premium	20,180
Retained earnings	1,537
TOTAL TO BE ALLOCATED	**340,528**
Legal reserve	42
Dividends paid out	339,568
Retained earnings	918
TOTAL ALLOCATED	**340,528**

4.5.3.4 Provisions

(In € thousand)	Note	31/12/2020	Increase: Of which Italian Establishment 31/12/2020	Increase: Operating charges	Increase: Financial charges	Decrease: Reversals of operating provisions (amount used)	Decrease: Change of method	Decrease: Reversals of operating provisions (amount not used)	Decrease: Reversals of financial provisions (amount not used)	31/12/2021	Of which Italian Establishment as at 31/12/2021
Provisions for risks		**12,533**	**5,431**	**2,108**	**4,239**	**3,181**	**0**	**900**	**1,117**	**13,682**	**3,427**
Portfolio-related disputes[1]		7,060	5,134	1,377		2,576		900		4,962	3,130
Provisions for litigation		297	297							297	297
Provisions relating to investments		3,439			109				1,117	2,431	
Yield-guarantee provision		0								0	
Provisions for URSSAF AGA		1,736		731		605				1,863	
Provision Plan AGA					4,130					4,130	
Provisions for losses		**4,023**	**569**	**0**	**0**	**429**	**-384**	**6**	**0**	**3,204**	**306**
End-of-career benefits	3.5.3.4.1	2,281				95	-384			1,802	
Provisions for tax – tax audit		569	569			257		6		306	306
Long service award		1,173				78				1,095	
Provisions for departure		0								0	
TOTAL		**16,556**	**6,000**	**2,108**	**4,239**	**3,610**	**-384**	**905**	**1,117**	**16,886**	**3,733**

(1) Provisions for property risks and charges were allocated in France and Italy in 2021.

The provision of €1,337 thousand and the reversal of €3,442 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	31/12/2021	31/12/2020
Discount rate	0.501%	0.11%
Annual inflation		
Annual wage growth		
Executives	4%	4%
Non-managers	3%	3%
Payroll tax rate (IFC only)	48.49%	48.96%
Mortality rate	TGF05/TGH05	TGF05/TGH05
Turnover		
Up to 49	8.56%	8.56%
50 and over	0%	0%
Reason for retirement	100% voluntary	100% voluntary

4.5.3.5 Payables

(In € thousand)	Note	31/12/2021	Amount due in less than 1 year	Amount due in 1 to 5 years	Amount due in over 5 years	Of which Italian Establishment 31/12/2021	Amount due in less than 1 year	Amount due in 1 to 5 years	Amount due in over 5 years	31/12/2020
Convertible bonds	*4.5.3.5.1*									200,735
Bonds	*4.5.3.5.1*	2,946,454	151,454	800,000	1,995,000	734,169	134,169	300,000	300,000	2,845,629
Borrowings and debt from credit institutions[1]		1,460,609	1,460,609		0					1,484,764
Current accounts and various financial debts		253,690	249,712	3,978		15,088	11,110	3,978		226,505
Total financial debt		**4,660,754**	**1,861,776**	**803,978**	**1,995,000**	**749,257**	**145,279**	**303,978**	**300,000**	**4,757,633**
Advances and deposits[2]		4,088	4,088			365	365			3,869
Trade payables[3]		18,910	18,910			9,078	9,078			25,376
Debt on property assets and related accounts[3]		9,199	9,199			8,281	8,281			9,639
Tax and social security liabilities[4]		24,378	24,378			11,125	11,125			12,681
Other liabilities[5]		6,727	6,727			3,227	3,227			12,762
TOTAL		**4,724,057**	**1,925,079**	**803,978**	**1,995,000**	**781,332**	**177,354**	**303,978**	**300,000**	**4,821,960**

(1) Breakdown of loans and debts from credit institutions:

* the outstanding principal on credit lines and commercial paper amounts to €1,448,400 thousand
* accrued interest not yet due for €2,208 thousand.

The amount of borrowings taken out and credit lines drawn totalled €24,000 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.

(In € thousand)	31/12/2021	Of which Italian Establishment
Trade payables and related accounts	**18,910**	**9,078**
Trade payables and related accounts	2,028	0
Trade payables – Invoices not received	16,812	9,078
Not used commission payable	70	
Debt on property assets and related accounts	**9,199**	**8,281**
Trade payables on fixed assets and related accounts	8,368	8,281
Trade payables – hold-backs	9	
Trade payables on fixed assets – Invoices not received	822	
TOTAL TRADE PAYABLES ON FIXED ASSETS	**28,109**	**17,359**

(4) Breakdown of tax and social security liabilities:

- VAT, €1,128 thousand
- income tax of €11,817 thousand
- payroll and social security expenses, €4,013 thousand
- personnel expenses of €6,664 thousand, including provisions for paid leave of €1,937 thousand
- organic, €78 thousand
- tax liabilities, €678 thousand.

(5) Other debts item corresponds to the balance of accounts:

- trade receivables in the amount of €3,207 thousand
- receivables on disposals of fixed assets €303 thousand
- other receivables €3,217 thousand.

4.5.3.5.1 Bonds

The bond principal outstanding is €2,920 million, of which €26 million accrued interest.

The table below summarises the major features of these swap contracts:

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 Beni Stabili

Issue date	30/03/2015
Issue amount (in €M)	€125 M
Nominal rate	2.125%
Maturity	30/03/2022

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 Cash 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 Banking covenants

As of 31 December, the consolidated ICR and LTV Crédit corporate bank covenants, the ratio of pledged debt are all respected:

- LTV <60%
- ICR > 200%.

They amount to 41.2% for the LTV Group Share, 672% for the ICR Group Share and 4.8% for the pledged debt ratio.

4.5.3.5.4 Accrued expenses and deferred income

(In € thousand)	31/12/2021	Of which Italian Establishment	31/12/2020	Of which Italian Establishment
Trade payables – Invoices not received	16,812	9,078	24,731	20,722
Trade payables on fixed assets – Invoices not received	828		2,782	
Paid leave	1,937	496	1,843	442
Other tax and social security liabilities	5,591	429	5,866	387
Accrued bank interest – Charges	0		0	
Accrued interest not yet due on borrowings*	28,663	9,169	28,684	9,908
Unused commission to be paid	70		70	
TOTAL	**53,901**	**19,172**	**63,977**	**31,459**
Treasury instruments IOP	23,027		30,281	
TOTAL TREASURY INSTRUMENTS	**23,027**	**0**	**30,281**	**0**
Pre-booked income				
Spread of balances**	20,454		23,112	
Isolated Open Positions**	644		644	
Treasury bills	1,135		1,443	
Rental activity	2,892	2,873	3,259	3,259
TOTAL DEFERRED REVENUE	**25,125**	**2,873**	**28,459**	**3,259**

* The accrued interest is from treasury bills, bank loans and swaps (€2,209 thousand) and bonds (€26,454 thousand).

** For the 2021 fiscal year, no renegotiated Swaps. As of 31/12/2021, the amount remaining to be spread over Swaps and appearing in BCPs was €20.4 million. Note: the cash payments received amounted to €26.7 million.

4.5.4 Notes to the income statement

At 31 December 2021, net income amounted to €287,595 thousand, compared with €318,811 thousand in 2020.

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)	31/12/2021	31/12/2020	Of which Italian Establishments 2021	Of which Italian Establishments 2020
Rental income	**111,057**	**127,423**	**69,913**	**78,861**
Offices	111,057	127,419	69,913	78,861
Finance leases	0	3		
Real estate business	**1,500**	**1,405**	**1,500**	**1,405**
Service revenues	**35,499**	**33,620**	**3,321**	**3,603**
TOTAL	**148,056**	**162,448**	**74,734**	**83,870**

The change in revenue is explained by the decrease in rents in France related to the disposals of buildings in 2020, namely Respiro in Nanterre and Nancy Grand Cœur, and in 2021 Issy EDO and Lézennes Hélios.

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)	31/12/2021	Of which Italian Establishment
Reversals of provisions for operating contingencies and charges	**4,515**	**3,604**
Provisions for litigation related to the portfolio	3,738	3,604
Provisions for social security contribution (URSSAF) for free share allocation	605	
Pension provision	95	
Provisions for long-service awards	78	
Reversal of impairment on inventories	**2,548**	**2,548**
Reversals of provisions for doubtful receivables and purchasers	**3,413**	**2,727**
Transferred charges	**3,202**	**0**
Loan issue costs	497	
Benefits in kind awarded to staff	141	
Incentive plan invested in shares	1,015	
Property tax relief	1,463	
Repayment of insurance and other operating expenses	87	
TOTAL REVERSALS OF PROVISIONS, IMPAIRMENTS AND TRANSFERRED EXPENSES	**13,678**	**8,879**

4.5.4.1.3 Production costs

(In € thousand)	31/12/2021	31/12/2020	Of which Italian Establishment 2021	Of which Italian Establishment 2020
Purchases – Real estate traders	1,451	3,618	1,451	3,618
Change in inventory – Real estate traders	3,798	1,270	3,798	1,270
Other purchases and external expenses[1]	39,283	44,486	19,063	18,852
Taxes and related payments	15,341	17,549	9,155	10,573
Staff costs	36,056	33,568	7,489	7,497
Depreciation, amortisation and provisions[2]	92,907	121,478	74,255	98,423
Other operating expenses[3]	5,348	5,375	3,481	3,457
TOTAL OPERATING EXPENSES	**194,184**	**227,344**	**118,692**	**143,690**

(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 (see table below):

(In € thousand)	31/12/2021	31/12/2020	Dt Stable Establishment 2021	Of which Italian Establishment 2020
Amortisation of intangible assets	1,185	1,915	324	1,074
Depreciation of rental assets	47,464	53,199	36,464	41,005
Depreciation of furniture and equipment	500	366	82	89
Depreciation of merger deficit	1,101	1,115		
Prepaid expenses	2,628	2,819	1,152	1,436
Sub-total for depreciation and amortisation	**52,879**	**59,414**	**38,023**	**43,603**
Depreciation of MDB stock	1,652	4,898	1,652	4,898
Provisions for trade receivables	6,670	3,739	6,519	2,919
Provisions for fixed assets	29,598	49,576	26,725	44,167
Provisions for risks and charges[4]	2,108	3,852	1,337	2,836
Subtotal allowances for impairments and provisions	**40,028**	**62,064**	**36,233**	**54,820**
TOTAL	**92,907**	**121,478**	**74,255**	**98,423**

(3) The item "other operating expenses" mainly corresponds to losses on irrecoverable receivables of €923 thousand, Directors' compensation of €631 thousand, a yield guarantee of €946 thousand and sundy expenses of €2,577 thousand for ongoing management in Italy.

(4) Details of provisions for risks and charges are given in paragraph 3.5.3.4. These allocations concern the Urssaf AGA provisions of €731 thousand and the provisions related to the portfolio of €1,377 thousand.

4.5.4.2 Net financial income

(In € thousand)	Note 4.5.4	31/12/2021	31/12/2020	Of which Italian Establishment 2021	Of which Italian Establishment 2020
Financial income from investments		**284,622**	**318,271**	**48,893**	**36,526**
Dividends received from subsidiaries and equity investments	*2.1*	284,622	318,271	48,893	36,526
Financial income on guarantees given		0	0		
Other marketable securities and fixed asset receivables income		**10,885**	**11,118**	**-2**	**4**
Income from loans to employees		-1	6	-2	4
Income from loans to subsidiaries		10,885	11,112		
Other interest and similar income		**97,838**	**85,407**	**838**	**3,736**
Interest on group current accounts		3,477	2,114	200	142
Income from financial instruments		20,278	20,309		
Income from treasury bills		5,164	2,640		
Revenue from term accounts		3,011	2,001		
Premiums and cash adjustments received		9,912	9,968		
Other income		771	1,238	638	494
Statutory interest		15,678	8,298		
Merger premiums	*2.2*	39,546	38,839		3,100
Reversals of provisions and transferred expenses	***2.3***	**12,481**	**19,748**	**1,160**	**538**
Reversals of provisions for financial contingencies and charges			185		
Reversals of provisions for financial risks related to securities – current accounts		2,449	1,760		
Reversals of provisions for treasury share risks					
Reversals of provisions on financial assets	*3.5.3.1.6*	5,903	17,803	1,160	538
Reversals of provisions for merger deficit on financial assets					
Transferred financial expenses		4,130	0		
Net income from disposal of marketable securities		**0**	**0**		
Total financial income		**405,826**	**434,545**	**50,888**	**40,805**
Provisions for financial contingencies and losses		**57,828**	**19,581**	**6,507**	**504**
Provisions for financial contingencies			2,194		
Provisions for financial contingencies related to securities – current accounts		10,871	3,543		
Provision for financial risks - treasury shares		4,130	0		
Provisions on financial assets[1]	*3.5.3.1.6*	41,332	11,226	6,507	504
Provisions for merger deficit on financial assets					
Other financial provisions		1,494	2,619		
Interest and similar expenses		**115,001**	**118,931**	**28,140**	**33,781**
Interests on loans and swaps		68,654	71,391	16,319	19,141
Interest on group current accounts		2,501	2,369	209	186
Bank interest and financing operations		4,107	4,165		
Merger deficits	*2.2*	642	199		
Premiums and cash adjustments paid		8,557		8,557	
Spreading of premiums and cash adjustments	*3.5.3.2.3*	30,427	40,559		
Fair value adjustments to financial instruments		111	111		
Reversal of valuation of derivative financial instruments	*3.5.3.4*		0		
Other financial expenses		3	135	3,056	14,454
Net expenses from disposal of marketable securities		**29**	**17**		
Net expenses on disposals of treasury shares		**2,577**	**3,318**		
Total financial expenses		**175,435**	**141,847**	**34,647**	**34,285**
NET FINANCIAL INCOME		**230,391**	**292,698**	**16,241**	**6,519**

(1) Corresponds to impairments related to equity investments for €39,466 thousand (see 4.5.3.1.6 and 4.5.3.1.7) mainly and on treasury shares for €40 thousand (liquidity agreement) and €1,827 thousand on treasury shares pending allocation 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 fiscal 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)
SNC Sully Chartres		82		
SCI du 2 rue de L'Ill		560		
SARL du 2 rue Saint Charles	270			9
SCI du 288 rue Duguesclin	39,276			
TOTAL	**39,546**	**642**	**0**	**9**

4.5.4.2.3 Breakdown of reversals of provisions and transferred expenses

(In € thousand)	31/12/2021	Of which Italian Establishment 2021
Reversals of provisions for financial contingencies and charges	**8,351**	**1,160**
Reversals of provisions relating to investments:	**6,966**	**1,160**
Reversals of provisions on investments	4,518	1,160
Reversal of provisions for risks – current accounts	2,449	
Other reversals of provisions of a financial nature	**1,385**	**0**
Reversals of provisions on treasury shares	1,382	
Reversals of provisions on investment securities	2	
Transferred financial expenses	**4,130**	**0**
Expenses on allocation of shares to employees	4,130	
TOTAL	**12,481**	**1,160**

4.5.4.3 Net non-recurring income

The non-recurring income of €98.63 million was mainly impacted by capital gains on disposals, namely €97.8 million.

Income (in €k)	31/12/2021	31/12/2020	Of which Italian Establishment 31/12/2021	Of which Italian Establishment 31/12/2020	Expenses (in €k)	31/12/2021	2021 Net	31/12/2020	2020 Net	Of which Italian Establishment 31/12/2021	Of which Italian Establishment 31/12/2020
Exceptional income on management transactions	**192**	**240**	**0**	**43**	**Exceptional expenses on management transactions**	**145**	**46**	**671**	**-430**	**23**	**133**
Miscellaneous income		62			Miscellaneous expenses	25	-25	88	-26	23	133
Non-recurring income on finance leases		78			Expenses on finance leases						
Non-recurring income on leasing	192	101		43	Non-recurring expenses on operating leases	120	71	583	-483		
Income on capital transactions	**284,593**	**461,468**	**69,432**	**319,944**	**Expenses on capital transactions**	**185,949**	**98,644**	**384,831**	**76,637**	**68,794**	**291,356**
Non-recurring income on disposal of buildings	237,896	422,997	67,612	318,465	Book value of buildings sold off	137,251	100,644	335,754	87,243	65,322	280,007
Income on disposals of other fixed assets sold		14			NBV of other fixed assets sold	2,792	-2,792	8,921	-8,907	1,699	8,780
Income on exercise of finance lease purchase options					NBV from exercise of finance lease purchase options			16	-16		
Income from disposals of intangible assets		44			NBV of intangible fixed assets			59	-15		
Income on disposals of treasury shares	44,207	36,789			NBV of treasury shares sold	43,958	249	37,417	-628		
Income from sales of ecurities[1]	1,791	1,148	1,786	1,148	Carrying amount of securities sold[1]	1,778	13	2,569	-1,421	1,774	2,569
Miscellaneous non-recurring income	699	475	34	332	Miscellaneous expenses	169	530	94	381		
Reversals of provisions	**0**	**229**	**0**	**0**	**Depreciation and provisions**	**61**	**-61**	**191**	**39**	**0**	**0**
Provisions for capital cost allowances					Capital cost allowances	61	-61	191	-191		
Finance leases – Reversals of Art. 64 provisions		16			Finance leases – Art. 64 provisions		0		16		
Reversals of provisions for taxes		213			Depreciation and amortisation charges		0		213		
Non-recurring income	**284,785**	**461,937**	**69,432**	**319,987**	**Non-recurring expenses**	**186,155**	**98,630**	**385,692**	**76,245**	**68,817**	**291,489**
NET NON-RECURRING INCOME	**98,630**	**76,245**	**615**	**28,498**							

(1) Income from disposals and book value of securities sold.

(In € thousand)	Disposal price	Net book value	Income from disposal
Attivita Commerciali Montenero Srl - Earn-out 2020	170		170
Attivita Commerciali Vigevano Srl - Earn-out 2020	83		83
Attivita Commerciali Beinasco Srl	1,533	1,770	-237
Fondo Sval Partic Consorzo Le Fornaci		3	-3
Parking de la Comédie	5	5	1
TOTAL	**1,791**	**1,778**	**13**

4.5.4.4 Corporate income tax

Covivio France is subject to the SIIC regime; for 2021, taxable net income was a profit of €23,646,646.90.

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 fiscal 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 €73,367 for the 2021 fiscal 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 Increase in and relief of future tax liabilities

As of 31 December 2019, Covivio had a tax loss carryforward of €285,520,667.

For the 2021 fiscal 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 €38,705 corresponding to non-tax-deductible expenses (depreciation and excess rent on leased vehicles).

During the past fiscal 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 (€M)	Delivery date	31/12/2021	31/12/2020
Commitments related to consolidated companies		**0.0**	**90.6**
Commitments given for specific transactions[1]			90.6
Commitments related to operating activities (A+B+C)		**58.7**	**205.4**
A- Commitments given related to business development		**40.5**	**36.5**
Work commitments outstanding on assets under development[2]		38.6	36.5
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		**14.7**	**15.6**
Other contractual commitments given in "rental income owed"	2051	14.4	13.9
Work commitments outstanding on investment properties[3]			1.7
Works commitments outstanding on assets in inventory		0.3	
C- Commitments related to asset disposals		**3.5**	**153.2**
Preliminary sale agreements given		3.5	153.2

(1) Promise to sell.

- 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) 593,884 shares to the beneficiaries present at the end of the vesting period.

- As part of the partnership with ACM VIE in the SCIs 9 and 15 rue des Cuirassiers (with the Silex properties), Covivio granted a guaranteed return dated 7 December 2017, which works as follows:
  - 2.80% per year beginning 7 December 2017 and ending at the close of the Silex 2 incentive period, or sixteen (16) months after delivery, for up to a minimum of fifty-four (54) months from the signing of this guarantee
  - this is after deducting any money paid by one of the SCIs to ACM VIE as a dividend (or interim dividend), repayment of premium, or interest during the guaranteed return period
  - in the event that subsequent to the end of the term of this guarantee, money is paid by the SCIs to ACM VIE, the partner would have to pay back these amounts to Foncière des Régions within ten (10) working days of their receipt.

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 borrowings and debt 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	976
21/06/2017	21/06/2024	Swaps	ING	0.76%	75,000	1,636
30/06/2018	30/06/2028	Swaps	NATIXIS	0.94%	75,000	-4,368
29/03/2018	31/03/2028	Swaps	CM CIC	1.03%	100,000	-6,257
30/09/2019	30/06/2028	Swaps	CM CIC	0.87%	100,000	-5,372
31/12/2018	30/06/2028	Swaps	ING	0.83%	50,000	-2,549
15/07/2019	17/01/2022	Swaps	ING	0.96%	100,000	-67
15/07/2019	17/01/2022	Swaps	CACIB	0.93%	100,000	-66
15/07/2019	16/04/2029	Swaps	SG	0.10%	50,000	-2,700
15/01/2020	15/01/2026	Swaps	SG	0.21%	650,000	8,053
15/01/2020	15/01/2030	Swaps	SG	0.45%	400,000	-9,224
15/01/2020	15/01/2031	Swaps	CACIB	0.84%	75,000	-4,344
15/04/2020	15/01/2032	Swaps	LCL	1.04%	70,000	-5,524
15/01/2020	15/01/2031	Swaps	SG	1.18%	150,000	-11,007
23/06/2020	24/06/2027	Swaps	SG	Euribor 3M+0.0660%	100,000	-998
23/06/2020	24/06/2030	Swaps	CACIB	Euribor 3M+0.0685%	250,000	-7,572
15/01/2021	15/01/2025	Swaps	SG	0.33%	600,000	9,656
15/01/2021	15/01/2032	Swaps	CACIB	Euribor 3M+0.88%	200,000	-9,531
Italian Branch						
29/06/2018	31/12/2026	Swaps	Unicredit S.p.A.	Eur3M	62,500	-95,151
29/06/2018	31/12/2026	Swaps	Unicredit S.p.A.	0.71%	62,500	-2,241,904
31/12/2018	31/12/2025	Swaps	Unicredit S.p.A.	Eur3M	50,000	-194,783
31/12/2018	31/12/2025	Swaps	Unicredit S.p.A.	0.85%	50,000	-1,729,170

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 swap 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	9
17/01/2028	15/01/2032	C. SWAPTION	LCL	Euribor 3M	70,000	-1,345
15/04/2020	17/07/2023	A – Cap	SG	Euribor 3M	125,000	115
20/01/2021	22/04/2024	A - floor	CACIB	Euribor 3M	100,000	684
15/01/2032	16/01/2034	V - P SWAPTION	CACIB	Euribor 3M	200,000	-3,154
Italian Branch						
None						

4.5.5.2 Commitments received

Off-balance sheet commitments received (€M)	Delivery date	31/12/2021	31/12/2020
Commitments related to consolidated companies		**0.0**	**0.0**
Commitments related to financing		**1,330.0**	**1,330.0**
Commitments related to financing not specifically required by IFRS 7			
Financial guarantees received (authorised lines of credit not used)		1,330.0	1,330.0
Commitments related to operating activities		**216.2**	**419.5**
Financial instruments concluded for the reception or delivery of non-financial elements ("own use" contracts)		0.0	0.0
Other contractual commitments received related to activity		172.3	224.9
Assets received in pledge, mortgage or collateral, as well as guarantees received		1.6	3.2
Preliminary sale agreements received = Preliminary sale agreements given		3.5	153.2
Works commitment outstanding (fixed assets) =(2) +(3) commitments given		38.9	38.2

4.5.6 Sundry information

4.5.6.1 Average headcount during the year and at the end of the period

2021 – Covivio France		2021 – Covivio Italie		TOTAL 2021	TOTAL 2020
Executives	147	Managers	8	155	151
Supervisors	15	Supervisors	20	35	34
Employees	4	Employees	49	53	49
TOTAL EXCLUDING APPRENTICES	**166**	**TOTAL EXCLUDING APPRENTICES**	**77**	**243**	**234**
Apprentices – Professional contracts	12	Apprentices	0	12	10
TOTAL FRANCE	**178**	**TOTAL ITALY**	**77**	**255**	**244**

The average headcount for 2021 was 176.75 in France and 76.58 in Italy.

4.5.6.2 Management and Directors' remuneration

4.5.6.2.1 Remuneration of Board members

The members of the COVIVIO Board received remuneration in the amount of €631,250 in 2021 compared to €565,250 in 2020.

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 €2,756 thousand for their roles, excluding the valuation 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' salary (fixed + variable) 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: the compensation will be equal to 12 months of salary (fixed + variable) 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 2021

The table below includes all related-party transactions for the fiscal year ended 31 December 2021, including transactions with wholly owned subsidiaries.

(In € thousand)	Amount
Advances and pre-payments on fixed assets	
Investment	5,354,635
Investment-related receivables	
Loans	1,566,542
Trade receivables and related accounts	817
Receivables from others	142,676
Other sundry long-term loans and borrowings	
Other sundry short-term loans and borrowings	245,960
Advances and deposits received on orders in progress	70
Trade payables and related accounts	35
Debt on fixed assets and related accounts	
Other liabilities	178
Income from investments	284,622
Other financial income	33,094
Financial expenses	-5,579

4.5.6.5 Free shares

In 2021, a total of 276,765 free shares were awarded by Covivio.

The following fair-value assumptions were made for the free shares:

	2021					
	Corporate officers – with performance conditions[1]	Corporate officers – with performance condition plan[2]	Corporate officers and/or employees – without performance condition plan	Corporate officers – with performance condition plan[1]	Corporate officers – with performance condition plan[2]	Corporate officers and/or employees – without performance condition plan
Date awarded	17/02/2021	17/02/2021	17/02/2021	25/11/2021	25/11/2021	25/11/2021
Number of shares awarded	28,212	28,213	5,250	63,000	63,000	89,090
Share price on the date awarded	€64.80	€64.80	€64.80	€74.56	€74.56	€74.56
Acquisition period	3 years	3 years	3 years	4 years	4 years	3 years
Lock-up period						
2021 dividend per share	3.60	3.60	3.60			
2022 dividend per share	3.60	3.60	3.60	3.80	3.80	3.80
2023 dividend per share	3.60	3.60	3.60	3.80	3.80	3.80
2024 dividend per share				3.80	3.80	3.80
2025 dividend per share				3.80	3.80	
Value of free share	€53.80	€53.80	€53.80	€59.56	€59.56	€62.56
Value of the benefit	€28.85	€32.46	€43.27	€30.06	€32.42	€50.32

At 31 December 2020, 593,884 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	Capital interest (in %)	Book value of securities held gross	Book value of securities held net
I. Detailed information					
A. Subsidiaries (at least 50% of the capital held by the company)					
1) Real estate activities					
a) Rental property					
Foncière Développement Logement	1,357	38,319	100.00	186,335	36,489
Fédération	16,151	24,689	100.00	27,411	27,411
FDR7	3	822	100.00	825	825
SA Technical	102,026	84,322	100.00	358,640	358,640
SCI Le Ponant 1986	15	7,296	100.00	4,162	4,162
SCI Atlantis	2	5,863	100.00	28,429	28,429
SCI Iméfa 127	81,788	691	100.00	103,476	103,476
Latécoëre	4,714	-17,921	50.10	30,851	30,851
SCI du 32 avenue P. Grenier	157	8,011	100.00	20,610	20,610
SCI du 40 rue JJ. Rousseau	24	14	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 288 rue Duguesclin (FTA on 30/09/2021)					
SCI du 9 rue des Cuirassiers	85	-1,703	50.10	5,693	5,693
SCI du 15 rue des Cuirassiers	159	-4,428	50.10	1,072	1,072
SCI du 10B et 11A 13 allée des Tanneurs	32	446	100.00	1,441	1,441
SCI 1 rue de Châteaudun	17	1,135	100.00	2,048	2,048
SCI du 1630 avenue de la Croix Rouge	12	-109	100.00	83	0
SCI du 125 avenue du Brancolar	25	82	100.00	7	7
SARL du 106-110 rue des Troënes	9	7	100.00	9	9
SCI du 2 rue de l'Ill (FTA at 30/06/2021)					
SCI du 20 avenue Victor Hugo	12	19	100.00	3	3
SARL du 2 rue Saint Charles (FTA at 30/09/2021)					
SNC Palmer Plage	4,811	-895	100.00	1,917	1,917
SCI Dual Center	1,352	959	100.00	1,500	1,500
SCI Pompidou	966	4,038	100.00	5,000	5,000
SCI 11 Place de l'Europe	5	-47	50.09	15,031	15,031
Office CB 21	330,447	-2,967	75.00	247,695	247,695
SCI Lenovilla	8	2,366	50.10	24,286	24,286
SCI Latécoère 2	2	-2,915	50.10	1	1
SCI Meudon Saulnier	1	-8,204	99.90	1	0
SCI Charenton	3,201	21,331	100.00	16,001	16,001
SCI Avenue de la Marne	50	-2,496	100.00	50	50
Omega B	26,928	12,291	100.00	38,983	38,983
Covivio Lux	13	69	100.00	63	63
SCI Rueil B2	1	7,276	99.90	11	11
SNC Wellio	1	-9,748	99.90	1	0
SCI Cité Numérique	1	-909	99.90	1	1
SCI Danton Numérique	1	-2,457	99.90	1	1
SCI N2 Batignolles	6	10,362	50.00	10,314	10,314
SAS 6 rue Fructidor	4,795	43,443	50.10	24,787	24,787

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	Comments
		26	-3,338	14,928	
17,000			1,504		
3,134		505	286	938	
		61,370	51,821	76,208	
274		1,344	921	1,200	
26,000		5,874	4,158	3,000	
		7,551	3,629	2,999	
		21,919	-19,599		
12,451		1,461	-1,288		
6,400		704	224	848	
4,400		1,284	642	616	
28,400		5,136	1,748	1,132	
		1,500	40,422	1,691	
146,700		2,941	-6,871		
		3,601	-1,199		
7,577		1,777	985	500	
2,150		1,245	829	682	
2,626			-306		
7,134		752	178	1,282	
2,500			-1,255		
		20	-375	229	
2,850		473	177	657	
			-136		
104,990		4,238	-3,744		
2,200		513	308	500	
5,000		1,048	214	106	
18,044		7,382	-9	3,005	
			9,263	8,996	
19,938		15,803	6,944	6,012	
58,196		5,276	-1,049		
30,065			-772		
57,397		8,407	3,879	7,042	
100,581		135	-3,152		
74,482		287	-3,884		
			21		
85,978		11,972	-2,242		
22,151		12,870	-5,657		
36,102		2,457	-229		
129,665		800	-5,098		
66,925		-102	-226		
96,311			-165		

Companies or groups of companies	Capital	Reserves and retained earnings before allocation of income	Capital interest (in %)	Book value of securities held gross	Book value of securities held net
SCI Terres neuves	1	-91	99.90	1	0
SCI de la Louisiane	1	-29	99.90	1	0
b) Foreign companies					
Covivio 7 Spa	520	23,334	100.00	32,654	23,335
RGD Gestioni	10	1,782	100.00	2,704	1,380
Covivio Immobiliare 9 SpA	120	121,172	100.00	115,554	113,984
Attivita Commerciali Beinasco					
SAS Covivio Alexanderplatz	20,418	141,329	55.00	92,390	92,390
Covivio Ativita Immobiliri 2	10	11,601	100.00	10,226	10,226
Covivio Ativita Immobiliri 3	10	16	100.00	35	19
Covivio Development Italy SpA SIINQ	50	403,222	100.00	378,776	378,776
Covivio Attivita Immobiliari 4	10	5	100.00	15	15
c) Real estate trader	**157**	**8,011**	**100.00**		
SARL GFR Ravinelle	952	931	99.98	1,734	1,734
d) Property development	**15**	**0**	**100.00**		
Lenopromo	1	128	99.90	1	1
Latepromo	1	200	99.90	1	1
Promomurs	1	272	100.00	1	1
SNC le clos de chanteloup	1	-764	99.90	1	0
SNC Bordeaux lac	1	-1,334	99.90	1	0
SNC Sully Chartres (FTA at 30/06/2021)					
SNC Sucy parc	1	-122	99.90	1	0
SNC Gambetta le Raincy	1	183	99.90	1	1
SNC Orly promo	1	1,895	99.90	1	1
Silexpromo	1	2,177	99.90	1	1
SCI du 21 rue Jean Goujon	1	1,499	99.90	1	1
SNC Villouvette Saint Germain	1	153	99.90	1	1
SNC La Marina Fréjus	1	-14	99.90	1	0
SNC Normandie Niemen Bobigny	1	-163	99.90	1	0
SNC le printemps Sartrouville	1	-45	99.90	1	0
SNC Gauguin St-Ouen-l'Aumône	1	-13	99.90	1	0
SNC Meudon Bellevue	1	300	99.90	1	1
SNC Tours Coty	1	-9	99.90	1	0
SNC Valence Victor Hugo	1	-13	99.90	1	0
SNC Nantes Talensac	1	-15	99.90	1	0
SNC Marignane Saint-Pierre	1	-4	99.90	1	0
SNC N2 Batrignolles Promo	10	481	50.00	164	164
SNC Fructipromo	1	2,295	99.90	1	1
SNC Jean Jacques Bosc	1	-31	99.90	1	0
SNC André Lavignolle	1	-45	99.90	1	0
SCCV Chartres avenue de Sully	2	-162	99.90	2	0
SCCV Bobigny Le 9e Art	2		60.00	1	1
SCCV Fontenay-Sous-Bois Rabelais	1		50.00	1	0
SNC Saint Germain Hennemont	1	-13	99.90	1	0
SNC Antony avenue de Gaulle	1	-1	99.90	1	0
SNC Aix en Provence Cézanne	1	-1	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	Comments
509			-89		
4,018			-37		
		0	-487	3,000	
		207	-409		
		6,399	3,568	3,568	
		2,707	-269		
821		110	-3,815		
		0	-13		
		0	-5		
		9,202	27,265	861	
		0	-1		
			11		
			-9		
2,502		32,392	5,346	999	
			258		
1,332		500	-57		
16,789			-162		
			-81		
1,084			-44		
5,371		3,219	56		
			2,914	1,498	
		40,328	9,153	7,992	
161,859			-1,614		
711		6,121	342		
247			-12		
1,214		321	-3		
72			-11		
182			-12		
		4,362	514		
426			-7		
847			-9		
1,105			-65		
127			-6		
		37,445	2,101	375	
		79,785	25,115	9,990	
400			-14		
3,971			-364		
1,981		2,335	114		
582		6,735	532		
5,504			-355		
4,720			-176		
769			-10		
260			-2		

Companies or groups of companies	Capital	Reserves and retained earnings before allocation of income	Capital interest (in %)	Book value of securities held gross	Book value of securities held net
SAS HOTEL N2	0	0	100.00	1	0
2) Parking activity					
SCI Esplanade Belvédère II	366	2	100.00	451	366
République	3,838	7,477	100.00	50,145	40,622
Gespar	30	13	50.00	56	46
Trinité	1,428	7,280	100.00	10,898	10,898
3) Service activities					
SNC Covivio Property	6,111	-6,299	100.00	12,759	0
Covivio Développement	200	-3,106	100.00	1,852	0
Covivio Hotels Gestion	37	4	100.00	37	37
Foncière Margaux	40	-28	100.00	34	4
Covivio2	12,927	-10,983	100.00	12,927	12,044
Euromarseille 1	8,501	-46,649	50.00	8,587	8,587
Euromarseille 2	3,501	-1,893	50.00	3,564	3,564
Covivio SGP	592	1,642	100.00	1,395	1,395
Télimob Paris SARL	552	-5,483	100.00	57,670	57,670
Covivio Participations	1	0	100.00	1	1
FDR PROPTECH	3	-256	100.00	3	0
Covivio Holding Gmbh	25	1,020,770	100.00	1,021,043	1,021,043
Covivio Office Gmbh	25	676,800	100.00	678,759	676,465
B. Investment (10% to 50% of capital held by the company)					
1) Real estate activities					
a) Rental property					
Cœur d'Orly Promotion	37	-1	50.00	19	19
Covivio Hotel SCA	592,566	1,911,977	43.84	1,324,138	1,324,138
SCI Factor E	10	-16	34.69	486	486
EM/EA	10	-97	34.69	885	885
Central Sicaf	50,007	638,145	49.21	374,449	354,477
Real Estate Solution & Technology	10	142	30.00	3	3
II. General information on holdings					
A. Subsidiaries not included in paragraph 1					
a) French subsidiaries (together)					
(Comédie/Oséo/Finantex/MRDIC/FNAIM)				7	7
III. General information on holdings					
A. Subsidiaries I+II					
a) French subsidiaries (together)	618,364	175,602		1,322,503	1,147,405
b) Foreign subsidiaries (together)	21,198	2,401,031	1,055	2,332,155	2,317,633
B. Investments I+II					
a) In French companies	592,623	1,911,863		1,325,535	1,325,535
b) In foreign companies	50,017	638,287		374,452	354,480

* 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	Comments
			0		
		52	25	24	
3,160		12,284	-2,896	10,898	
		52	37	15	
10,898		1,495	-89		
2,939		7,541	-3,076		
1,135		9,724	-28		
		1,203	487	371	
			-8		
29,869			-773		
6,453		185	56,564	25,078	
22,143			-1,149		
		1,138	207		
6,519			26,884	30,941	
5			-6		
132			-28		
135,000		0	208,618		
18,200		3,938	-1,260		
145		0	0		
		46,651	7,756	14,976	
6,128		2,995	446		
11,075		6,260	997		
		75,853	70,019	41,465	
		0	16		
1,466,558		437,786	187,027	220,752	
154,021	0	22,563	233,192	7,429	
17,348		55,906	9,199	14,976	
0	0	75,853	70,035	41,465	

4.5.6.7 Research and development activities

Covivio did not conduct any research and development during the past fiscal year.

4.5.6.8 Post-closing events

- On 18 January 2022, Covivio and ICADE signed an agreement to exchange shares; Icade transferred 6,531 shares in FACTOR E to Covivio in return, while Covivio transferred 3,469 shares in ORIANZ to ICADE.
- On 25 January 2022, Covivio and INDIGO signed three deeds of sale relating to République, EB2 and GESPAR.

4.5.6.9 company earnings over the past 5 fiscal years

(In €)	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021
I – Capital at year-end					
a. Share capital	224,489,892	248,708,694	261,659,718	283,632,696	283,946,073
b. Number of existing ordinary shares	74,829,964	82,902,898	87,219,906	94,544,232	94,648,691
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	473,300	506,087	454,604	493,337	593,884
II – Operations and net income for the financial year					
a. Revenue excluding taxes	84,416,438	86,111,995	192,704,669	162,448,070	148,056,160
b. Income before tax, employee profit sharing, depreciation and provisions	423,283,200	342,870,301	549,701,041	432,491,376	430,333,009
c. Income taxes	1,359,463	2,107,264	2,405,898	-43,444	10,769,841
d. Employee profit-sharing due for the financial year	537,616	499,992	308,864	0	0
e. Income after tax, employee profit-sharing, depreciation and provisions	443,008,272	348,466,525	293,940,535	318,811,426	287,595,138
f. Distributed income	336,734,838	381,353,331	418,655,549	340,359,235	354,932,591
III – Net income per share					
a. Income after tax and employee profit sharing, but before depreciation and provisions	5.64	4.11	6.27	4.57	4.57
b. Income after tax, employee profit-sharing, depreciation and provisions	5.92	4.20	3.37	3.37	3.04
c. Dividend allocated to each share	4.50	4.60	4.80	3.60	3.75
IV – Personnel					
a. Average salaried headcount over the financial year	151	155	157	252	253
b. Total payroll for the financial year	14,258,503	15,845,146	21,528,733	23,513,951	26,386,666
c. Amount paid in employee benefits for the financial year (social security, benefits, etc.)	6,391,613	7,674,213	10,056,013	10,053,554	9,669,575

4.5.6.10 Payment deadlines for suppliers and customers in euros

COVIVIO FRANCE

	Article D. 441 I.-1°: Invoices received and not paid on the closing date whose term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day
(a) Late payment tranches						
Number of invoices concerned	103					281
Total amount of invoices concerned including tax	558,457.24	1,332,944.88		4,983.11	228,219.24	1,566,147.23
Percentage of the total amount of purchases including tax during the financial year	1.66%	3.97%		0.01%	0.68%	4.67%
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 on the closing date whose term is due					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day
(a) Late payment tranches						
Number of invoices concerned	250					252
Total amount of invoices concerned including tax	7,210,987.98	192,869.84	179,231.87	20,792.34	677,075.97	1,069,970.02
Percentage of the total amount of purchases including tax during the financial year	11.90%	0.32%	0.30%	0.03%	1.12%	1.77%
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 the closing date whose term is due

0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day
-					2,545
	884,893.73	81,278.90	2,667,766.61		3,633,939.24
0.00%	1.21%	0.11%		3.64%	4.96%
N/A					
0.00					

Contractual terms:
Legal terms:
Comments: no invoicing of late interest

Article D. 441 I.-2°: Invoices issued and not paid on the closing date whose term is due

0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Over 1 day
9					729
6,627,099.06	149,385.00	71,507.00	972,696.00	17,602,253.00	18,795,841.00
7.04%	0.16%	0.08%	1.03%	18.71%	19.98%
N/A					
0.00					

Contractual terms:
Legal terms:
Comments: no invoicing of late interest

4.6 Statutory Auditors' report on the annual financial statements

Fiscal year ending 31 December 2021

To the 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 2021.

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.

Independent member

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2021 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

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) 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 financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the annual financial statements taken as a whole and in forming our opinion theron, and we do not provide a separate opinion on specific items of the annual financial statements.

Valuation of equity investments, related receivables and provisions for any associated risks

Risk identified	Our response

At 31 December 2021, the company's equity investments were included in its balance sheet at a carrying amount of €6,783 million or 70% 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 2021, real estate assets accounted for €1,684 million of a total balance sheet of €9,628 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 "Tangible fixed assets" to the annual financial statements, at each balance sheet date, the company assesses whether there are any indications that an asset has been materially impaired. In such cases, an impairment charge may be recorded in income. 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 the applicable procedures 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 valuation 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 Covid-19 crisis 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 within our audit teams, 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) calculated by independent property valuers are 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 (Code de commerce) 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 (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received or allocated by the Directors 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 (Code de commerce), 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 2021, MAZARS and ERNST & YOUNG et Autres were in the twenty-second year and ninth year, respectively, of total uninterrupted engagement.

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 taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), 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:

- 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) 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 (Code de commerce) 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.

Courbevoie and Paris-La Défense, 11 March 2022

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Qui	Anne Herbein

COVIVIO SA PERMANENT ESTABLISHMENT ITALY

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4.7.1 Balance sheet at 31 December 2021

4.7.1.1 Assets

(In €)	31/12/2021	31/12/2020
A) Subscribed capital unpaid	**-**	**-**
Subscribed capital unpaid a)	-	-
B) Fixed assets		
I Intangible assets		
4) Concessions, licences, trademarks and similar rights	3,428	323,889
Total I	**3,428**	**323,889**
II Tangible assets		
1) Land and buildings:		
• Investment properties	1,318,297,378	1,431,735,365
• Properties under development	112,214,131	102,200,000
• Operating properties	12,752,090	12,129,210
4) Other assets	811,982	866,678
5) Assets under construction and payments on account	1,648,925	-
Total II	**1,445,724,506**	**1,546,931,253**
III Financial assets		
1) Investments in:		
a) Subsidiaries	903,783,913	879,705,118
b) Associated companies	3,000	3,000
d-bis) Other companies	9,061,486	5,478,258
Total 1)	**912,848,399**	**885,186,376**
4) Derivative financial instruments - assets	-	-
Total 4)	**-**	**-**
Total III	**912,848,399**	**885,186,376**
TOTAL FIXED ASSETS B)	**2,358,576,333**	**2,432,441,518**

(In €)	31/12/2021	31/12/2020
C) Current assets		
I Inventories:		
6) Land and buildings:		
Properties purchased for sale	15,503,998	16,954,998
Properties for lease currently being sold	3,377,233	18,652,752
Total I	**18,881,231**	**35,607,750**
II Receivables		
1) Trade receivables:		
• due within 12 months	105,456,820	32,942,706
• due beyond 12 months	15,193,200	109,136,661
Total 1)	**120,650,020**	**142,079,367**
2) Reporting to subsidiaries:		
• due within 12 months	1,677,221	3,741,471
• due beyond 12 months	-	-
Total 2)	**1,677,221**	**3,741,471**
3) Due from associated companies:		
• due within 12 months	-	-
• due beyond 12 months	-	-
Total 3)	**-**	**-**
5-*bis*) Tax credits:		
• due within 12 months	571,466	1,516,402
• due beyond 12 months	91,684	123,359
Total 5-*bis*)	**663,150**	**1,639,761**
5-*ter*) Deferred tax assets:		
• due within 12 months	-	-
• due beyond 12 months	50,134,149	40,505,178
Total 5-*ter*)	**50,134,149**	**40,505,178**
5-*quater*) Due from others:		
• due within 12 months	4,756,170	13,441,176
• due beyond 12 months	67,089	5,673,612
Total 5-*quater*)	**4,823,259**	**19,114,788**
Total III	**177,947,799**	**207,080,565**
III Financial assets		
(Excluding fixed assets):		
1) Equity investments in subsidiaries	-	-
7) financial assets in favour of subsidiaries for centralised cash management	42,983	4,273,607
Total III	**42,983**	**4,273,607**
IV Cash and cash equivalents		
1) Bank and postal deposits	17,046,863	37,870,931
Total IV	**17,046,863**	**37,870,931**
TOTAL CURRENT ASSETS C)	**213,918,876**	**284,832,853**
D) Accruals and deferrals	**686,752**	**1,009,322**
TOTAL ACCRUALS AND DEFERRALS D)	**686,752**	**1,009,322**
TOTAL ASSETS (A+B+C+D)	**2,573,181,961**	**2,718,283,693**

4.7.1.2 Liabilities

(In €)	31/12/2021	31/12/2020
A) Endowment fund (shareholders' equity)		
III Revaluation reserves	**1,190,308,064**	**1,016,557,903**
VI Other reserves	**543,735,306**	**669,167,664**
VII Reserve for hedging expected cash flows	**-**	**-**
IX Profit/(loss) for the year	**37,946,256**	**-31,182,648**
TOTAL ENDOWMENT FUND A)	**1,771,989,626**	**1,654,542,919**
B) Provisions for risks and charges		
2) For taxes, including deferred taxes		
a) Taxes	306,283	568,773
b) Deferred tax liabilities	13,595,826	54,161,038
Total 2)	**13,902,109**	**54,729,811**
3) Derivative financial instruments - liabilities	4,242,810	16,515,702
Total 3)	**4,242,810**	**16,515,702**
4) Others	3,426,802	5,431,491
Total 4)	**3,426,802**	**5,431,491**
TOTAL PROVISIONS FOR RISKS AND CHARGES B)	**21,571,721**	**76,677,004**
C) Employee severance indemnity	**119,612**	**120,749**
D) Payables		
1) Bonds:		
due within 12 months	124,944,348	-
due beyond 12 months	595,973,919	719,791,106
Total 1)	**720,918,267**	**719,791,106**
2) Convertible bonds:		
• due within 12 months	-	199,660,381
• due beyond 12 months	-	-
Total 2)	**-**	**199,660,381**
4) Payables to banks:		
• due within 12 months	-	-
• due beyond 12 months	-	-
Total 4)	**-**	**-**

(In €)	31/12/2021	31/12/2020
6) Advance payments		
• due within 12 months	302,500	1,201,000
• due beyond 12 months	-	-
Total 6)	**302,500**	**1,201,000**
7) Trade payables:		
• due within 12 months	16,996,175	27,223,939
• due beyond 12 months	-	-
Total 7)	**16,996,175**	**27,223,939**
9) Payables to subsidiaries:		
• due within 12 months	12,036,509	12,206,465
• due beyond 12 months	-	-
Total 9)	**12,036,509**	**12,206,465**
12) Tax payables:		
• due within 12 months	6,124,993	1,182,118
• due beyond 12 months	2,618,664	-
Total 12)	**8,743,657**	**1,182,118**
13) Payables to pension and social security institutions:		
• due within 12 months	209,206	238,555
• due beyond 12 months	-	-
Total 13)	**209,206**	**238,555**
14) Other liabilities:		
• due within 12 months	8,027,932	12,271,800
• due beyond 12 months	-	-
Total 14)	**8,027,932**	**12,271,800**
TOTAL PAYABLES D)	**767,234,246**	**973,775,364**
E) Accruals and deferrals	**12,266,756**	**13,167,657**
TOTAL ACCRUALS AND DEFERRALS E)	**12,266,756**	**13,167,657**
TOTAL LIABILITIES (A+B+C+D+E)	**2,573,181,961**	**2,718,283,693**

4.7.2 Income statement for the year ended 31 December 2021

(In €)	31/12/2021	31/12/2020
A) Production revenues		
1) Income from sales and services:		
a) lease revenues	69,423,655	79,041,299
b) service revenues	3,184,679	3,520,350
c) revenues from the sale of properties purchased for resale	1,500,000	1,405,000
Total 1)	**74,108,334**	**83,966,649**
5) Other revenues and income		
b) capital gains on fixed assets	5,675,903	64,708,235
d) non-recurring gains and write-downs of liabilities	3,437,851	1,292,292
e) non-financial income and revenues from non-core business	5,624,914	5,161,475
Total 5)	**14,738,668**	**71,162,002**
TOTAL OPERATING INCOME A)	**88,847,002**	**155,128,651**
B) Production costs		
6) Raw, ancillary and consumable materials and goods for sale	-1,450,872	-3,618,127
7) Services	-17,636,183	-32,365,621
8) Use of third-party assets	-2,058,314	-2,289,380
9) Personnel expense:		
a) wages and salaries	-5,278,405	-5,132,087
b) social security charges	-1,535,808	-1,379,502
c) employee severance indemnity	-364,745	-364,523
e) other expenses	-46,314	-410,585
Total 9)	**-7,225,272**	**-7,286,697**
10) Amortisation, depreciation and impairment:		
a) amortisation of intangible fixed assets	-324,293	-1,073,852
b) depreciation of tangible fixed assets	-37,423,220	-41,094,012
c) other write-downs of fixed assets	-30,825,593	-44,442,006
d) write-down of receivables included among current assets and of cash and cash equivalent	-7,734,457	-5,234,576
Total 10)	**-76,307,563**	**-91,844,446**
11) Changes in raw, ancillary and consumable materials and goods for sale	-1,451,000	-2,549,999
12) Provisions for risks	-1,336,936	-2,573,466
14) Other operating expenses	-13,963,011	-38,188,836
TOTAL OPERATING EXPENSES B)	**-121,429,151**	**-180,716,572**
DIFFERENCE BETWEEN VALUE AND OPERATING EXPENSES (A+B)	**-32,582,149**	**-25,587,921**

(In €)	31/12/2021	31/12/2020
C) Financial income and expense		
15) Income from equity investments:		
a) in subsidiaries and associates	49,573,691	36,526,157
c) in subsidiaries of parent companies	82,501	-
Total 15)	**49,656,192**	**36,526,157**
16) Other financial income:		
d) income other than the above:		
• from subsidiaries	200,067	142,269
• from others	635,759	498,013
Total 16)	**835,826**	**640,282**
17) Interest and other financial expenses:		
• Due to parent companies	-3,055,000	-14,449,000
• Due to subsidiaries	-365,875	-1,631,334
• Due to banks for mortgage loans	-	-11,174
• Due to others	-17,921,015	-24,378,884
Total 17)	**-21,341,890**	**-40,470,392**
TOTAL FINANCIAL INCOME AND EXPENSES (15+16+17+17*BIS*) C)	**29,150,128**	**-3,303,953**
D) Adjustments to financial assets		
18) Revaluations:		
a) equity investments	9,016	514,555
b) financial fixed assets that are not equity investments	13,852	23,529
d) derivative financial instruments	3,867,237	7,179,284
Total 18)	**3,890,105**	**7,717,368**
19) Write-downs:		
a) equity investments	-4,779,047	-344,738
b) financial fixed assets that are not equity investments	-158,280	-159,381
c) of securities included among current assets not representing equity investments	-	-
d) derivative financial instruments	-	-3,421,167
Total 19)	**-4,937,327**	**-3,925,286**
TOTAL ADJUSTMENTS TO FINANCIAL ASSETS (18+19) D)	**-1,047,222**	**3,792,082**
LOSS BEFORE TAXES (A+B+/-C+/-D)	**-4,479,243**	**-25,099,792**
20) Income taxes for the year:		
a) current taxes	-7,814,955	-73,826
b) deferred tax liabilities	40,565,212	924,345
c) deferred tax income	9,628,971	-7,221,595
d) tax consolidation income	46,271	288,220
Total 22)	**42,425,499**	**-6,082,856**
21) Profit (loss) for the year	37,946,256	-31,182,648

4.7.3 Extract from the notes

4.7.3.1 Significant events during the fiscal year

4.7.3.1.1 Real estate leasing activities

The portfolio includes properties held for leasing with a market value of approximately €1.5 billion corresponding to a surface area of approximately 316,000 m². Excluding two properties under renovation, the occupancy rate is 95% and annual rents at full capacity are €70,000,000.

Concerning the marketing activities carried out in 2021 on the buildings in the portfolio at the end of the fiscal year, 18 new leases were signed, corresponding to a surface area of approximately 12,000 m² and €6,000,000 in new annual rental income at full capacity. Four of these contracts will take effect after 31 December 2021, corresponding to a surface area of approximately 3,100 m² and €2,200,000 in annual rental income at full capacity.

In addition to the above, another contract was signed for one of the two buildings being refurbished, corresponding to a surface area of approximately 4,500 m², plus terraces and €2,200,000 in new annual rents at full capacity.

Four contract renewals were added to the contracts, corresponding to a surface area of 31,000 m² and €6,300,000 in annual rental income at full capacity.

In addition, during the fiscal year, nine new leases signed in previous years were capitalised corresponding to a surface area of approximately 17,000 m² and a total of €3,200,000 per year at full capacity.

4.7.3.1.2 Real estate purchases and sales

No properties were purchased in 2021, whereas the following were sold:

- four buildings classified as "Land and buildings - Investment properties". The sales were made for a total price of €46,800,000, compared to a book value (at the date of sale) of €48,435,000, and brokerage fees and other selling costs of €1,270,000. In addition, income was received from compensation for the expropriation of certain minor and secondary parts of a building totalling €12,000
- three properties classified as "Properties held for leasing under disposal". The sales were made for a total price of €20,800,000, compared to an expense value at the sale date of €17,925,000, and brokerage fees and other selling costs of €36,000
- one property and a lot of land classified as "Properties purchased for sale". The sales were made for a total price of €1,500,000, compared to an expense value at the date of sale of €1,250,000, and brokerage fees and other selling costs of €287,000.

At 31 December 2021, two preliminary sales agreements had been signed, corresponding to as many properties with a book value of €3,450,000. The sales will be carried out at a total price in line with the cost of the properties, excluding brokerage fees.

4.7.3.1.3 Revaluation of properties in accordance with law 126/2020

As already indicated in the financial statements for the previous fiscal year, law no. 126/2020 introduced a new revaluation of corporate assets and controlling and non-controlling investments recognised in the financial statements for years in course at 31 December 2019. Taking the opportunity offered by this law, in the 2020 financial statements, Covivio's Permanent Establishment in Italy revalued its owned properties at their fair value. The revaluation, in the amount of €80,229,000, corresponding to the gross revaluation (€100,286,000) after deduction of deferred taxes calculated at 20% (€20,057,000), was recognised against a reserve of the same amount.

As permitted by law no. 126/2020, in 2021, Covivio carried out the appropriate valuations to check what the benefits were of giving, at least in part, a tax impact to this revaluation, as well as to realign the difference already existing between the tax value and the book value of the properties (known as realignment).

Following these verifications, the company decided to give a tax impact to the revaluations and to realign the pre-existing differences between the tax values and the book values, but to a limited extent to a limited number of properties, for an overall increase in their tax value of €261,834,000 (€32,457,000 in revaluation and €229,377,000 in realignment), by paying the expected substitute tax of 3%. As a result, the liability for the substitute tax of €7,855,000 was recorded in the financial statements and the deferred tax previously recorded on the difference between the book value and the tax value of these properties, of €52,367,000 (20% of €237,034,000) was paid up.

On the other hand, Covivio did not consider it appropriate to free the positive balance of the revaluation (€261,834,000) by paying an additional substitute tax of 10%. As a result, reserves totalling €253,979,000 are subject to the tax restriction, equal to the positive balance of the tax revaluation after deduction of the 3% substitute tax. To this end, the reserve in accordance with law no. 126/2020, already recorded in the financial statements for 2021 for an amount of €80,229,000, was consequently increased by €173,750,000, by deducting the corresponding amount from the free reserves and consequently became subject to the corresponding tax regime.

4.7.3.1.4 Financial activities

On 31 January 2021, Covivio SA Permanent Establishment in Italy repaid the convertible bond loan for a total amount of €200,000,000, broken down into bonds with a par value of €100,000 each and admitted to trading on the ExtraMOT PRO market managed by Borsa Italiana. This loan provided for a fixed coupon of 0.875% per year, payable in arrears on a semi-annual basis on 31 January and 31 July of each year. The outstanding bonds were redeemed at their par value.

In addition, during the fiscal year, the Italian Permanent Establishment terminated early two IRS contracts with a nominal amount of €112,500,000, paying €8,557,000, most of which had already been recognised in application of the criterion for measuring the fair value of derivatives.

4.7.3.1.5 Effects of the crisis due to the Covid-19 pandemic on Covivio

In 2021, the Covid-19 pandemic made it difficult for some tenants to meet their contractual obligations relating to rents; however, unlike in 2020, this phenomenon was extremely limited and, as a result, there was no need to support these tenants by granting them significant discounts. In addition, although there was a significant decrease in outstanding credit to tenants, compared to 31 December 2020, a net release of provisions in terms of the risk related to the recoverability of receivables was recorded, demonstrating the substantial recovery of positions in difficulty.

Regarding the market value of the portfolio, it should also be noted that the independent expert did not notice any deterioration in the reference macroeconomic context, the value of the commercial/catering and hotel assets remaining substantially unchanged and/or slightly up.

This also confirms that the distribution of the vaccine has allowed a gradual return to "normality", which makes it possible to view the future with more optimism.

4.7.3.2 Information note on the special regime in accordance with Article 1, paragraph 141-bis, law 296 of 2006

Covivio SA (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'investissements immobilier cotée (the "SIIC Regime"), which, in terms of accounting 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 and subsequent paragraphs of article 1, law no. 296 of 27 December 2006, as supplemented by Ministerial Decree no. 174 of 7 September 2007.

By means of a cross-border merger deed of 22 November 2018 (under the seal of Notary Mario Notari de Milan, file no. 24161, Index no. 14398) and with legal effect as from 11:59 pm on 31 December 2018, Covivio had 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, merge into it (hereinafter the "Merger").

Following the Merger, Beni Stabili ceased to exist as an independent legal entity and Covivio created a secondary branch in Italy, which, from a tax standpoint, satisfies the conditions required to be a Covivio stable establishment in Italy (hereinafter also referred to as the "Stable Establishment"), to which all the assets previously belonging to Beni Stabili were allocated.

The Stable Establishment opted to apply the special tax regime under article 1, paragraph 141-bis of law no. 296/2006 (the special regime provided for by the SIIQ regulations for branches), with effect as from the 2019 tax year, and thereby continuing the SIIQ tax regime previously applied to Beni Stabili, without interruption.

This means that the Stable Establishment continues to produce two separate profits (losses) for the year, in accordance with the SIIQ regime that Beni Stabili applied (until the 2018 tax year).

More specifically, under the SIIQ regime applied by the Stable Establishment, rather than paying corporate income tax and regional production tax (IRES and IRAP), it pays a substitute tax of 20% on income deriving from its real estate business (*i.e.*, the "exempt operations"). On the other hand, income from business other than real estate or, in any event, not included in the scope of the SIIQ is subject to ordinary taxation (*i.e.*, the "taxable operations").

4.7.3.2.1 Compliance with the requirement for real estate leasing to be the prevalent business in order to continue applying the special regime

As required by article 1, paragraph 121 of law no. 296/2006, a SIIQ's most prevalent business must be real estate leasing. The same applies for branches that apply the special regime pursuant to article 1, paragraph 141-bis of the same law no. 296/2006.

Real estate leasing is considered the prevalent business if at least 80% of the total assets are properties owned or held under other real rights for the purpose of leasing them, investments in SIIQ/SIINQ and in qualifying real estate funds (or SICAF) (this requirement is referred to as the asset parameter) and if, every year, the revenues generated by these assets make up at least 80% of all income and revenues in the profit and loss account (this requirement is referred to as the revenue parameter).

If an entity does not meet any one of the aforementioned two parameters for three consecutive financial years, it definitively loses eligibility for the special regime as from the second of the three years. If an entity does not meet both parameters in the same year, it definitively loses eligibility for the special regime as from the year in which it did not meet them.

Below are the results of the calculation of these parameters, both of which the Stable Establishment met in 2021, based on the figures in the statement of financial position (hereinafter also referred to as the "balance sheet"), as at and for the year ended 31 December 2021 of Covivio SA's Stable Establishment in Italy (in accordance with paragraph 1 of article 152 of the TUIR).

Asset parameter

(In € thousand)	31/12/2021
Properties held for leasing (A)	1,435,537
Investments in SIIQ/SIINQ, SICAF and qualifying real estate funds (B)	873,638
TOTAL NUMERATOR (C)=(A)+(B)	**2,309,175**
TOTAL ASSETS (D)	**2,573,182**
Items excluded from the ratio denominator: Book value of the headquarters	-12,752
Cash and cash equivalents	-17,047
Loans to group companies (including the tax consolidation asset)	-89
Trade receivables (from customers, Group companies and other trade receivables)	-127,104
Hedging derivatives	-
Deferred tax assets	-50,134
Tax assets (including VAT)	-663
Prepaid expenses	-687
TOTAL ADJUSTMENTS (E)	**-208,476**
TOTAL DENOMINATOR: "ADJUSTED" ASSETS (F)=(D)+(E)	**2,364,706**
ASSET PARAMETER (C)/(F)	**97.65%**

The asset parameter, as shown in the table above, is the ratio of:

- a numerator of €2,309,175,000, which includes the book value of:

(1) properties held for leasing (€1,435,537,000). This amount corresponds with the book value of the properties classified in the balance sheet as: (i) tangible fixed assets under "land and buildings" (in the sub-items "investment properties" (€1,318,297,000) and "properties under development" (€112,214,000)) and "fixed assets in progress and advance payments" (relating to properties held for leasing in the amount of €1,649,000); (ii) in current assets, under "Inventories" (in the sub-item "Properties held for leasing under disposal" in the amount of €3,377,000)

(2) investments in real estate SICAFs qualified for the purposes of the Special Regime (51% stake in Central Sicaf SpA for a total amount of €374,449,000), in SIINQ (100% stake in Covivio Immobiliare 9 SpA SIINQ in the amount of €115,554,000 and 100% in Covivio Development Italy SpA SIINQ in the amount of €378,775,000) and in Real Estate Investment Funds qualified for the purposes of the Special Regime (99 shares held in the real estate fund named Securis Real Estate for an amount of €4,860,000)

- the denominator, for a total amount of €2,364,706,000, which includes the total assets (€2,573,032,000), adjusted to exclude, in application of the criteria indicated by Article 6 of Ministerial decree 174/2007: i) the value of the buildings intended for the head office of the permanent establishment (classified as "tangible fixed assets- operating properties", for an amount of €12,752,000 at 31 December 2020); ii) cash value (€17,047,000); iii) the value of loans to Group companies (€89,000); iv) the value of trade receivables arising both from the exempt management and, as specified in the Agenzia delle Entrate circular no. 8/E of 2008, from the taxable management (€127,104,000). Furthermore, in order to prevent other items that have no direct relationship with either the exempt operations or the taxable operations from affecting the ratio, and whose inclusion in the denominator of the ratio could alter the determination of whether the prevalent business requirement is met, the following are excluded: v) deferred tax assets (€50,134,000 at 31 December 2021); vi) tax assets (€663,000); vii) prepaid expenses relating to the exempt lease operations (€687.00).

Revenue parameter

(In € thousand)	31/12/2021
Rent and similar income (A)	67,862
Capital gains realised on property sales in 2021 (B)	5,692
Dividends and capital gains from SIIQ/SIINQ, SICAF and qualifying real estate funds (C)	45,893
TOTAL NUMERATOR (D) = (A) + (B) + (C)	**119,447**
Total income items	192,702
Capital gains realised in 2021 but recognised in previous years	17
Income recognised in 2021 for overall capital loss sales	-190
TOTAL INCOME ITEMS (E)	**192,529**
Items excluded from the ratio denominator:	
Revaluations of properties in the portfolio as at 31 December 2021	
Dividends corresponding with distributions of equity-related reserves (F1)	-2,725
Income on charge-backs (F2)	-5,633
Releases of the provisions for doubtful debts and risks and charges (F3)	-3,352
Write-backs of equity investments (F4)	-23
Income on cost adjustments (F5)	
Income on the conversion option to recover previous write-downs (F6)	
Prior year tax income (F7)	-57
Interest on tax assets and bank interest income (F8)	-2
Deferred tax assets and liabilities, tax consolidation income (F9)	-50,666
Total adjustments (F)	**-62,458**
TOTAL DENOMINATOR (G) = (E) + (F)	**130,071**
REVENUE PARAMETER (D)/(G)	**91.83%**

The revenue parameter, as shown in the table above, is the ratio of:

- a numerator of €119,447,000, which includes revenues from: (i) rent on the lease of properties held for leasing (investment properties, properties under development and properties held for leasing under disposal) totalling €67,862,000. It is specified that the aforementioned amount includes revenue similar to rent, such as tenant compensation (but also income from the re-invoicing of costs to tenants); (ii) gross capital gains realised during the fiscal year on the sale of properties held for leasing, for €5,692,000; (iii) dividends and capital gains on investments in SIIQ/SIINQ, SICAF and real estate funds qualified for the purposes of the Special Regime, which for the 2021 fiscal year amounted to €45,893,000
- the denominator, for a total amount of €130,071,000. This amount corresponds with all income and revenue items in the profit and loss account (€192,529,000), adjusted to prevent other items that have no direct relationship with either the exempt operations or the taxable operations from affecting the determination of the ratio, and whose inclusion in the denominator of the ratio could alter whether the prevalent business requirement is met. Consequently, the following were excluded: (i) dividend income, which corresponds to repayments of capital invested in companies held (€2,725,000); (ii) income, which consists of re-invoicing of costs such as, mainly, those relating to secondments of staff, re-invoicing of costs to tenants of buildings intended for leasing and re-invoicing to controlled companies (€5,633,000); (iii) release of funds and other reversals of impairment losses (€3,352,000); (iv) reversals of impairment losses on investments, which are adjustments to previous impairments (€23,000); (v) non-recurring income from taxes for previous fiscal years (€57,000); (vi) income from deferred taxes, income from tax consolidation and interest on tax receivables and bank current accounts (€50,668,000).

4.7.3.2.2 Breakdown of economic items between exempt operations and taxable operations and the corresponding allocation criteria

Below is the profit and loss account for the year ended 31 December 2021, broken down into exempt operations and taxable operations (in thousands of Euro).

	31 December 2021		
	Total (A)	Exempt operations (B)	Taxable operations (A)-(B)
A) Production revenues			
1) Income from sales and services:	74,108	67,862	6,246
5) Other revenues and income	14,739	14,256	483
TOTAL OPERATING INCOME A)	**88,847**	**82,118**	**6,729**
B) Production costs			
6) Raw, ancillary and consumable materials and goods for sale	-1,451	-	-1,451
7) Services	-17,636	-16,731	-905
8) Use of third-party assets	-2,058	-471	-1,587
9) Personnel expense	-7,225	-6,634	-591
10) Amortisation, depreciation and impairment	-76,308	-70,190	-6,118
11) Changes in raw, ancillary and consumable materials and goods for sale	-1,451	-	-1,451
12) Provisions for risks	-1,337	-1,337	
14) Other operating expenses	-13,963	-13,807	-156
TOTAL OPERATING EXPENSES B)	**-121,429**	**-109,170**	**-12,259**
Difference between value and operating expenses (A+B)	**-32,582**	**-27,052**	**-5,530**
C) Financial income and expense			
15) Income from equity investments	49,656	45,892	3,764
16) Other financial income	836	-	836
17) Interest and other financial expense:	-21,342	-17,959	-3,383
TOTAL FINANCIAL INCOME AND EXPENSES (15+16+17+17*BIS*) C)	**29,150**	**27,933**	**1,217**
D) Adjustments to financial assets			
18) Revaluations	3,890	-	3,890
19) Write-downs	-4,937	-	-4,937
TOTAL ADJUSTMENTS TO FINANCIAL ASSETS (18+19) D)	**-1,047**	**-**	**-1,047**
Loss before taxes (A+B+/-C+/-D)	**-4,479**	**881**	**-5,360**
20) Income taxes for the year:	42,425	42,399	26
21) Profit (loss) for the year	**37,946**	**43,280**	**-5,334**

The results reported in the table for the two types of operations reflect the separation of profit and loss account items for 2021 based on the separate accounts prepared by the Permanent Establishment (for these items). Indeed, the purpose of the separate accounts is to identify the results of the exempt operations and those of the taxable operations by: i) allocating to each of the two types of operations the profit and loss account items specifically attributable thereto; ii) allocating to each of the two types of operations on a pro-quota basis the "common" profit and loss account items (which, as such, are not specifically attributable to either).

Specifically, the "common" items have been allocated to the exempt operations and the taxable operations based on the revenue parameter indicated above, as it is believed to be the most suitable percentage indicator for such allocation – excluding the profit and loss account items that do not refer to any type of operations – because it effectively expresses the percentage impact of leasing operations on all operations performed.

The main criteria adopted for the allocation of the various profit and loss account items in the schedule above are illustrated below for each.

4.7.3.2.2.1 Operating income

1) Income from sales and services

(1.1) *rent*: is allocated to the exempt operations and the taxable operations based on the property to which it relates. In particular, they are allocated (a) to the exempt operations if they are related to properties held for leasing (investment properties, properties under development and properties for leasing under disposal); (b) to the taxable operations if they are related to the leasing of buildings purchased for resale or if they come from property subletting agreements (which the Stable Establishment owns as leases and not directly))

(1.2) *revenues from services:* include revenues that specifically refer to the real estate and administrative services, accounting and tax services that the Permanent Establishment provides to subsidiaries and/or third parties. As these services differ from the leasing that falls within the scope of the exempt operations, income from services are entirely allocated to the taxable operations

(1.3) *revenues from the sale of properties purchased for sale* are allocated to the taxable operations.

2) Other revenues and income

The same rule as that for rent applies to revenues for charge-backs to tenants, insurance compensation and revenues similar to rent and, in any case, related to leasing, *i.e.*, these revenues are allocated to the exempt operations if they refer to properties held for leasing, while they are allocated to the taxable operations if they refer to the rental of properties property purchased for sale.

Capital gains on the sale of properties held for leasing are allocated to the exempt operations, whereas capital gains on the sale of other fixed assets are allocated to the taxable operations.

Any other revenues classified in this item are allocated to the taxable operations, except for write-backs of write-downs of receivables, which are explained further on, prior year income and adjustments to costs recognised in previous years, which are allocated to one of the two types of operations based on the original allocation of the adjusted cost.

4.7.3.2.2.2 Operating expenses

Property management and maintenance costs, indirect taxes on leases, the single municipal property tax and all costs or accruals to the provisions for risks and charges in any way connected to the real estate business, irrespective of the profit and loss account item in which they are classified, and in accordance with the revenue allocation criterion, are allocated (a) to the exempt operations if they refer to properties held for leasing, and (b) to the taxable operations if they refer to the rental of property purchased for sale or the sub-lease of properties.

Other costs for services, raw, ancillary and consumable materials and goods for sale, the use of third-party assets, personnel expense, other accruals to the provisions for risks and other operating expenses are mainly "common" costs relating to both types of operations and, as such, they are allocated thereto based on the revenue parameter as previously calculated (the same stands for adjustments to these costs in years following their recognition).

The following are exceptions: (i) costs for the use of third-party assets consisting of rent paid to lease properties that the Permanent Establishment sub-leases to others, which are allocated to the taxable operations; and (ii) under other operating expenses, capital losses on the sale of properties held for leasing, which are allocated to the exempt operations. Other exceptions are costs to purchase or improve properties purchased for sale, classified as "raw, ancillary and consumable materials and goods for sale" and the corresponding revenues (or fair value gains/losses on properties purchased for sale) classified as "changes in raw, ancillary and consumable materials and goods for sale", which are allocated to the taxable operations.

Amortisation, depreciation and write-downs of fixed assets are allocated to the exempt operations if they refer to properties held for leasing. Other amortisation, depreciation and write-downs of tangible and intangible fixed assets are considered "common" expenses relating to both types of operations and are therefore allocated to the same based on the ratio of the revenue parameter.

Write-downs (and subsequent write-backs) and credit losses relating to receivables for leases and sales of properties are allocated to the exempt operations if they refer to properties held for leasing and to the taxable operations if they refer to properties purchased for sale or if they relate to sub-lease agreements. Write-downs (and subsequent write-backs) and credit losses are considered "common" expenses relating to both types of operations and are therefore allocated to the same based on the ratio of the revenue parameter.

4.7.3.2.2.3 Financial income and expenses

Income from investments and other financial income are entirely allocated to the taxable operations, with the exception of: (i) that indicated below for financial income arising from hedges of interest rate risk on loans (which adjust financial expense); (ii) income from investments in SIIQ/SIINQ, SICAF and other qualifying real estate funds, which are included in the exempt operations, as explicitly established in the regulations.

With respect to the main types of *financial expense*:

- financial expense on mortgage loans that are structured so as to prevent, in various ways, the income from management of such properties from being used to secure debt repayment is considered as "specifically" related to the exempt operations and/or the taxable operations based on the type of operations to which the mortgaged property refers. Consequently, the financial expense on loans that (i) are secured by the properties held for leasing and that (ii) are concurrently structured to prohibit the income from management of such properties from being used to secure debt repayment, is allocated to the exempt operations, whereas the financial expense on loans secured by property purchased for sale is allocated to the taxable operations.

  If the loans giving rise to such financial expense are hedged for interest rate risk, the related hedge income and expense are allocated to the exempt operations or the taxable operations according to where the hedged cash flows are allocated.

- financial expense relating to current payables and non-current loans that are neither mortgaged nor serviced by the aforementioned flows (such as convertible bonds and short-term credit facilities), including financial expense on loans from subsidiaries, are considered "common" costs related to both types of operations and are consequently allocated to the same based on the ratio of the revenue parameter as calculated above.

4.7.3.2.2.4 Adjustments to the value of financial assets

Write-downs of equity investments and other securities (*e.g.*, units of UCIs) and any subsequent write-backs are allocated to the exempt operations if they relate to investments in SIIQ/SIINQ, SICAF and other qualifying real estate funds. Otherwise, they are allocated to the taxable operations.

Write-downs (and any subsequent write-backs) and credit losses of a financial nature are allocated to the taxable operations.

Fair value gains and losses on derivatives that are not cash flow hedges, including the conversion options on convertible bonds (recognised as derivative assets and liabilities in accordance with the accounting principles) are allocated to the taxable operations.

4.7.3.2.2.5 Income taxes for the year

Current and deferred tax income and expense are allocated to the exempt operations or the taxable operations based on the type of operations to which their tax base refers.

Income and expense arising from adjustments to profit and loss account items recognised in the financial statements for years before the special regime was applied, *i.e.*, prior year expense relating to costs and expenses that refer to the years before the Permanent Establishment began applying the special regime (in continuity with Beni Stabili S.p.A. SIIQ), these items – irrespective of whether they are classified in the other items identified above – are entirely allocated to the taxable operations because they are closely related to (in that they adjust them) items that accrued in years when all profit was taxable.

4.7.4 Shareholders' equity (endowment funds)

Equity is detailed below:

(In € thousand)	31/12/2021	31/12/2020	Changes
III Revaluation reserves			
• Reserve pursuant to law 266/05	911,943	911,943	-
• Reserve pursuant to law 72/83	191	191	-
• Reserve pursuant to law 413/91	53	53	-
• Reserve pursuant to law 2/2009	24,130	24,130	-
• Reserve pursuant to law 126/2020	253,979	80,229	173,750
• Reserve pursuant to art. 89 of Presidential Decree 917/86	12	12	-
• Other revaluation reserves taxable on distribution arising from San Paolo IMU demerger in 1999	92,885	92,885	-
VI Other reserves	**450,850**	**576,283**	**-125,433**
VII Reserve for hedging expected cash flows	**-**	**-**	**-**
IX Profit/(loss) for the year	**37,946**	**-31,183**	**69,129**
TOTAL ENDOWMENT FUNDS	**1,771,989**	**1,654,543**	**117,446**

The change in the endowment fund for the fiscal year was negative overall and amounted to €117,446,000.

The change is due to:

(i) earnings for the financial year of €37,946,000

(ii) the cash transferred from the Permanent Establishment in Italy to the "parent company" for an amount of €74,860,000

(iii) certain grants to the Permanent Establishment from the "parent company", totalling €4,640,000, for financial expenses and service costs incurred by the latter on the Permanent Establishment's behalf.

As per the table above, the loss for 2020 of €31,183,000 was covered by "other reserves".

In addition, we would like to point out, as already described in the previous paragraph "Significant events during the fiscal year", that the revaluation reserve L.126/2020 was increased by €173,750,000, by deducting the corresponding amount from the free reserves and that it was subject to the tax restriction in the event of distribution.

We note that as of 31 December 2021, the following reserves were tax-suspended, for a total amount of €1,283,193,000: i) revaluation reserve under law 266/05, for an amount of €911,943,000; ii) revaluation reserve under law 78/83, for an amount of €191,000; iii) law 413/91 revaluation reserve, for an amount of €53,000; iv) revaluation reserve under law 2/2009 for an amount of €24,130,000; v) the revaluation reserve under law 126/2020 for an amount of €252,979,000; vi) reserve for contributions referred to in Article 55 (now 89) of the Decree of the President of the Republic 917/86, for an amount of €12,000; vii) tax-suspended reserve transferred by San Paolo IMI following the partial demerger that took place in 1999 for an amount of €92,885,000.

The table below summarises changes in shareholders' equity (endowment funds) for the 2020 and 2021 fiscal years.

(In € thousand)	Revaluation reserves	Other reserves	Profit (loss) for the year	Total
BALANCE AS AT 31 DECEMBER 2019	**1,029,214**	**991,728**	**-73,841**	**1,947,101**
Transfer of 2019 income to other reserves	-	-73,841	73,841	-
Contributions (repayments) from (to) the "parent company"	-	-344,891	-	-344,891
Revaluation of real estate assets in accordance with law 126/2020	80,229	-	-	80,229
Surplus from the merger of Covivio Attività Commerciali 1 Srl	-	3,287	-	3,287
Net income for the 2020 fiscal year	-	-	-31,183	-31,183
BALANCE AS AT 31 DECEMBER 2020	**1,109,443**	**576,283**	**-31,183**	**1,654,543**
Transfer of 2020 income 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**

4.7.5 Tables detailing certain balance sheet and profit and loss account items

The following tables detail the balance sheet and profit and loss account items.

The tables presented below only include those considered useful for a better understanding of the data in the charts illustrating the calculation of the asset and revenue parameters to show that real estate leasing is the prevalent business, as reported previously. Where deemed appropriate, for ease of understanding, a cross reference with the calculation charts of the aforementioned parameters is given.

These tables have been taken from the notes to the financial statements as at and for the year ended 31 December 2021.

All the data presented below are in thousands of Euro.

4.7.5.1 Balance sheet data

4.7.5.1.1 Tangible assets

4.7.5.1.1.1 Land and buildings

	Balance at 31/12/2020				Balance at 31/12/2021		
(In € thousand)	Historical cost	Accumulated depreciation	Accumulated write-downs	Total	Incremental costs	Depreciation	Write-downs
Land	589,328	-	-17,779	571,549	-	-	-5,346
Property structure	453,214	-9,314	-20,154	423,746	-160	-5,598	-13,362
Interior finishes	100,217	-21,048	-3,559	75,610	2,258	-10,950	-1,549
Exterior finishes and roofing	210,554	-13,726	-10,392	186,436	1,236	-7,108	-5,029
Plants	210,553	-26,162	-9,997	174,394	3,103	-13,505	-4,606
Investment properties	**1,563,866**	**-70,250**	**-61,881**	**1,431,735**	**6,437**	**-37,161**	**-29,892**
Land	52,300	-	-	52,300	-	-	-
Buildings under development	49,900	-	-	49,900	10,014	-	-
Properties under development	**102,200**	**-**	**-**	**102,200**	**10,014**	**-**	**-**
Land	7,075	-	-1,253	5,822	-	-	-
Property structure	4549	-38	-	4511	-	-60	-
Interior finishes	386	-86	-	300	-	-43	-
Exterior finishes and roofing	842	-59	-	783	-	-30	-
Plants	808	-95	-	713	-	-47	-
Owner-occupied properties	**13,660**	**-278**	**-1,253**	**12,129**	**-**	**-180**	**-**
TOTAL LAND AND BUILDINGS	**1,679,726**	**-70,528**	**-63,134**	**1,546,064**	**16,451**	**-37,341**	**-29,892**

	Sales			Eliminations due to replacement			Reclassifications			Balance at 31/12/2021			
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
-22,223	**-**	**5,292**	**-**	**-**	**-**	**-1,146**	**-**	**278**	**565,959**	**-**	**-17,555**	**548,404**
-23,068	992	5,196	-4	-	-	-2,012	64	508	427,970	-13,856	-27,812	386,302
-3,678	1,141	657	-277	101	4	-470	187	100	98,050	-30,569	-4347	63,134
-9,839	1,036	2,398	-43	5	-	-1,075	95	271	200,833	-19,698	-12,752	168,383
-10,363	1,610	2,414	-523	112	52	-1,158	270	274	201,612	-37,675	-11,863	152,074
-69,171	**4,779**	**15,957**	**-847**	**218**	**56**	**-5,861**	**616**	**1,431**	**1,494,424**	**-101,798**	**-74,329**	**1,318,297**
-	-	-	-	-	-	-	-	-	52,300	-	-	52,300
-	-	-	-	-	-	-	-	-	59,914	-	-	59,914
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**112,214**	**-**	**-**	**112,214**
-	-	-	-	-	-	394	-	-	7,469	-	-1253	6216
-	-	-	-	-	-	224	-7	-	4,773	-105	-	4668
-	-	-	-	-	-	44	-15	-	430	-144	-	286
-	-	-	-	-	-	96	-10	-	938	-99	-	839
-	-	-	-	-	-	93	-16	-	901	-158	-	743
-	**-**	**-**	**-**	**-**	**-**	**851**	**-48**	**-**	**14,511**	**-506**	**-1,253**	**12,752**
-69,171	**4,779**	**15,957**	**-847**	**218**	**56**	**-5,010**	**568**	**1,431**	**1,621,149**	**-102,304**	**-75,582**	**1,443,263**

Investment properties include assets held for leasing.

"*Properties under development*" are assets undergoing development or significant redevelopment in preparation for their subsequent lease.

"*Owner-occupied properties*" refer to the portion of the property in Milan, *via Cornaggia* that the Permanent Establishment uses as its Offices.

With respect to the changes in the year:

- during the year, the Permanent Establishment incurred expenses totalling €16,451,000 and classified as "Incremental costs" (in accordance with the accounting principles), €6,437,000 of which referred to "Investment properties" and €10,014,000 to "Properties under development". Incremental costs incurred for "Investment properties" entailed the elimination of certain components which were replaced (although they had not yet been fully depreciated) totalling €573,000
- depreciation of the year totalled €37,341,000, in addition to write-downs that became necessary as a result of impairment (assessed on the individual buildings) considered permanent (and supported by appraisals prepared by an independent expert) of €29,892,000
- the sales concerned four buildings and were carried out at a total sale price of €46,800,000, compared to a book value of €48,435,000 for the same assets
- the Permanent Establishment reclassified certain buildings in the financial statements. Specifically:

i) a property with a total value of €3,011,000 was reclassified from "investment properties" to current assets in light of preliminary sale agreements

ii) part of the Milan building, *via Cornaggia*, with a net book value of €803,000, was intended for use as offices of the permanent establishment and therefore reclassified from "investment properties" to "operating properties".

4.7.5.1.1.2 Other assets

	Balance at 31/12/2020					Sales		To be deleted		Balance at 31/12/2021		
(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	869	-146	723	-	-30	-	-	-28	28	841	-148	693
Electronic equipment	238	-164	74	6	-26	-	-	-108	108	136	-82	54
Sundry equipment	205	-136	69	22	-26	-	-	-	-	227	-162	65
Other assets	**1312**	**-446**	**866**	**28**	**-82**	**-**	**-**	**-136**	**136**	**1,204**	**-392**	**812**

4.7.5.1.1.3 Fixed assets in progress and advance payments

The item includes the cost of ongoing property refurbishment initiatives for the item "Investment properties" for an amount of €1,649,000.

4.7.5.1 Financial assets

4.7.5.1.2.1 Investments

(In € thousand)	a) Subsidiaries	b) Associated companies	d-bis) Other companies	Total
Balance as at 31 December 2020	**879,705**	**3**	**5,478**	**885,186**
Start-ups, capital increases and other contributions	30,520	-	3,825	34,345
Acquisitions	-	-	-	-
Sales	-1,671	-	-	-1,671
Repayment of units	-	-	-98	-98
Write-downs	-4,779	-	-158	-4,937
Write-backs	9	-	14	23
Reclassification of current financial assets	-	-	-	-
Balance as at 31 December 2021	**903,784**	**3**	**9,061**	**912,848**
Of which				
• SIIQ/SIINQ, Sicaf real estate and qualifying real estate funds	868,778	-	4,860	873,638
• Other companies	35,006	3	4,201	39,210

a) Subsidiaries

(In € thousand)	% investment	Investee company's equity	Book value of investment (A)	% of equity attributable to Covivio (B)	Difference between the book value of the equity investments and the corresponding% of shareholders' equity (A)-(B)
Covivio Immobiliare 9 S.p.A. SIINQ	100%	124,860	115,554	124,860	-9,306
Covivio Development Italy SpA SIINQ	100%	430,537	378,775	430,537	-51,762
Covivio 7 SpA	100%	23,366	23,366	23,366	-
RGD Gestioni S.r.l.	100%	1,380	1,380	1,380	-
Covivio Attività Immobiliari 2 S.r.l.	100%	11,598	10,226	11,598	-1,372
Covivio Attività Immobiliari 3 S.r.l.	100%	20	20	20	-
Covivio Attività Immobiliari 4 S.r.l.	100%	14	14	14	-
Central Sicaf S.p.A.	51%	758,812	374,449	386,994	-12,545
TOTAL		**1,350,587**	**903,784**	**978,769**	**-74,985**

b) Associated companies

The year-end balance in both years refers exclusively to the 30% stake in Real Estate Solution & Technology S.r.l., a company specialised in information technology services for companies operating in the real estate sector.

d-bis) Other companies

(In € thousand)	% investment/ units	Balance as at 31 December 2020	Acquisitions/ subscriptions	Write-backs	Write-downs	Repayments of equity investments/ units	Balance at 31/12/2021
Other companies							
Nomisma S.p.A.	4.09%	267	-	14	-	-	281
TOTAL OTHER COMPANIES		**267**	**-**	**14**	**-**	**-**	**281**
Securities in real estate investment funds							
Securis Real Estate fund	99	5,116	-	-	-158	-98	4,860
Porta Romana fund	1,910	96	3,825	-	-	-	3,921
TOTAL SECURITIES		**5,212**	**3,825**	**-**	**-158**	**-98**	**8,781**
TOTAL		**5,479**	**3,825**	**14**	**-158**	**-98**	**9,062**

4.7.5.2 Current assets

4.7.5.2.1 Inventories

Land and buildings

	Balance at 31/12/2020						Sales		Reclas-sifications	Balance at 31/12/2021		
(In € thousand)	Historical cost	Accumu-lated write-downs	Total	Acqui-sitions	Incre-mental costs	Write-downs	Historical cost	Accumu-lated write-downs		Historical cost	Accumu-lated write-downs	Total
Land	68	-48	20	-	-	-1	-	-	-	68	-49	19
Buildings	45,608	-28,673	16,935	-	1,451	-1,651	-3,798	2,548	-	43,261	-27,776	15,485
Properties purchased for sale	**45,676**	**-28,721**	**16,955**	**-**	**1,451**	**-1,652**	**-3,798**	**2,548**	**0**	**43,329**	**-27,825**	**15,504**
Land	8,502	-	8,502	-	-	-57	-8,337	-	474	639	-57	582
Buildings	11,899	-1,748	10,151	-	-	-304	-11,337	1,748	2,537	3,099	-304	2,795
Properties held for leasing under disposal	**20,401**	**-1,748**	**18,653**	**-**	**-**	**-361**	**-19,674**	**1,748**	**3,011**	**3,738**	**-361**	**3,377**
TOTAL LAND AND BUILDINGS	**66,077**	**-30,469**	**35,608**	**-**	**1,451**	**-2,013**	**-23,472**	**4,296**	**3,011**	**47,067**	**-28,186**	**18,881**

4.7.5.2.1 Receivables

4.7.5.2.1.1 Trade receivables

(In € thousand)	31/12/2021	31/12/2020
Trade receivables due within one year		
Receivables from customers for sales of properties and investments	98,298	20,757
Tenants	27,446	34,957
Receivables from customers for services	-	134
Provision for doubtful debts - trade receivables	-20,287	-22,905
Trade receivables due within one year	**105,457**	**32,943**
Trade receivables due after one year		
Tenants	15,193	11,536
Receivables from customers for sales of properties and investments	-	97,600
Trade receivables due after one year	**15,193**	**109,136**
TOTAL TRADE RECEIVABLES	**120,650**	**142,079**

4.7.5.2.1.2 Receivables from subsidiaries

(In € thousand)	31/12/2021	31/12/2020
Receivables from subsidiaries due within one year		
Trade receivables for services and leases	1,631	3,448
Receivables arising from the consolidation of IRES taxable income	46	294
Receivables from subsidiaries due within one year	**1,677**	**3,742**
Receivables from subsidiaries due after one year		
Trade receivables for services and leases	-	-
Receivables from subsidiaries due after one year	**-**	
TOTAL RECEIVABLES FROM SUBSIDIARIES	**1,677**	**3,742**

4.7.5.2.1.3 Tax receivables

The balance of "Tax receivables" due in less than one year, for a total amount of €571,000 (€1,516,000 at 31 December 2020), includes/

i) IMU (Italian real estate tax) and TARI (tax for waste collection and disposal) receivables resulting from higher tax payments pending reimbursement (€306,000 at 31 December 2021, unchanged compared to 31 December 2020)

ii) IRES (Italian corporate income tax) direct tax receivables (€168,000 at 31 December 2021 and €108,000 at 31 December 2020) and IRAP (regional production tax) (€91,000 at 31 December 2021 and €94,000 at 31 December 2020)

iii) small receivables (€6,000 at 31 December 2021 and €5,000 at 31 December 2020), which will be used for offsetting or recovered through repayment.

The decrease compared to the previous fiscal year is due to the setting to zero of the VAT credit (€993,000 at 31 December 2020) and the use (as compensation) of the credit for restructuring expenditure, introduced by the "Rilancio" decree in 2020 as part of the measures in response to the Covid-19 crisis (€10,000). These decreases were partially offset by the increase in IRES and IRAP receivables in the amount of €57,000 and small tax receivables in the amount of €1,000.

The "Tax receivables" due after one year include the IRES receivable (€92,000 at 31 December 2021, unchanged compared to 31 December 2020) resulting from the partial deductibility, for IRES purposes, of the IRAP paid during the previous fiscal years, in accordance with law no. 2/2009 and law no. 214/2011. Tax receivables after more than one year also included, at 31 December 2020, €32,000 in receivables resulting from payments made pending tax litigation, which were transferred to the loss account in 2021 as they were no longer recoverable.

4.7.5.2.1.4 Deferred tax assets

(In € thousand)	Difference between cost/tax value of the property	Tax payables	Temporary non-tax deductible costs	Total
Balance as at 31 December 2020	**35,149**	**2,421**	**2,935**	**40,505**
Net change in income statement	10,054	364	-789	9,629
Net change in shareholders' equity	-	-	-	-
Balance as at 31 December 2021	**45,203**	**2,785**	**2,146**	**50,134**

4.7.5.2.1.5 Other receivables

(In € thousand)	31/12/2021	31/12/2020
Other receivables due within one year		
Guarantee deposits	62	63
Other receivables	5,780	14,425
Provision for other doubtful debts - within one year	-1,086	-1,047
Total Other receivables due within one year	**4,756**	**13,441**
Other receivables due after one year		
Receivables from the Municipality of Rome for expropriations	7,492	7,432
Guarantee deposits	67	100
Provision for other doubtful debts - after one year	-7,492	-1,858
Total Other receivables due after one year	**67**	**5,674**
TOTAL RECEIVABLES FROM OTHERS	**4,823**	**19,115**

4.7.5.2.2 Financial assets (excluding fixed assets)

In favour of subsidiaries for centralised management of treasury

For the two fiscal years under comparison, the balance of this item (€43,000 at 31 December 2021 and €4,274,000 at 31 December 2020) concerns all receivables represented by intra-group current account balances (assets for Covivio) (interest-bearing) with the subsidiaries, used for the centralised management of the Covivio group's financial resources in Italy.

4.7.5.2.3 Cash and cash equivalents

This totalled €17,047,000 (€37,871,000 at 31 December 2020) and is fully represented by bank deposits.

4.7.5.3 Accruals and deferrals

Accruals and deferrals amounting to €687,000 (€1,009,000 at 31 December 2020), include, among other things, expenses relating to stamp duty paid in advance on annuities in progress for rental contracts totalling €329,000 (€432,000 at 31 December 2020) and brokerage fees incurred for the conclusion of existing leases (which, in accordance with the reference standards, are recognised as expenses throughout the duration of the underlying lease agreement) in the amount of €293,000 (€315,000 at 31 December 2020).

4.7.5.4 Profit and loss account data

4.7.5.4.1 Operating income

A1 - Income from sales and services	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
a) rental income	69,423	79,042		
• on properties held for leasing	67,862	77,666	67,862	**(A)**
• on properties purchased for sale and under sub-lease	1,561	1,375		
b) service income	3,185	3,520		
c) income on sales of properties purchased for sale	1,500	1,405		
TOTAL A1	**74,108**	**83,967**		

A5 - Other revenues and income	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
b) Capital gains on the sale of fixed assets	5,675	64,519		
• capital gains on the sale of properties held for leasing	5,680	64,519	5,680	**(B)**
• capital gains on the sale of properties held for leasing corresponding to accumulated depreciation and/or which has already been recognised in previous years	-17	-		
• sale of real rights to properties held for leasing	12	-	12	**(B)**
• capital gains on the sale of other fixed assets	-	189		
	5,675	**64,708**		
d) prior year income and non-existent assets	220	152	220	**(F3)**
• release of provision for doubtful debts	3,132	809	3,132	**(F3)**
• other profit or losses	88	332		
• of which for recovery of other costs and expenses	9	158	9	**(F2)**
• of which for other decreases or irregularities	79	174		
• allowances receivable	-			
	3,440	**1,293**		
e) non-financial income and revenues from non-core business	-	-	-	**(A)**
• penalties/income on lease terminations				
• recovery of accessory costs from tenants	5,348	5,012	5,348	**(F2)**
• recovery of intragroup accessory costs and charges[1]	110	22	110	**(F2)**
• recovery of costs for seconded staff and Directors' fees recharged to the O.S.(1)	166	127	166	**(F2)**
	5,624	**5,161**		
TOTAL A5	**14,739**	**71,162**		

4.7.5.4.2 Financial income

4.7.5.4.2.1 Income from investments

C15 - income from investments:	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
a) in subsidiaries and associates				
i) of which dividends	49,656	36,526		
from SIIQ/SIINQ, SICAF and qualifying real estate funds (distributions of profits)	45,893	36,026	45,893	**(C)**
from other subsidiaries and associated companies	275	500		
dividends corresponding to the distribution of equity-related reserves by subsidiaries and associated companies	2,725	-	2,725	**(F1)**
dividends corresponding to the distribution of equity-related reserves of associated companies sold during the year including a capital loss	510	-		
ii) of which positive margins on disposals	253	-		
b) in parent companies	-	-		
c) in subsidiaries of parent companies	-	-		
d) in other companies	-	-		
TOTAL C15	**49,656**	**36,526**		

4.7.5.4.2.2 Other financial income

C16 - Other financial income:	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
a) on receivables classified as fixed assets	-	-		
b) on securities classified as fixed assets which are not equity investments	-	-		
c) on securities classified as current assets which are not equity investments	-	-		
d) income other than the above:	-	-		
• from subsidiaries	200	142		
• from subsidiaries of parent companies	-	-		
• from others	636	498		
of which interest income from banks	(2)	4	(2)	**(F8)**
of which interest income and exchange differences	-	-		
of which interest on tax assets	4	58	4	**(F8)**
of which income for waivers of mortgage loans	-	-	-	**(F5)**
of which for receivable discounting	634	436		
TOTAL C16	**836**	**640**		

4.7.5.4 Adjustments to financial assets: Write-backs

D18 - Write-backs	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
a) equity investments				
of which investments in SIIQ/SIINQ and SICAF	-	-		
of which investments in other companies	23	538	23	**(F4)**
Total a) – Equity investments	**23**	**515**		
b) financial fixed assets that are not equity investments	-	-	-	**(F4)**
Total b) – Financial fixed assets that are not equity investments	**-**	**23**		
d) derivative financial instruments				
Ineffective portion of the option to convert bonds (ORNANE) and IRS loans	3,867	7,179	-	**(F6)**
Total d) - Derivative financial instruments	**3,867**	**7,179**		
TOTAL D18 - WRITE-BACKS	**3,890**	**7,717**		

4.7.4.5 Taxes

20 - Income taxes of the year:	2021 FY	2020 FY	Cross reference with the revenue parameter – par. 2.1	
a) current taxes				
• Current taxes	-	-		
• substitute tax due to revaluation in accordance with law no. 126/2020	-7,855	-		
• Inconsistencies in current tax income	57	-	57	**(F7)**
• current tax liability irregularities	-18	-74		
b) deferred tax liabilities				
• accruals and releases of deferred tax liabilities	40,566	909	40,566	**(F9)**
• restatement of prior year deferred taxes	-	15	-	
c) deferred tax income				
• accruals and releases of deferred tax assets	9,629	-7,196	10,054	**(F9)**
• restatement of prior year deferred taxes	-	-25		
d) tax consolidation income	46	288	46	**(F9)**
TOTAL 20	**42,425**	**6,083**	**50,723**	



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5

General Meeting and corporate governance

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5.1 Agenda and text of draft Resolutions for the Combined General Meeting of 21 April 2022

5.1.1 Agenda

5.1.1.1 Ordinary resolutions

- Approval of the company's financial statements for the year ended 31 December 2021;
- Approval of the consolidated financial statements for the year ended 31 December 2021;
- Appropriation of income – Distribution of dividends;
- 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 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;
- Approval of the information referred to 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 2021 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 2021 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 2021 or allocated in respect of the said fiscal year to Olivier Estève in his capacity as Deputy CEO;
- 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 2021 or allocated in respect of the said fiscal year to Dominique Ozanne in his capacity as Deputy CEO until 30 June 2021;
- Renewal of the term of office of the company ACM Vie;
- Renewal of the term of office of Romolo Bardin;
- Renewal of the term of office of Alix d'Ocagne as Director;
- Appointment of Mrs. Daniela Schwarzer as Director;
- Authorisation to be given to the Board of Directors for the company to purchase treasury shares.

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;
- Authorisation to be granted to the Board of Directors to allocate new or existing free shares to employees and/or executive corporate officers of the company and its affiliates, with waiver of the shareholders' preferential subscription right in respect of the shares to be issued;
- Amendment of Article 3 (Purpose) and Article 7 (Form of shares and identification of holders of securities) 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 company's financial statements for the year ended 31 December 2021).

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the company's financial statements for the fiscal year ended 31 December 2021 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 financial statements for the year ended 31 December 2021, which include the balance sheet, income statement and notes, as presented, showing a profit of €287,595,137.66.

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 2021).

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 2021, 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 2021 was €923,596 thousand.

THIRD RESOLUTION

(Appropriation of income – Distribution of dividends).

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having noted that the profit of €287,595,137.66 for the year increased by the retained earnings of €1,301,993.20, bringing the distributable profit to a sum of €288,897,130.86, resolves, on a proposal from the Board of Directors,

- to allocate the distributable profit as follows:
  - **(i)** €31,337.70 to the legal reserve, bringing the amount of the legal reserve to 10% of share capital at year-end, *i.e.*, €28,394,607.30
  - **(ii)** €288,865,793.16 as a dividend payment to shareholders
- to also distribute a sum of €66,352,454.34 entirely from the merger premium account.

Thus, each share will receive a dividend of €3.75.

The dividend will be paid on 27 April 2022.

On the basis of the total number of shares comprising the share capital as of 22 February 2022, *i.e.*, 94,724,866 shares, and subject to the possible application of the provisions of Article 25.3 of the company's Articles of Association to shareholders for Withholding Tax, a total dividend of €355,218,247.50 will accordingly 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 €262,754,598.10.

The dividend withheld on the profits subject to corporation tax totals €92,463,649.40.

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.

It is specified that in the event of a change in the number of shares entitled to dividends, the overall amount of the dividend will be adjusted accordingly by deduction from the "Merger premium" 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 in particular the number of shares held by the company at the record date prior to the dividend payment date and, where applicable, when considering the number of shares issued or cancelled before this date, the overall amount of the dividend and, consequently, the amount that will be withdrawn from the "Merger premium" account.

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.

In accordance with the law, the General Meeting confirms that the dividends distributed for the previous three fiscal years were as follows:

Fiscal 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
2018	Current	€4.60	€0.1479	€4.4521
2019	Current	€4.80	€0.7506	€4.0494
2020	Current	€3.60	€0.6681	€2.9319

(1) In case of option for a progressive rate of the revenue tax.

FOURTH 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 2021.

FIFTH 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 the Universal Registration Document (*document d'enregistrement universel*).

SIXTH 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 4 5.3.4.1.2. of the company's Universal Registration Document.

SEVENTH 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 the Universal Registration Document.

EIGHTH 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.

NINTH RESOLUTION

(Approval of the information referred to 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.

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 2021 or allocated in respect of the said fiscal year to Jean Laurent in his capacity as Chairman of the Board of Directors).

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 2021 or allocated in respect of said fiscal year to Jean Laurent in his capacity as Chairman of the Board of Directors, as described in said report, and presented in paragraph 5.3.4.3.1. of the company's Universal Registration Document.

ELEVENTH 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 2021 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 2021 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 5.3.4.3.2. of the company's Universal Registration Document.

TWELFTH 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 2021 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 2021 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 5.3.4.3.3. of the company's the Universal Registration Document, pursuant to Article L. 22-10-34-II of the French Commercial Code.

THIRTEENTH 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 2021 or allocated in respect of the said fiscal year to Dominique Ozanne in his capacity as Deputy CEO until 30 June 2021).

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 2021 or allocated in respect of the said fiscal year to Dominique Ozanne in his capacity as Deputy CEO until 30 June 2021, 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.

FOURTEENTH RESOLUTION

(Renewal of the term of office of ACM Vie).

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 ACM Vie as a Director is due to expire at this General Meeting, resolves, to reappoint, as of this day, ACM Vie as a Director for a period of four (4) years expiring at the end of the General Meeting of shareholders called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025.

FIFTEENTH RESOLUTION

(Reappointment of Mr. Romolo Bardin).

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. Romolo Bardin as a Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Mr. Romolo Bardin as a Director of the company, for a period of four (4) years expiring at the end of the General Meeting called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025.

SIXTEENTH RESOLUTION

(Reappointment of Ms. Alix d'Ocagne).

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 Ms. Alix d'Ocagne as Director is due to expire at this General Meeting, resolves to reappoint, as of this day, Ms. Alix d'Ocagne as a Director of the company, for a period of four (4) years expiring at the end of the General Meeting called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025.

SEVENTEENTH RESOLUTION

(Appointment of Ms. Daniela Schwarzer as Director).

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors, resolves to appoint, with effect from today, Ms. Daniela Schwarzer as Director of the Board of Directors, for a period of four (4) years expiring at the end of the General Meeting called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025.

EIGHTEENTH 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. 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 *Autorité des Marchés Financiers* (French Financial Markets Authority):

- terminates, effective immediately, for the unused portion, the authorisation given by the Combined General Meeting of 20 April 2021;
- 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 program 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 program.

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 20th 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 *Autorité des Marchés Financiers;*
- and also with a view to any other practice that could be recognised by the law or the *Autorité des Marchés Financiers* 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 *Autorité des Marchés Financiers* 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.

5.1.2.2 Extraordinary resolutions

NINETEENTH 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 20 April 2021;
- 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 euros (€28,000,000), 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 21 through 25;
- 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.

TWENTIETH 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 20 April 2021;
- 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 18 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 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-FIRST 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, L. 225-129-2 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 20 April 2021;
- 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 19 and 22 through 25; 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 22 to 24 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 recording both the capital increase or increases resulting from any issue made through the use of this delegation 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-SECOND 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, L. 225-129-2, L. 225-135, 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 20 April 2021;
- 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 made immediately or in the future under this delegation may not exceed twenty-eight million euros (€28,000,000). 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. This amount is set independently and separately from the caps on share capital increases as a result of shares and/or transferable securities issues authorised by Resolutions 19, 21 and 23 through 25; 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 21, 23 and 24, or the equivalent of this amount on the date of the issue decision in the event of an 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;
- to grant shareholders, in connection with share issues, a priority period of at least three (3) trading days for all share issues through public offering made by the Board of Directors in accordance with Articles L. 22-10-51 and R. 225-131 of the French Commercial Code; and
- to delegate to the Board of Directors the option of granting a similar priority period for other non-equity issues.

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 ensuring both the capital increase or increases resulting from any issue made through the use of this delegation 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-THIRD 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 20 April 2021;
- 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). Please note that the maximum nominal value of increases in the company's share capital made under this delegation and the delegation granted pursuant to Resolution 24 may not exceed 10% of the company's share capital, the overall cap for all capital increases, now or in future, stipulated under this resolution and Resolution 24; 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 21, 22 and 24, 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-FOURTH 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 20 April 2021;
- 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 amount of increases in the company's share capital made under this delegation, immediately or in the future, will be set at 10% of the company's share capital (as at the date of the Board of Director's use of this delegation), the overall cap for capital increases now or in future set forth in this resolution and in Resolution 23;
- 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 21 through 23, 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-FIFTH 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 20 April 2021;
- 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 19 and 21 through 24;
- 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.

TWENTY-SIXTH RESOLUTION

(Authorisation to be granted to the Board of Directors to allocate 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).

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. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-19-60 of the French Commercial Code:

- terminates, effective immediately, for the unused portion, the delegation given by the Combined General Meeting of 17 April 2019;

- resolves to authorise the Board of Directors to proceed, on one or more occasions, with the free allocation of existing or future ordinary shares of the company to beneficiaries to be selected among the salaried employees (or certain categories of them) and/or eligible corporate officers (or some of them) both of the company and of the companies and economic interest groups linked to it within the meaning of the provisions of Article L. 225 -197-2 of the French Commercial Code;
- resolves that the total number of free shares granted under this authorization may not represent more than 1% of the company's share capital as recorded on the date of the decision of their allocation by the Board of Directors, it being specified that this number does not take into account any adjustments that may be made in accordance with the applicable laws and regulations; and, where applicable, with the contractual provisions providing for other cases of adjustment, in order to preserve the rights of the beneficiaries in the event of financial transactions or transactions involving the company's share capital or equity;
- resolves that the number of free shares allocated to the company's corporate officers under this authorisation may not represent more than 40% of the overall ceiling defined above;
- resolves that said free shares will not be definitively allocated to their beneficiaries until the end of a vesting period, the duration of which will be set by the Board of Directors, it being understood that this duration may not be less than three(3) years. In the event of disability of the beneficiary corresponding to the classification provided for by the applicable legal provisions, the definitive allocation of the shares may take place before the end of the vesting period. In such a case, the shares will also be immediately transferable from their delivery;
- resolves that the shares may, where applicable, be accompanied by an obligation for the beneficiaries to retain the shares for a period set by the Board of Directors, from the end of the vesting period;
- resolves that the final allocation of shares under this authorisation will be subject to compliance by all beneficiaries with a presence condition and, where applicable, performance criteria that will be set by the Board of Directors;
- resolves that any final allocation of shares to the company's corporate officers will be subject to a presence condition and the achievement of performance conditions. These conditions will be set by the Board of Directors on the date of the decision to grant them according to several performance indicators including at least relative stock market performance criteria, performance on key economic indicators, as well as CSR criteria; and
- authorises, as necessary, the Board of Directors to carry out one or more capital increases by incorporation of reserves, profits or premiums, in order to issue shares under the conditions provided for in this resolution, the corresponding capital increase being definitively carried out solely by virtue of the definitive allocation of the shares to the beneficiaries.

The General Meeting acknowledges that this decision entails, under the conditions provided for by the legal provisions in force, the waiver by the shareholders, in favour of the beneficiaries of the free shares granted under this resolution, (i) of their preferential subscription rights to the shares that may be issued and allocated free of charge pursuant to this resolution, and (ii) to the portion of profits, reserves and share premiums that, if applicable, would be incorporated into the share capital for the issue of new shares.

The existing shares that may be allocated under this resolution must be acquired by the company, either in accordance with the provisions of Article L. 225-208 of the French Commercial Code, or, where applicable, under the share buyback programme authorized by the 18th resolution of this meeting pursuant to Article L. 22-10-62 of the French Commercial Code or any share buyback programme applicable previously or subsequently.

The General Meeting sets the period of validity of this authorisation at thirty-eight (38) months from the date of this Meeting.

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:

- setting the conditions and, where applicable, the criteria for the allocation of shares and the performance conditions to be achieved;
- setting, under the legal conditions and limits, the dates on which free allocations will be made;
- determining the identity of the beneficiaries, the number of ordinary shares allocated to each of them, the terms and conditions for the allocation of ordinary shares, and in particular the vesting periods and, where applicable, the holding periods for ordinary shares thus granted, it being specified that regarding free shares granted to the company's corporate officers, the Board of Directors must either (a) decide that the free shares granted may not be sold by the interested parties before the end of their term of office, *i.e.* (b) set the number of shares granted free of charge that they are required to hold in registered form until the end of their term of office;
- determining whether the free shares awarded are to be existing shares or shares to be issued;
- deciding on the dividend entitlement date, even retroactive, of newly issued ordinary shares;
- carrying out or having carried out all acts and formalities required for the buyback of existing shares. In the event of the issue of new shares, carrying out the capital increases by incorporation of reserves, profits or issue premiums resulting from this authorisation, determining the nature and amounts of sums necessary to pay up said shares, and allocating, if applicable, the costs of the share capital increases on the amount of reserves, profits or issue premiums and deducting from the related amounts the necessary sums corresponding to 10% of the nominal amount of each issue in order to allocate the legal reserve after each increase, recording the completion of the company's capital increases resulting from the allocation of free ordinary shares to be issued by the company and making the corresponding amendments to the Articles of Association
- deciding, if it deems it necessary, the conditions under which the number of ordinary shares granted will be adjusted in order to preserve the rights of the beneficiaries, according to any transactions affecting the company's equity, it being specified that shares granted pursuant to these adjustments will be deemed to be granted on the same day as the shares initially granted; and
- more generally, enter into all agreements, prepare all documents, carry out all formalities and declarations to all bodies and take all necessary measures.

Each year, the Board of Directors will inform the General Meeting of the allocations made under this resolution in accordance with Article L. 225-197-4 of the French Commercial Code.

TWENTY-SEVENTH RESOLUTION

(Amendment of Article 3 (Purpose) and Article 7 (Form of shares - identification of holders) of the company's Articles of Association).

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, and having reviewed the report of the Board of Directors:

- decides to amend Article 3 (*Purpose*) of the company's Articles of Association in order to extend the activity carried out on an ancillary basis, directly or indirectly, to the acquisition, holding, disposal and operation of businesses in the tourism, leisure and hosting sectors in the broad sense, particularly in the context of mixed-use development projects.

  Therefore, article 3 of the Articles of Association now reads as follows:

  *"**Article 3. - Purpose***

  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 properties 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.*
  - *On an ancillary basis, directly or indirectly,*
    - *the leasing of all real estate assets*
    - *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 disposal, 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*
- *resolves to amend Article 7.3 of the company's Articles of Association in order to update it with the new provisions of Article L. 228-2 of the French Commercial Code as amended by law no. 2021-1308 of 8 October 2021 on various provisions for adaptation to European Union law in the field of transport, the environment, the economy and finance, known as the DDADUE II law."*

  Therefore, article 7.3 of the Articles of Association now reads as follows:

  *"**Article 7. - Form of shares - identification of holders***

  [...]

  *7.3 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 (a "**General Meeting**") and (ii) holders of bonds issued by the company."*

  The other provisions of article 7 of the company's Articles of Association remain unchanged.

TWENTY-EIGHTH RESOLUTION

(Powers for formalities).

The General Meeting, ruling under the conditions of quorum and majority 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 21 April 2022

Ladies and Gentlemen,

We have convened a Combined General Meeting for the purpose of submitting draft resolutions to you. The purpose of this report is to provide you with 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 Financial Markets Authority (**AMF**) and made available to you in accordance with the legal and regulatory requirements.

5.2.1 Ordinary resolutions

Resolutions 1 to 18 fall within the scope of the Ordinary General Meeting.

5.2.1.1 Approval of the corporate and consolidated financial statements, allocation of income and distribution of a dividend (Resolutions 1, 2 and 3)

The draft Resolutions 1 and 2 concern approval of the corporate and consolidated financial statements for the fiscal year ended 31 December 2021, approved by the Board of Directors on 22 February 2022, in accordance with the provisions of Article L. 232-1 of the French Commercial Code. The corporate and consolidated financial statements, which appear in the Universal Registration Document, show respectively a net profit of €287,595,137.66 and net income, Group Share of €923,596,000.

Under Resolution 3, you are hereby called upon to approve the allocation of the income for the 2021 fiscal year and to make a dividend distribution of €3.75 per share.

The dividend for fiscal year 2021 would be detached from the share on Monday, 25 April 2022 and would be paid on Wednesday, 27 April 2022. On the basis of the total number of shares comprising the share capital on 22 February 2022, *i.e.*, 94,724,866 shares, a total dividend of €355,218,247.50 will be allocated.

5.2.1.2 Approval of the agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code (Resolution 4)

The purpose of Resolution 4 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 2021. For more information, please refer to the Statutory Auditors' special report on related-party agreements, set out in section 5.4.4 of the Universal Registration Document.

Related-party agreements entered into and/or authorised during the fiscal year ended 31 December 2021 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.

Alexanderplatz transaction

The following 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 S.à r.l. (the "**Project**").

- **Amendments no. 1 and no. 2 to the investment protocol of 23 December 2020 (the "Initial Protocol") entered into between Covivio, MMA IARD and Generali Vie, in the presence of Covivio Alexanderplatz S.à r.l. ("Amendment No. 1" and "Amendment No. 2")**

The main purpose of Amendment No. 1, concluded on 22 April 2021, 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, concluded on 8 June 2021, is (i) to define the terms and conditions for the implementation of a transitional financing of the Project by Covivio (the "**Covivio financing**") and (ii) to lift the condition precedent provided for in the Initial Protocol relating to the obtaining of financing which will be subject to bank refinancing.

The conclusion of Amendment No. 1 and Amendment No. 2 was authorised by the Board of Directors on 20 April 2021.

- **Subordination agreement between Covivio Alexanderplatz S.à r.l., Covivio, MMA IARD and Generali Vie (the "Subordination Agreement")**

The purpose of the Subordination Agreement, entered into on 8 June 2021, is to subordinate in the usual manner payments to the partners of Covivio Alexanderplatz S.à r.l. (including intra-group loans and/or current account advances) that would be granted to Covivio Alexanderplatz S.à r.l. for the settlement of sums that became payable under the Covivio Financing.

The Covivio Financing concerns (i) a development loan for a maximum amount of €321,000,000, bearing interest at 2.25% until 31 December 2022 and then at 3.0% from 1 January 2023 and is accompanied by a non-use commission of 0.70% until 31 December 2022 and then 1.20% from 1 January 2023 and (ii) a VAT credit of a maximum amount of €10,000,000, bearing interest at the rate of 1% and with a non-use commission of 0.40%.

The conclusion of the Subordination Agreement was authorised by the Board of Directors on 20 April 2021.

- **Shareholders' agreement between Covivio, MMA IARD and Generali Vie, in the presence of Covivio Alexanderplatz S.à r.l (the "Shareholders 'Agreement")**

The purpose of the Shareholders' Agreement, signed on 8 June 2021, is to organise their relationships as partners of Covivio Alexanderplatz S.à r.l in the context of the Project.

The conclusion of the Shareholders' Agreement was authorised by the Board of Directors on 25 November 2020.

The Board of Directors considered that the signature of Amendment No. 1 and Amendment No. 2 of the Subordination Agreement and the Shareholders' Agreement enables 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 concerning Amendment No. 1 and Amendment No. 2 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.

Berlioz transaction

The following related-party agreements are part of the planned disposal by Covivio to Indigo Infra SAS of the remainder of its parking activity, consisting of five leases and four public service delegations.

- **Disposal agreement entered into between Covivio and Indigo Infra SAS (the "Disposal Agreement")**

The Disposal Agreement, signed on 11 June 2021, relates in particular to the sale by Covivio to Indigo Infra SAS of:

- 100% of the shares and voting rights of République, it being specified that the latter holds 100% of the shares and voting rights of Parking de la Comédie and 50.8% of the shares and voting rights of Parking de la Gare Charles de Gaulle
- 100% of the shares and voting rights of SCI Esplanade Belvédère II and
- 50% of the shares and voting rights of Gespar.

(the "**Berlioz Transaction**").

The Disposal Agreement, entered into in order to organise the terms and conditions for the implementation of the Berlioz Transaction, provides for the payment of a disposal price calculated on an enterprise value of €36.8 million, adjusted in particular for the amount of net debt, as well as a disposal price adjustment mechanism based on the revenue generated in 2022 by République, Gespar and SCI Esplanade Belvédère II.

The conclusion of the Disposal Agreement was authorised by the Board of Directors on 20 April 2021.

- **Memorandum of understanding between Covivio and Indigo Infra SAS on the general collaboration principles between Covivio and the Indigo group (the "Collaboration Agreement")**

The purpose of the Collaboration Agreement, signed on 25 January 2022 at the end of the definitive completion of the Berlioz Transaction, 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.

The conclusion of the Collaboration Agreement was authorised by the Board of Directors on 20 April 2021.

The Board of Directors considered that the signing of the Disposal Agreement and the Collaboration Agreement releases Covivio from a non-strategic activity that requires the mobilisation of resources to manage it.

Given the term of office of Predica on the Board of Directors of Covivio and the presumed control by Predica of Indigo Infra SAS[1], they must be approved in accordance with Article L. 225-38 of the French Commercial Code.

Carré Suffren and Vélizy Eiffage transaction

- **Contract for the sale of shares entered into between Fédération (a wholly-owned subsidiary of Covivio) and Predica, in the presence of Federimmo (the "Suffren Disposal Agreement") and contract for the sale of shares entered into between Covivio and Predica, in the presence of SCI 11 Place de l'Europe (the "Europe Disposal Agreement")**

The Suffren Disposal Agreement, signed on 20 December 2021, covers 60% of the share capital and voting rights of SCI Federimmo, owner of an office building located in the 15th arrondissement of Paris (the "**Suffren Transaction**").

The Europe Disposal Agreement, signed on 20 December 2021, covers 50.09% of the share capital and voting rights of SCI 11 place de l'Europe, owner of a real estate complex located in Vélizy-Villacoublay (the "**Europe Transaction**").

It is specified that the Suffren Transaction and the Europe Transaction are collectively referred to as the "**Transaction**" and that the Suffren Disposal Agreement and the Europe Disposal Agreement are collectively referred to as the "**Disposal Agreements**".

The Disposal Agreements, entered into in order to organise the terms and conditions for the implementation of the Transaction (it being stipulated that the Suffren Transaction and the Europe Transaction are indivisible), provide for the payment of an overall provisional disposal price calculated on the basis of an agreed value of the buildings set at approximately €325 million, the final price being determined based on the financial statements of Federimmo and SCI 11 Place de l'Europe, which will be closed on the transaction completion date.

The conclusion of the Disposal Agreements was authorised by the Board of Directors on 25 November 2021.

In accordance with the AMF recommendations, a fairness opinion was issued by an independent expert, which confirms the fairness of the project's financial terms. The latter is made available to shareholders on the company's website during this General Meeting.

The Board of Directors considered that the signature of the Disposal Agreements enables Covivio to contribute to the realisation of the disposal plan approved by the Board of Directors for the 2021 fiscal year and to deploy the strategy approved by the latter.

Given, on the one hand, the term of office of Predica on the Board of Directors of Covivio with regard to the Suffren Transaction and the Europe Transaction, and, on the other hand, the conclusion, by an intermediary, of the Suffren Disposal Agreement by Covivio in the case of the Suffren Transaction, Predica is directly involved in the Transaction and the conclusion of the Disposal Agreements. They must therefore be approved in accordance with Article L. 225-38 of the French Commercial Code.

Quai 8.2 Transaction

- **Protocol for the exchange of shares and receivables concluded between Covivio and Icade (granting the rights of ANF Immobilier following the merger-absorption of the latter on 29 June 2018), in the presence of SCI Factor E and SCI Orianz (the "Exchange Agreement")**

The Exchange Agreement, signed on 22 December 2021, is part of the early unwinding of their partnership, under the terms of which:

- Covivio has undertaken to acquire from 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. SCI Factor E and SCI Orianz are both owners of a real estate complex in Bordeaux consisting of buildings mainly used as offices (the "**Buildings**");

(1) This presumption results from the indirect holding by Predica of more than 40% of the share capital and voting rights of Indigo Infra SAS, and no other shareholder holding a fraction greater than that of Predica.

- the price of the shares in each of the companies was determined firmly and definitively on the basis of the appraisal values of the Buildings at 30 June 2021 and the financial statements at 30 September 2021, and resulted in a payment of €1,020,000 (excluding duties) for which Covivio will be liable on the completion date;
- the parties have agreed to exchange their corresponding receivables at their par value, so that Covivio will be liable to pay an additional balance of €461,101.78 to Icade on the completion date.

The conclusion of the Exchange Agreement was authorised by the Board of Directors on 25 November 2021.

The Board of Directors considered that the signing of the Exchange Agreement enables Covivio to implement in advance the agreements initially agreed between Covivio and ANF Immobilier under a shareholders' agreement signed on 1 September 2016.

Given the direct and indirect presence of Crédit Agricole Assurances on the Boards of Directors of Covivio and Icade, it was considered that Predica is indirectly interested in the transaction and the conclusion of the Exchange Agreement. It must therefore be approved in accordance with Article L. 225-38 of the French Commercial Code.

5.2.1.3 Approval of the remuneration policy for corporate officers (Resolutions 5, 6, 7, and 8)

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 5, 6, 7 and 8, you are called on to approve the remuneration policy for the corporate officers applicable to the Chairman of the Board of Directors (Resolution 5), the Chief Executive Officer (Resolution 6), the Deputy CEO (Resolution 7) and the Directors (Resolution 8) in consideration of the exercise of their mandate for the 2022 fiscal year.

The remuneration policy for Covivio's legal representatives, approved by the Board of Directors on 22 February 2022 upon recommendation of the Appointments and Remuneration 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.

5.2.1.4 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 2021 (Resolution 9)

Pursuant to Article L. 22-10-34,-I. of the French Commercial Code, the Board of Directors proposes that by voting on Resolution 9, 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, detailed in the Board of Directors' report on corporate governance in paragraph 5.3.4.2. of the Universal Registration Document.

5.2.1.5 Approval of the individual remuneration paid and/or allocated to corporate officers for the fiscal year ended 31 December 2021 (Resolutions 10, 11, 12 and 13)

Pursuant to Article L. 22-10-34, II. of the French Commercial Code, you are called on to vote on Resolutions 10, 11, 12 and 13, 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 2021 or allocated in relation to the said fiscal year to the corporate executive officers, resulting from implementation of the remuneration policy approved by the General Meeting of 20 April 2021, 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 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 (Resolution 10)
- Christophe Kullmann, Chief Executive Officer (Resolution 11)
- Olivier Estève, Deputy Chief Executive Officer (Resolution 12)
- Dominique Ozanne, Deputy Chief Executive Officer until 30 June 2021 (Resolution 13).

5.2.1.6 Reappointment of two Directors and one independent Director (Resolutions 14, 15 and 16)

Directorships of ACM Vie, represented on the Board of Directors by Stéphanie de Kerdrel (14th resolution) and Romolo Bardin (15th resolution) as well as that of independent Director of Alix d'Ocagne (16th resolution), expiring at the end of the Combined General Meeting of 21 April 2022, you will be invited, under the 14th and 16th resolution, to reappoint them for a period of four years, expiring at the end of the General Meeting called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025, it being specified that Sigrid Duhamel, at the request of BNP Paribas Real Estate, did not request the renewal of her mandate for reasons of potential conflict of interest.

- Subject to the approval of the 14th resolution, ACM Vie (holding 8.57% of the share capital and voting rights of Covivio) will continue to be represented on the Board of Directors by Stéphanie de Kerdrel. It will continue to make an active contribution to the Board's work, in particular through its real estate and finance expertise. Since her appointment on 1 December 2020 as permanent representative, the attendance of Stéphanie de Kerdrel was 100%.
- Romolo Bardin, Director appointed in a personal capacity on 17 April 2015[1] will continue to provide the Board of Directors with his high-level expertise in strategy, management and finance and his experience in public companies. Over the four years of his term as Director, Romolo Bardin's attendance was 97%.

(1) Romolo Bardin was the permanent representative of Aterno, Director since 31 January 2011.

- Alix d'Ocagne, independent Director co-opted by the Board of Directors on 13 February 2020, will continue to provide the Board of Directors with her rich expertise in the field of real estate transactions, as well as her entrepreneurial experience. Over the duration of her term of office as Director, Alix d'Ocagne's attendance was 94%.

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 2021, are provided in Section 5.3.2.1 of the Universal Registration Document.

5.2.1.7 Appointment of a new independent Director (17th resolution)

The Board of Directors proposes, under the 17th resolution, to approve the appointment of Daniela Schwarzer as Director of the company, for a period of four years, expiring at the end of the General Meeting called in 2026 to approve the financial statements for the year ending 31 December 2025.

Daniela Schwarzer, 48



Daniela 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. From 2016 to 2021 she headed the German Council on Foreign Relations, of which she is now a non-executive member of the Board of Directors. She is also a non-executive member of the Board of Directors of BNP Paribas. She is an honorary professor at Freie Universität Berlin, where she teaches courses on European integration and international affairs.

She brings her in-depth knowledge of the German economic and social context, which will help maintain the highest standards of commitment, independence and competence within the Board of Directors.

The Board of Directors, on the prior opinion of the Appointments and Remuneration Committee, examined the situation of Daniela Schwarzer with regard to the independence criteria set out in the Afep-Medef Code in its updated version and published on 30 January 2020, and to which the company refers. As she meets all the independence criteria, the Board of Directors considers that Daniela Schwarzer is an independent Director, subject to her appointment.

The Board of Directors noted that if the entirety of the 14th to 17th resolutions is approved by the General Meeting, the proportion of independent Directors and the percentage of women would be maintained at 60% and 40% respectively.

5.2.1.8 Authorisation granted to the Board of Directors for the company to purchase treasury shares (Resolution 18)

Resolution 18 proposes that you authorise a share buyback program. The principal characteristics of this program 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 program would be €500 million;
- this program 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 the Resolution 20;
- 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 (18) months with effect from the date of the General Meeting of 21 April 2022 and would immediately terminate, for the unused portion, the authorisation given by the Combined General Meeting of 20 April 2021.

Prior to its completion, the company will publish a description of the program in the form stipulated in Article 241–2 of the AMF General Regulations.

5.2.2 Extraordinary resolutions

5.2.2.1 Financial authorisations to be conferred upon the Board of Directors (Resolutions 19 to 26)

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:

- Resolution 19: capital increase through the incorporation of reserves, profits or premiums (useable outside public offering periods);
- Resolution 21: issue of shares and/or transferable securities convertible to equity, maintaining shareholders' preferential subscription rights (useable outside public offering periods);
- Resolution 22: 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 23: 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 24: 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 25: 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;
- 26th resolution: allocation of free existing or future shares of the company to employees and/or corporate officers of the company and its related companies, without shareholders' preferential subscription rights.

You will also be asked, in Resolution 20, 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 19)

Under Resolution 19, 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 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 21 to 25.

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 21 April 2022, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

5.2.2.1.2 Authorisation to the Board of Directors to reduce the company's share capital through the cancellation of shares (Resolution 20)

Concurrently with the authorisation given to the company to conduct transactions on treasury shares under Resolution 18, Resolution 20 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 program authorisation submitted in Resolution 18, 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 21 April 2022, would immediately terminate, for the unused portion, the authorisation granted by the Combined General Meeting of 20 April 2021.

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 21)

Resolution 21 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 19 and 22 to 25.

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 22 to 24, 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 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

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 22)

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 22, 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 all securities other than shares.

The maximum nominal amount of the capital increases likely to be carried out by the company immediately and/or in future under this delegation may not exceed €28 million, representing around 10% of the share capital, and would be independent and separate from the caps for capital increases resulting from the issue of shares and/or transferable securities authorised by Resolutions 19, 21 and 23 to 25.

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 21.

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 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

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 23)

In Resolution 23, 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 23 and 24 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 23 and 24.

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 21.

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 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

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 24)

In accordance with the option offered by Article L. 22-10-53 of the French Commercial Code, you are asked, under Resolution 24, 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 amount of capital increases in the company's share capital that may be performed under this delegation, immediately or in the future, will be set at 10% of the company's share capital (existing at the date of the Board of Director's use of this delegation), the overall cap for all capital increases that might be made immediately or in the future under Resolutions 23 and 24.

The nominal amount of the debt securities giving access to the company's share capital, immediately and/or in the future, that may be issued may not exceed €750,000,000, the overall nominal ceiling of all debt securities issues set in the 21st resolution.

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 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

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 25)

You will be asked, under Resolution 25, 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 €500,000, 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 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 20 April 2021.

5.2.2.1.8 Authorization to be granted to the Board of Directors to allocate free existing or future shares of the company to employees and/or corporate officers of the company and of the companies that are linked to it, without shareholders' preferential subscription rights to the shares to be issued (26th resolution)

As part of the 26th resolution, to authorise the Board of Directors, with the option of subdelegation, to set up a system for the allocation of free ordinary shares, existing or to be issued, for the benefit of employees (or certain categories of them) and/or eligible corporate officers (or some of them) of both the company and related companies and economic interest groups.

The maximum total number of free shares that could be allocated would be 1% of the company's share capital on the date of the decision of their allocation by the Board of Directors, it being specified that the portion of the shares that may be allocated to corporate officers under the authorization requested may not represent more than 40% of the overall ceiling defined above.

The shares that may be allocated free of charge to executive corporate officers correspond either to the upside of their target bonus, this portion of the variable portion of their remuneration may be paid to them in free shares, as described in more detail in 5.3.4.1.2.1.2. of the Universal Registration Document, *i.e.* the long-term incentive component of their remuneration.

For this Long-Term Incentive component, in addition to a condition of presence at the end of the vesting period, the allocation of free shares to the company's corporate officers would be subject in full to the achievement of several performance conditions set by the Board of Directors, including at least relative stock market performance criteria, performance on key economic indicators, as well as CSR criteria, assessed over a period of three years. These conditions are presented in 5.3.4.1.2.1.4. of the Universal Registration Document.

As the discretionary allocation of free shares to certain employees of the company who are not corporate officers is already subject to performance criteria and the potential for growth, the delivery of the shares at the end of the vesting period may be not be subject to new performance criteria. The same applies to collective allocations.

In accordance with legal provisions, the resolution submitted for your approval provides that the duration of the vesting period for the shares, which would be determined by the Board of Directors, may not be less than three years, it being specified that the transfer of shares would only take place at the end of the vesting period and in the event of disability of the beneficiary corresponding to the classification provided for by the applicable legal provisions, the definitive allocation of the shares may take place before the end of the vesting period.

The shares may be accompanied, where applicable, by an obligation for beneficiaries to retain the shares for a period set by the Board of Directors and starting from the end of the vesting period.

At the end of the vesting period, the allocation of new free shares issued by the company may give rise to one or more capital increases.

This delegation would be given to the Board of Directors for a period of 38 months with effect from the General Meeting of 21 April 2022 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 17 April 2019.

The Board's special report on the allocation of free shares, issued in accordance with the provisions of Article L. 225-197-4 paragraph 1 of the French Commercial Code, reports on the allocation of free ordinary shares of the company carried out during the fiscal year ended 31 December 2021.

The table below summarises, at 31 December 2021, the free share allocations granted by the Board of Directors with the authorisation of the Combined General Meeting of 17 April 2019 over the last three years.

	2019		2020		2021	
Allocation to Covivio executive corporate officers	/	/	34,511	18.49%	56,425	20.39%
Allocation to Group employees	70,930	100%	152,165	81.51%	220,340	79.61%
Total	**70,930**	**100%**	**186,676**	**100%**	**276,765**	**100%**
Number of shares at the end of the financial year	87,219,906		94,544,232		94,648,691	
Authorisation ceiling	1%		1%		1%	
Percentage of share capital ("burn rate")	0.08%		0.20%		0.29%	
Number of free shares allocated at 31 December 2021					492,864(1)	
Number of potential free shares to be issued at 31 December 2021					360,729(2)	
Potential dilution at 31 December 2021 in respect of free share allocation plans					0.38%	

(1) Given the departure of some beneficiaries before the end of the vesting period.

(2) It being specified that 132,135 shares acquired by the company under its share buyback programme are allocated to the free share allocation plans approved by the Board of Directors on 13 February 2020 and 16 December 2020.

5.2.2.2 Approval of amendments to the Articles of Association (27th resolution)

By voting on the 27th resolution, you are asked to change:

- Article 3 of the Articles of Association, in order to extend the company's ancillary activity, directly or indirectly, to the acquisition, holding, disposal and operation of businesses in the tourism sector, leisure activities and accommodation in the broadest sense, particularly in the context of mixed development projects. This amendment to the Articles of Association is directly linked to a project to develop a mixed-use real estate complex on land located in the Zone d'Aménagement Concerté Clichy-Batignolles in Paris, which requires the direct ownership of a hotel business by Covivio and not, as was the case until now, *via* Covivio Hotels, a subsidiary of Covivio
- Article 7.3 of the Articles of Association, in order to update it with the new provisions of Article L. 228-2 of the French Commercial Code as amended by law no. 2021-1308 of 8 October 2021 on various provisions for adapting to the law of the European Union in the field of transport, the environment, the economy and finance, known as the DDADUE II law. This amendment to the Articles of Association makes it possible to use a third party appointed by the company to identify the owners of bearer shares.

5.2.2.3 Powers for formal recording requirements (Resolution 28)

Resolution 28 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 by 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 et 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 2022 fiscal year, as well as the total and individual remuneration paid to each of the corporate officers for the 2021 fiscal year. It sets out 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 arms' 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 from the Appointments and Remunerations Committee, and assistance has been provided by the Legal (Corporate and M&A) Department, the Human Resources 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 *Autorité des Marchés Financiers* (**AMF**).

It was approved by the Board of Directors on 22 February 2022 and was subject to a certification by the Statutory Auditors included in their report on the annual accounts.

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 30 January 2020 (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, tenants, employees and all of its stakeholders.

In response to the Directors' desire, expressed at the end of the last formal assessment of the functioning of the Board and its Committees, to devote more time to the CSR issues related to the company's activity, the Board of Directors has decided on 21 July 2021 to create a new CSR Committee to assist it in its work on environmental, societal and social responsibility and governance

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 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 2021 the Board of Directors continued to adapt its Rules of Procedure, in particular to:

- define the operating procedures and missions entrusted to the CSR Committee set up by the Board of Directors on 21 July 2021; and
- set the procedures for audio recording of Board and Committee meetings with regard to personal data protection provisions.

The full versions of the Articles of Association and of the Board of Directors' Rules of Procedure 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/fr/gouvernance/.

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, a diversity of skills among its members, and a staggering of the renewal of their terms of office, thus guaranteeing shareholders and Directors 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 responsible for preparing the work of the Board. They are mainly composed of independent members of the Audit Committee, the Appointments and Remuneration Committee and the CSR Committee.

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, cause, refrain from participating in the corresponding discussions and deliberations.

5.3.1 Management bodies

5.3.1.1 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.

Dominique Ozanne, appointed Chief Executive Officer on 14 February 2018, resigned in 2021 from all his duties within the Covivio group, and in particular from that of Deputy Chief Executive Officer of Covivio with effect from 30 June 2021.

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	31/12/2022
Olivier Estève	Deputy CEO	French	31/01/2011	4 years	01/01/2015 01/01/2019	31/12/2022

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.

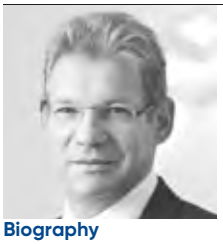
Note that the term of Christophe Kullmann as a Director allows him to be even more directly aligned with the company's strategy, for which he is responsible at the same level as the other Directors.

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 officers (information as at 31 December 2021)

The information is presented individually for each executive corporate officer in office at 31 December 2021 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 2021 fiscal year;
- Terms of office expired within the last five years (not including Covivio's group subsidiaries).



Christophe Kullmann

Age: 56 years old

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 publ
icly traded REITs, 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

Expiry year of term of office: 31 December 2022

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 2021: 146,212 (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)

Chairman of the Board of Directors and Director: Foncière Développement Logements - FDL SA

Legal representative of Covivio, Chairman: Technical SAS, 6 Rue Fructidor SAS

Legal representative of Covivio, General Manager: SCI Esplanade Belvédère II (until 25/01/2022), SCI Le Ponant 1986, SCI Latécoère, SCI Latécoère 2, SCI Lenovilla, SCI Meudon Saulnier, SCI 11 Place de l'Europe, SCI du 15 rue des Cuirassiers, SCI du 9 rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny le 9e Art, Chartres Avenue de Sully SCCV

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: FEI (trade association)

Director: IEIF (Association)

Representing Covivio, member of the Executive Committee: Palladio Foundation

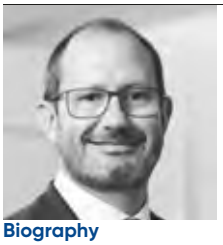
Chairman of the Bursary Awards Committee: Palladio Foundation

Terms of office expired within the last five fiscal years:

Director: EPRA (ended in 2018)

Member of the Executive Board: EPRA (ended in 2017)

Chairman of the Board of Directors: FSIF, now called the FEI (ended in 2019)



Olivier Estève

Age: 57 years old
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, external partnerships and coworking activities.

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
Expiry year of term of office: 31 December 2022
Number of shares held on 31 December 2021: 86,770

Other Offices held within the Covivio group:

Chairman: Covivio 2 SAS, Société du Parc Trinité d'Estienne d'Orves (since 05/11/2021), Hotels N2 SASU (since 06/12/2021)

Chairman and Chief Executive Officer and Director: République SA (until 25/01/2022)

Chairman of the Board of Directors: Central Società Di Investimento Per Azioni A Capitale Fisso (company under Italian law)

Permanent representative of Covivio, Director: Foncière Développement Logements – FDL SA

Member of the Supervisory Board and of the Audit Committee: Covivio Hotels SCA (listed 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 Développement SNC, Covivio Ravinelle SARL, Euromarseille Invest EURL, Covivio 4 EURL, Covivio 7 EURL, Fédération 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, Lenopromo SNC, SCI Charenton, Latepromo SNC, Promomurs SNC, Covivio Participations EURL, SCI Avenue de la Marne, Omega B SARL, SCI Rueil B2, Wellio SNC, SNC Le Clos de Chanteloup, 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 Gauguin St Ouen l'Aumône, SNC Le Printemps Sartrouville, SNC Normandie Niemen Bobigny, SCI Cité Numérique, SCI Danton Malakoff, SNC Meudon Bellevue, SNC Tours Coty, SNC Valence Victor Hugo, SNC Nantes Talensac, SNC Marignane St Pierre, Fructipromo SNC, SNC André Lavignolle, Covivio Alexanderplatz S.à.r.l, (company under Luxembourg law) SNC Saint Germain Hennemont, SNC Antony Avenue de Gaulle, SNC Aix en Provence Cezanne

Co-Manager: Euromarseille 1, SCI Euromarseille 2

Legal representative of Fédération, General Manager: Federimmo SCI

Legal representative of République, General Manager: Gespar SC (until 25/01/2022), Parking de la Comédie SNC (until 25/01/2022), Parking de la Gare Charles de Gaulle SNC (until 25/01/2022)

Legal representative of Télimob Paris SARL, General Manager: Télimob Nord SNC, Télimob Ouest 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, SCI du 1630 Avenue de la Croix Rouge

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 Esplanade Belvédère II (until 25/01/2022), SCI Le Ponant 1986, SCI Latécoère, SCI Latécoère 2, SCI Lenovilla, SCI Meudon Saulnier, SCI 11 Place de l'Europe, SCI du 15 rue des Cuirassiers, SCI du 9 rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny le 9e Art, Chartres Avenue de Sully SCCV

Legal representative of Covivio, Co-Manager: Fontenay-Sous-Bois Rabelais SCCV

Legal representative of Covivio 2, General Manager: SCI Cœur d'Orly Bureaux SNC Cœur d'Orly Promotion

Legal representative of Covivio, Chairman: Technical SAS, 6 Rue Fructidor SAS

Other Offices held outside the Covivio group:

None

Terms of office expired within the last five fiscal 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 Chief Executive Officer. 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 €30,000,000 and €100,000,000 (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 €30,000,000 and €100,000,000 (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 €100,000,000 (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 €100,000,000 (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 €100,000,000 (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 2021 fiscal year

General Management members	Purchase of financial instruments	Price (in €)	Sale of financial instruments	Price (in €)	Number of shares held on 3112/2021 (to the company's knowledge)
Christophe Kullmann	14,823[1]	-	6,000 shares	-	146,212[2]
Olivier Estève	7,687 shares[1]	-	-	-	86,770
TOTAL					**232,982**

(1) Award of free shares that became available during the 2021 fiscal year.

(2) Abandonment of the usufruct of 6,000 shares, which had previously been the subject of a bare ownership transfer on 13 June 2012.

(3) Fully owned shares to which 12,000 beneficially owned shares are added from a bare ownership transfer.

To the company's knowledge, the executive officers held 0.25% of the share capital on 31 December 2021.

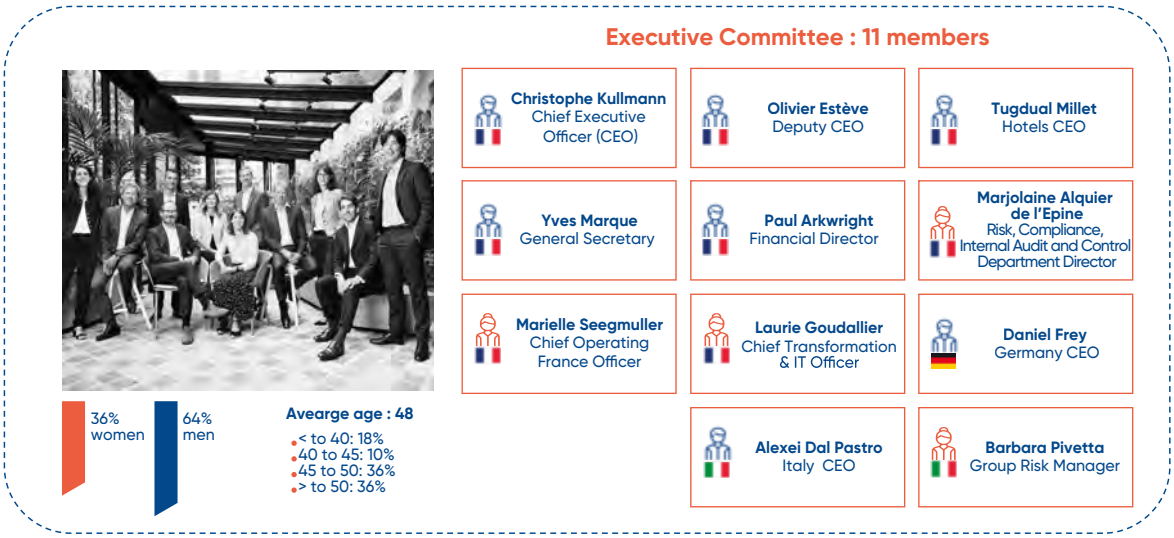
Subsequent to the end of the fiscal year:

- Christophe Kullmann wholly owns 158,535 shares after the final allocation of 8,838 performance shares and 3,485 free shares delivered on 21 February 2022
- Olivier Estève owns 92,320 shares after the final allocation of 5,265 performance shares and 285 free shares delivered on 21 February 2022

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 within their particular area of responsibility in coordination with the Sustainable Development Department.



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.

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.

In 2017 Covivio launched the *ex-aequo* program 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 program 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.

The breakdown of the female headcount in France is stable: 57% at end 2021 compared with 56% end 2020. The number of women in managerial roles had increased and had gained a slight majority: 53.4% of managers were women at 31 December 2021, compared to 50.7% at the end of 2020.

In 2021, the proportion of women on Covivio's Executive Committee remained stable at 36% (27% in 2019). That within the France Management Committee increased to 50%, compared to 40% in 2020. In Italy, it rose to 44% and in Germany, it reached 17% at the end of 2021. The percentage of women in the top 10% most senior positions is 45%, compared with 44.7% in 2020.

In November 2021, for the third consecutive year, 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 corporate officers, should be linked to the number of women in management positions. 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. 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), from 26% to 40% by 2023. To this end, Covivio's General Management intends to promote 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
- guaranteeing equality in terms of professional development and salary in the event of a career break in the context of parental, maternity or adoption leave.

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.

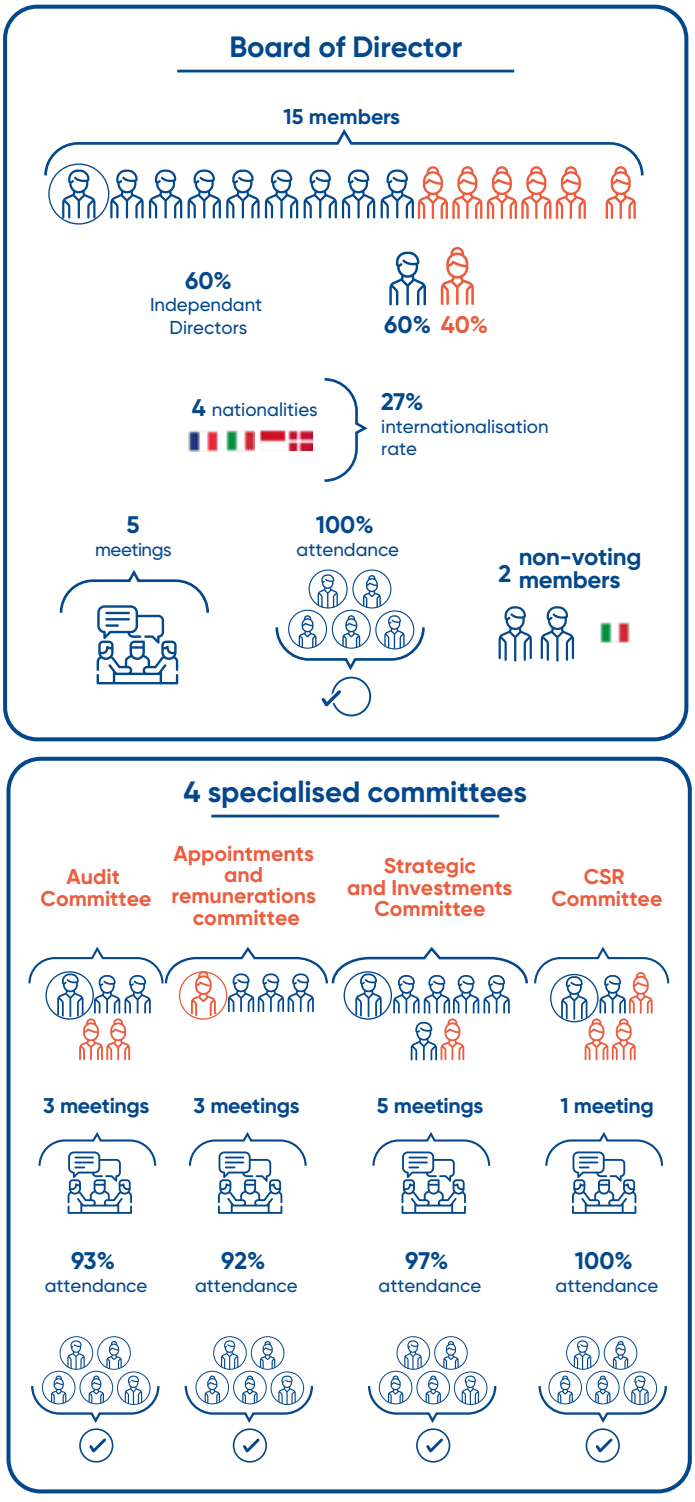
5.3.1.6 Succession plans

The Appointments and Remunerations Committee is responsible for overseeing the establishment of succession plans for executive corporate officers. 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.

5.3.2 Board of Directors

5.3.2.1 Composition of the Board of Directors in 2021

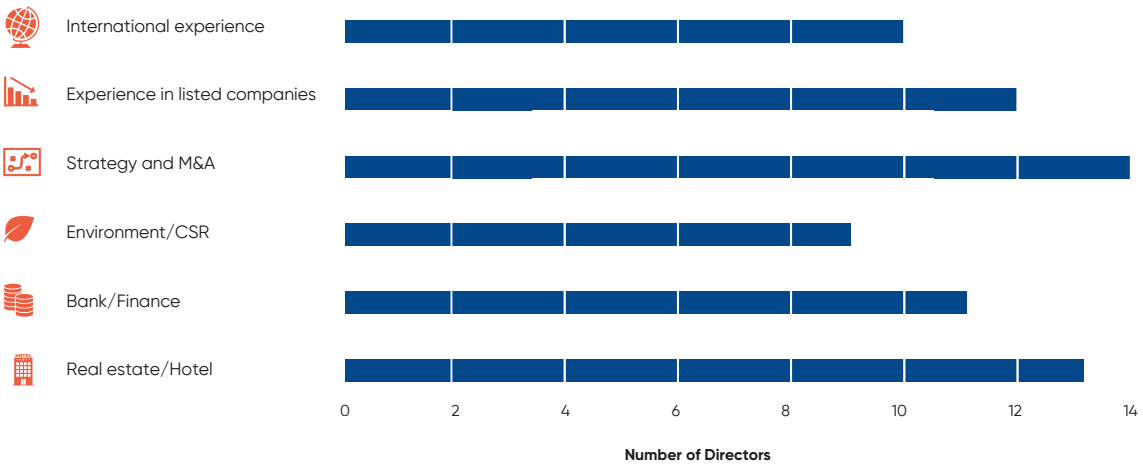
Summary of the composition of the Board of Directors in 2021:



A Board of Directors focused on independence and a variety of expertise

	2011	2015	2019	2020	2021 (1)
TOTAL NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS	10	14	15	15	**15**
INDEPENDANCE (2)	40%	57%	60%	60%	**60%**
FEMALE COMPOSITION	10%	36%	40%	40%	**40%**
AVERAGE AGE	57	56	60	58	**59**
NATIONALITIES REPRESENTED	3	4	4	4	**4**
AVERAGE ATTENDANCE RATE	91%	82%	92%	90%	**100%**

(1) Following the combined General Meeting of 22, April 2020
(2) 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 2021.

	Personal information						
	Title	Age	Gender	Nationality	Number of shares held at 31 December 2021		Main1 position held
Jean Laurent	Chairman of the Board of Directors	77			1,883		Chairman of the Board of Directors Covivio
Leonardo Del Vecchio	Vice-Chairman of the Board of Directors	86			1[2]		Chairman of EssilorLuxottica SA
ACM Vie					Legal Entity	Physical person	
represented by Stephanie de Kerdrel	Director	46			8,114,538	0	Deputy Chief Investment Officer of ACM
Romolo Bardin	Director	43			15,108		Deputy Manager of Delfin S.a.r.l
Jean-Luc Biamonti	Director	68			506		Deputy Chairman of SMB (Société des Bains de Mer de Monaco)
Covéa Coopérations					Legal Entity	Physical person	
represented by Olivier Le Borgne	Director	55			581[4]	0	Chief Investment Officer at Covéa
Christian Delaire	Director	54			241		Senior Advisor at Foncière Atland
Sigrid Duhamel	Director	56			252		Chairwoman of the Management Board of BNP Paribas REIM France
Christophe Kullmann	Chief Executive Officer and Director	56			146,212[5]		Chief Executive Officer of Covivio
Alix d'Ocagne	Director	52			0[6]		Head of the company
Sylvie Ouziel	Director	51			2,449		CEO of shared platforms at Publicis Group
Olivier Piani	Director	67			701		Chairman of ODP Conseils
Predica					Legal Entity	Physical person	
represented by Jérôme Grivet	Director	59			7,352,435[7]	0	Deputy CEO in charge of the Management Division of Crédit Agricole SA Group Finances
Patricia Savin	Director	55			205		Partner at DS Avocats
Catherine Soubie	Director	56			686		Chief Executive Officer of Arfilia
Sergio Erede	Non-Voting member	81			N/A		N/A
Ariberto Fassati	Non-Voting member	75			N/A		N/A

(1) The data is expressed in number of years and months from the date of 1st appointment of natural persons.
(2) It being specified that the Delfin Group holds 25,765,290 shares.
(3) This duration takes into account seniority within the company.
(4) It being specified that the Covéa Group holds 6,797,240 shares.
(5) To which 12,000 beneficially-owned shares are added following a bare ownership transfer.
(6) It being specified that Alix d'Ocagne acquired 200 shares after the end of the 2021 financial year.
(7) It being specified that the Crédit Agricole Assurances Group holds 7,750,975 shares.

Experience		Position on the Board				Participation in Board Committees					Compensation
						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	Independent member	Date of first appointment to the Board of Directors	Date of renewal	Year term of office ends	Seniority on the Board[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 €)
0	√	31/01/2011	17/04/2015 17/04/2019	2023	11.1[3]	100%	/	/	100%	100%	/
1	X	31/01/2011	17/04/2015 17/04/2019	2023	13.7[3]	100%	/	/	60%	/	40,000
0	X	31/01/2011	17/04/2015 19/04/2018	2022	1.1	100%	/	/	100%	100%	42,250
2	X	17/04/2015	19/04/2018	2022	13.7[3]	100%	100%	/	100%	/	51,000
2	√	31/01/2011	17/04/2015 26/04/2017 20/04/2021	2023	10.11	100%	100%	100%	/	/	64,000
0	X	17/02/2016	17/04/2019	2023	1.1	100%	/	/	80%	/	39,000
2	√	17/04/2019	/	2023	2.8	100%	100%	/	/	100%	42,500
1	√	28/04/2014	19/04/2018	2022	7.8	100%	67%	/	/	/	35,000
0	X	25/04/2012	27/04/2016 22/04/2020	2024	9.8	100%	/	/	/	/	/
0	√	13/02/2020	/	2022	1.10	100%	/	/	/	100%	29,250
0	√	24/04/2013	26/04/2017 20/04/2021	2025	8.8	100%	100%	/	/	/	38,000
0	√	17/04/2019	/	2023	2.8	100%	/	100%	/	/	40,250
1	X	31/01/2011	17/04/2015 26/04/2017 20/04/2021	2025	10.11	100%	/	67%	80%	/	46,000
0	√	27/04/2016	22/04/2020	2024	5.8	100%	100%	/	/	100%	37,000
2	√	27/04/2016	22/04/2020	2024	5.8	100%	/	100%	/	/	42,000
N/A	N/A	17/04/2015	17/04/2019	2023	13.7[3]	100%	/	67%	80%	/	46,000
N/A	N/A	17/04/2019	/	2023	2.8	100%	/	/	100%	/	39,000
						Average attendance rate: 100%	Average attendance rate: 93%	Average attendance rate: 92%	Average attendance rate: 87%	Average attendance rate: 100%	Total amount: €631,250

5.3.2.1.1 Changes in the composition of the Board of Directors and of Committees during 2021

Governance body	Date	Departure	Appointment/Coopting	Renewal
Board of Directors	20 April 2021			Jean-Luc Biamonti Sylvie Ouziel Predica[1]
Audit Committee	20 April 2021			Jean-Luc Biamonti (Chairman) Sylvie Ouziel
	21 July 2021	Patricia Savin		
Appointments and Remuneration Committee	20 April 2021			Jean-Luc Biamonti Jérôme Grivet
Strategy and Investment Committee	20 April 2021			Jérôme Grivet
	21 July 2021		Olivier Piani	
CSR Committee	21 July 2021		Christian Delaire (Chairman) Stéphanie de Kerdrel[2] Jean Laurent Alix d'Ocagne Patricia Savin	

(1) Jérôme Grivet is the permanent representative of Predica.

(2) Stéphanie de Kerdrel is the permanent representative of ACM Vie.

Impact of the 2021 changes to the governance bodies in terms of diversification

The composition of the Board of Directors was maintained at 15 members during the 2021 fiscal year. The major change in the composition of the governance bodies concerns the creation in July 2021 of the CSR Committee, which responds to the desire of the Directors, expressed during the last internal assessment of the Board's work, to devote more time to CSR-related topics.

	Number of members		Independence rate		Percentage of women		Percentage of international		Average age	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Board of Directors	15	15	60%	60%	40%	40%	27%	27%	58 year-old	59 year-old
Audit Committee	6	5	83%	80%	50%	40%	50%	60%	54 year-old	54 year-old
Appointments and Remuneration Committee	4	4	75%	75%	25%	25%	25%	25%	62 year-old	63 year-old
Strategy and Investment Committee	6	7	17%	29%	17%	14%	33%	29%	60 year-old	62 year-old
CSR Committee	/	5	/	80%	/	60%	/	0%	/	57 year-old

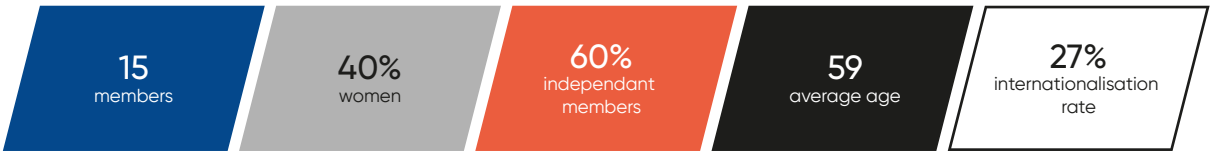
5.3.2.1.2 Changes in the proposed composition of the Board of Directors for the 2022 fiscal year

The expiry in April 2022 of the terms of office of Romolo Bardin and ACM Vie, as well as the terms of office of Alix d'Ocagne and Sigrid Duhamel, led the Appointments and Remuneration Committee to review changes in the composition of the Board of Directors.

In accordance with the recommendations of Article 6.2 of the Afep-Medef Code, after considering the desirable balance of its composition and that of its committees, the Board of Directors, at its meeting of 25 November 2021 and on the opinion of the Appointments and Remuneration Committee, decided:

- to propose the renewal of the term of office of Alix d'Ocagne as independent Director and the renewal of the terms of office of Romolo Bardin and ACM Vie, with Stéphanie de Kerdrel as permanent representative
- to propose the appointment of a new independent Director 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.

Impacts of changes in the composition of the Board of Directors subject to approval by the Combined General Meeting of 21 April 2022 of the aforementioned Directorships.



Profile of Daniela Schwarzer, whose appointment is subject to the approval of the Combined General Meeting of 21 April 2022



Daniela Schwarzer
Age: 48
German nationality
Business address: Jägerstrasse 54, 10117 Berlin, Germany
Main function exercised: executive Director of the Open Society Foundation for Europe and Eurasia

Offices held within Covivio: None

Number of shares held: None

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Director, member of the Governance, Ethics, Appointments and CSR Committee: BNP Paribas (public company)

Director: Association Notre Europe - Jacques Delors Institute, United Europe Foundation (Hamburg), Deutsche Gesellschaft für Auswärtige Politik, Jean Monnet Foundation

Terms of office expired in the last 5 years:

Member of the Advisory Board: Open Society Foundation, Federal Security Academy

Biography

Holder of a doctorate in political economy from the Free University of Berlin and a master's degree in political science and linguistics from the University of Tübingen, Daniela Schwarzer has devoted a large part of her professional life to European economic, financial and political issues. She is a recognised specialist 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 largest private donor in the world for NGOs and associations working to defend human rights, justice and democracy.

From 2016 to 2021 she headed the German Council on Foreign Relations, of which she is now a non-executive member of the Board of Directors. She is also a non-executive member of the Board of Directors of BNP Paribas. She is an honorary professor at Freie Universität Berlin, where she teaches courses on European integration and international affairs.

Summary of the skills and expertise of Daniela Schwarzer, whose appointment is subject to the approval of the Combined General Meeting of 21 April 2022

	Real Estate/Hotels	Bank/Finance	Environment/ CSR	Strategy and M&A	Experience in public companies	International experience
Daniela Schwarzer		√	√	√	√	√

5.3.2.1.3 Profiles, experience and expertise of the non-executive corporate officers (information as at 31 December 2021)

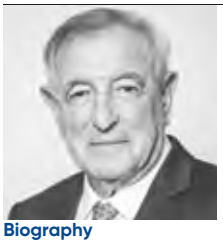
The renewal of Directors' terms of office that expired in 2021 allowed the Board, with its 15 members, to maintain the balance sought in terms of the skills and expertise deemed necessary for proper administration of the company. The Directors are complementary due to their different professional experiences. Their individual skills and expertise cover the following areas related to Covivio's strategy:

	Real Estate/Hotels	Bank/Finance	Environment/ CSR	Strategy and M&A	Experience in public companies	International experience
Jean Laurent		√	√	√	√	√
Leonardo Del Vecchio	√	√		√	√	√
Romolo Bardin	√	√		√	√	√
Jean-Luc Biamonti	√	√		√	√	√
Christian Delaire	√	√	√	√	√	√
Sigrid Duhamel	√		√	√	√	√
Jérôme Grivet	√	√		√	√	√
Olivier Le Borgne	√	√		√	√	
Christophe Kullmann	√	√	√	√	√	√
Stéphanie de Kerdrel	√	√	√			
Alix d'Ocagne	√	√	√	√		
Sylvie Ouziel			√	√	√	√
Olivier Piani	√		√	√	√	√
Patricia Savin	√		√	√		
Catherine Soubie	√	√		√	√	

The information is presented individually for each Director in office at 31 December 2021[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 2021 fiscal year
- terms of office expired within the last five years (not including Covivio's group subsidiaries).

(1) 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.



Biography

Jean Laurent is a graduate of École Nationale Supérieure de l'Aéronautique (1967) and holds a Master of Science from Wichita State University. He has spent his entire career within the Crédit Agricole Group, initially in the Crédit Agricole branches in Toulouse, then in Loiret and in Paris Region where he held or supervised various roles in retail banking. He then joined Caisse Nationale du Crédit Agricole, first as Deputy CEO (1993-1999), and then as Chief Executive Officer (1999-2005). In this capacity, he handled the IPO of Crédit Agricole SA (2001), then the acquisition and integration of Crédit Lyonnais in the Crédit Agricole group. Director of public companies, he was appointed Chairman of the Board of Directors of Covivio in 2011.

Jean Laurent

Age: 77
Nationality: French
Business address: 30, avenue Kléber, 75116 Paris

Main function exercised: Chairman of the Board of Directors of Covivio

Offices held within Covivio:

Chairman of the Board of Directors
Independent Director
Member of the Strategy and Investment Committee
Member of the CSR Committee

Date of appointment: 31 January 2011
Date of renewal: 17 April 2015-17 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 2021: 1,883

Other Offices held within the Covivio group:

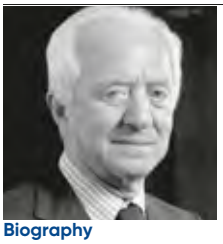
Chairman of the Board of Directors and Director: Covivio Foundation

Other Offices held outside the Covivio group:

None

Terms of office expired in the last 5 years:

Vice-Chairman of the Supervisory Board, Chairman of the Audit Committee and member of the Finance Committee: Eurazeo SA (listed company – ended in 2017)
Director, Lead Director, Chairman of the Appointments and Remunerations Committee: Danone SA (listed company – ended in 2018)



Biography

Leonardo Del Vecchio is the founder of the Luxottica Group, a world leader in the design, manufacturing and distribution of eyewear, which has been listed on the New York Stock Exchange since 1990. He had been the Chairman of the company's Board of Directors since its creation in 1961 and was appointed Chairman and Chief Executive Officer on 29 January 2016. In 2017, he created the Del Vecchio Foundation to support non-profit charitable initiatives. Following completion of the strategic merger between Essilor and Luxottica, he was appointed Chairman and Chief Executive Officer of EssilorLuxottica SA for which acted as General Manager until December 2020.

In 1986, Leonardo Del Vecchio was also appointed Cavaliere dell'Ordine al "Merito del Lavoro" (Knight of the Italian order of merit in industry), an award granted by the President of the Italian Republic.

Leonardo Del Vecchio

Age: 86
Nationality: Italian
Professional address: 24, avenue Princesse Grace, Le Roccabella, 98000 Monaco

Main function exercised: Chairman of EssilorLuxottica SA

Offices held within Covivio:

Director
Vice-Chairman of the Board of Directors
Chairman of the Strategy and Investment Committee

Date of appointment: 31 January 2011
Date of renewal: 17 April 2015-17 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 2021: 1 (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:

Chairman: EssilorLuxottica SA (public company)
Director and Chairman: Delfin SARL (foreign company), Fondazione Leonardo Del Vecchio (foundation)

Terms of office expired in the last 5 years:

Chairman and Chief Executive Officer: Luxottica Group SpA (foreign company - ended in 2021)
Director and Chairman: Aterno SARL (foreign company - ended in 2021)
Chairman and Chief Executive Officer: EssilorLuxottica SA (public company - ends in December 2020)
Chief Executive Officer: EssilorLuxottica SA (public company - ended in 2020)
Director: Gianni Versace Spa (foreign company), GIVI Holding SpA (foreign company)

ACM VIE SA

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 2017 -19 April 2018

Expiry of term of office: General Meeting of 2022 approving the annual financial statements for the fiscal year ended 31 December 2021

Number of shares held on 31 December 2021: 8,114,538

Other Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels SCA (listed company)

Other Offices held outside the Covivio group:

Director: Sérénis Assurances SA, ACM GIE, ACM Services SA, Foncière Massena SA, Agrupacio AMCI de Seguros y Reaseguros SA, GACM Seguros Generales, Compania de Seguros y Reaseguros S.A.U. (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 Selectipierre 1, SCPI Logipierre 1, SCPI Logipierre 3

Terms of office expired in the last 5 years:

Member of the Supervisory Board: SCPI Ouest Pierre Investissement (ended in 2017)

Director: Partners Assurances SA (foreign company - ended in 2017)



Stéphanie de Kerdrel

Age: 46

Nationality: French

French Professional address: 94/96, boulevard Haussmann, 75008 Paris

Main function exercised: Deputy Chief Investment Officer of ACM

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.

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

Expiry of term of office: General Meeting of 2022 approving the annual financial statements for the fiscal year ended 31 December 2021

Number of shares held as at 31 December 2021: None

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Permanent representative of ACM Vie SA on the Board: SAS Immobilière ACM

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 Deputy Manager of Delfin SARL. Prior to that he held positions at Sunglass Hut Europe in London, and Luxottica Group in Italy.

Romolo Bardin

Age: 43

Nationality: Italian

Professional address: 7, rue de la Chapelle, L-1325 Luxembourg

Main function exercised: Deputy Manager of Delfin SARL

Offices held within Covivio:

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

Expiry of term of office: General Meeting of 2022 approving the annual financial statements for the fiscal year ended 31 December 2021

Number of shares held on 31 December 2021: 15,108

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Deputy Manager: Delfin SARL (foreign company)

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 S.p.a (foreign listed company) (until 17/01/2022)

Member of the Board of Directors, member of the Risk and Oversight Committee and Member of the Appointments and Remunerations Committee: EssilorLuxottica SA (listed 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

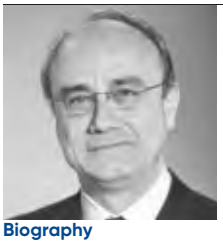
Terms of office expired in the last 5 years:

Member of the Board of Directors: Acciaitalia S.p.A. (foreign company – ended in 2017)

Member of the Board of Directors and Chairman and Chief Executive Officer: DFR Holding SARL (ended in 2017), Redfern SARL (ended in 2017), Delfin Finance SA (ended in 2019)

Member of the Risks and Audit Committee: Assicurazioni Generali S.p.A (foreign listed company - until 2019)

Chairman and Chief Executive Officer: Delfin H S.r.l (ended in 2018)



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. Since January 2013, he has been Deputy Chairman of Société des Bains de Mer Monaco, where he has been a Director since 1985 and Chairman of the Board of Directors since 1995.

Jean-Luc Biamonti
Age: 68
Nationality: Monegasque
Professional address: 8, rue du Gabian, MC 98000 Monaco, Principauté de Monaco
Main function exercised: Deputy Chairman of SBM (Société des Bains de Mer Monaco)

Offices held within Covivio:

Independent Director
Chairman of the Audit 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 2023 approving the annual financial statements for the fiscal year ended 31 December 2022
Number of shares held on 31 December 2021: 506

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Director, Chairman of the Board of Directors and Deputy Chairman: Société des Bains de Mer Monaco SA (S. B. M. – foreign listed company)
Director: MC Financial Company
Chairman: S.B. M. USA Inc.
Permanent representative of S.B.M., Director and Deputy Chairman: S.H.L
Chairman of the Board Committee: Betclic Everest Group
Manager: MC SBM International S.à r.l.
Director and Chairman of the Audit and Risk Committee: EssilorLuxottica SA (public company)

Terms of office expired in the last 5 years:

Chairman of the Appointments and Remunerations Committee: Covivio (public company - until 17/04/2019)

COVÉA Cooperations
Le Mans Trade and Companies Register 439 881 137
14, boulevard Marie-et-Alexandre-Oyon, 72 030 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 2021: 581 (it being specified that the Covéa Group holds 6,797,240 shares)

Other Offices held within the Covivio group:

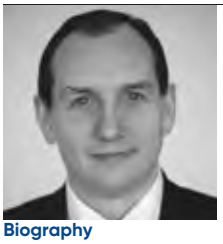
None

Other Offices held outside the Covivio group:

Director: Assurland.com SA, AZ Plus SA, Carma SA, Covéa Lux, Covéa Protection Juridique SA, Gespré Europe 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

Terms of office expired in the last 5 years:

Director: Caja de Seguros Reunidos - Compania de Seguros y Reaseguros SA (CASER - foreign company - ended in 2020), Eurosic SA (listed company - ended in 2017), Lybernet Assurances SA (ended in 2018).
Member of the Investments Committee: Eurosic SA (listed company – ended in 2017)
Member of the Sustainable Development Committee: Eurosic SA (listed company – ended in 2017)
Member: Covéa Immobilier Support GIE (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: 55

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 2021: 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 Salariés FCPE, 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: French Insurance Federation

Logistic Representative, Director: GIE Cibail

Terms of office expired in the last 5 years:

Representative of Assistance Protection Juridique, member of the Supervisory Committee: Covéa Finance SAS (ended in 2018)

Permanent representative of GMF Vie, member of the Supervisory Board: Foncière de Paris SA (formerly Cofitem-Cofimur - ended in 2017)

Permanent representative of Covéa Coopérations, Director and member of the Investment Committee and the Sustainable Development Committee: Eurosic SA (ended in 2017)

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)

Manager: SCI Covéa Real Estate Développement (ended in 2021)

Representative of MAAF Assurances SA, Chairman: CORED II SASU (ended in 2021)



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 (listed 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.

Christian Delaire

Age: 54

Nationality: French

Business address: 40 avenue George V, 75008 Paris

Main function exercised: Senior Advisor at Foncière Atland

Offices held within Covivio:

Independent Director

Chairman of the CSR Committee

Member of the Audit Committee

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 2021: 241

Other Offices held within the Covivio group:

None

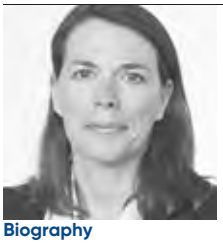
Other Offices held outside the Covivio group:

Managing Director: CDE Advisors SARL

Director: CEREIT SA (listed foreign company), Atenor SA (listed foreign company)

Terms of office expired in the last 5 years:

None



Biography

Sigrid Duhamel has chaired the Management Board of BNP Paribas REIM France since 29 September 2017. Previously, she chaired CBRE Global Investors France. After graduating from ESTP in 1990, she joined Bouygues Construction and spent four years managing major industrial renovation and construction projects. She then earned an MBA at INSEAD and joined the US group, United Technologies, where she spent three years managing mergers and acquisitions.

After four years' experience in executive recruitment at Eric Salmon & Partners, in 2005, she moved into the real estate business at Tishman Speyer in London, where she spent four years in charge of business development in Europe.

In 2008, she joined Carrefour Property, where she was international portfolio Director for three years, before joining the PSA Peugeot Citroën Group in June 2011 as Real Estate Director.

Sigrid Duhamel
Age: 56 years old
Nationality: French and Danish
Professional address: 167, quai de la Bataille-de-Stalingrad, 92867 Issy-les-Moulineaux
Main function exercised: Chair of the Management Board of BNP Paribas REIM France

Offices held within Covivio:

Independent Director

Member of the Audit Committee

Date of appointment: 28 April 2014

Date of renewal: 19 April 2018

Expiry of term of office: General Meeting of 2022 approving the annual financial statements for the fiscal year ended 31 December 2021

Number of shares held on 31 December 2021: 252

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Chair and member of the Management Board: BNP Paribas REIM France SA

Director, member of the Audit Committee: CNIM (listed company)

Director, Vice-Chair: BNP Paribas REIM Italy

Chair of the Board of Directors, Director: Technical Property Fund 2 SPPICAV SA,

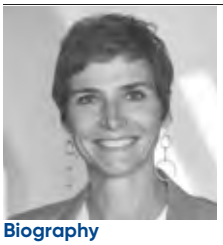
Chair of the Board of Directors, Director: BNP Paribas Diversipierre SPPICAV SA

Member of the Board of Directors: SPAMI (association)

Trustee: ULI (Urban Land Institute - association)

Terms of office expired in the last 5 years:

Member of the Supervisory Board: SA Selectirente (listed company – ended in 2017)



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.

Alix d'Ocagne
Age: 52
Nationality: French
Business address: 4, rue Saint-Florentin, 75001 Paris
Main function exercised: CEO

Offices held within Covivio:

Independent Director

Member of the CSR Committee

Date of appointment: 13 February 2020

Expiry of term of office: General Meeting of 2022 approving the annual financial statements for the fiscal year ended 31 December 2021

Number of shares held at 31 December 2021: None (it being specified that she acquired 200 shares after the end of the financial year)

Other Offices held within the Covivio group:

Vice Chairwoman: Covivio Foundation

Other Offices held outside the Covivio group:

Chairwoman: DOCK75 SAS, SEGC SAS, Bring the Way Association

Member of the Supervisory Board: Eukratos SAS

Director: Association B2X

Terms of office expired in the last 5 years:

Chairwoman: Cheuvreux SAS (ended in 2019)

Director: Fondation de la Croix Saint Simon



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.

Sylvie Ouziel

Age: 51

Nationality: French

Business address: 133, avenue des Champs Elysées, 75008 Paris

Main function exercised: CEO of Shared Platforms at Publicis Group

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 2021: 2,449

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Director: Lion Re: Sources, Inc. (since 01/12/2021), Lion Re: Sources UK Limited (since 23/11/2021)

Terms of office expired in the last 5 years:

Director: Envision Digital International Pte. Ltd. - Singapore, Bazefield AS - Norway, Envision Digital (Netherlands) BV - Netherlands, Envision Digital (Germany) Gmbh - Germany, Envision Digital UK Limited - UK

Global CEO Assistance and CEO Asie Pacific: Allianz Worldwide Partners

Member of the Board: AMOSA (Amos of America – foreign company)

Chair and Chief Executive Officer: Allianz Managed Operations & Services (Amos - foreign company)

Member of the Board of Directors: AWP Health & Life, AWP P&C

Member of the Supervisory Board: M6 Métropole TV (listed company)



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.

Olivier Piani

Age: 67

Nationality: French

Business address: 91 bis, rue du Cherche-Midi, 75006 Paris

Main functions exercised: Chairman of OP Conseils

Offices held within Covivio:

Independent Director

Member of the Appointments and Remunerations Committee

Member of the Strategic and Investment Committee

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 2021: 701

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Director: Prologis (foreign listed 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 (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 on 31 December 2021: 7,352,435

Other Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels SCA (listed 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 (listed company), Gecina SA (listed company), Messidor OPCI, Frey SA (listed company), La Médicale de France SA, CAAM Mone Cash SICAV, Korian SA (listed company), CAA Commerces 2 OPCI, Patrimoine et Commerce SCA (listed company), Carmila (listed company), Previseo Obsèques SA, Lesica, Semmaris, Fonds Stratégique de Participations SICAV, Argan (listed company), Française des Jeux (listed company)

Member of the Supervisory Board: Altarea SCA (listed 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

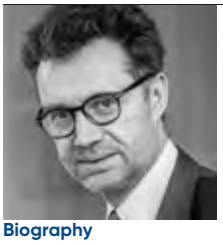
Chairman: Prédi Rungis, Predica Bureaux OPCI

Terms of office expired in the last 5 years:

Member of the Supervisory Board: Effi Invest I SCA (ended in 2018)

General Manager: Citadel SAS, Citadel Holding SAS

Director: River Ouest OPCI (ended in 2019), Sanef (listed company – ended in 2018), Ramsay Générale de Santé SA (listed company – ended in 2018), Eurosic SA (ended in 2017), Louvresses Development I SAS (ended in 2018), CA Life Greece SA (foreign company – ended in 2018)



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 Financial Director 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. He is a member of the Executive Committee of Crédit Agricole S A.

Appointed Deputy Chief Executive Officer of Crédit Agricole SA in charge of the Group Finance Department on 21 May 2015, he became Deputy Chief Executive Officer in charge of the Steering Department of Crédit Agricole SA in July 2021.

Jérôme Grivet

Age: 59

Nationality: French

French Professional address: 12, place des États-Unis, 92120 Montrouge

Main function: Assistant General Manager of Crédit Agricole SA in charge of the Management Division

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 2021: None

Other Offices held within the Covivio group:

None

Other Offices held outside the Covivio group:

Assistant General Manager in charge of the Management Division and member of the Executive Committee and of the Management Committee: Crédit Agricole SA (listed company)

Director: Crédit Agricole Assurances SA, CACEIS SA, CACEIS Bank France SA, CA Real Estate

Vice-Chairman of the Supervisory Board and member of the Audit and Accounts Committee: Fonds de Garantie des Dépôts

Director, member of the Audit and Accounts Committee and member of the Investment Committee: Nexity SA (listed company)

Terms of office expired in the last 5 years:

Chairman: CA Life Greece SA (foreign company)

Permanent Representative of Predica, Chairman: Fonds Stratégique de Participations (SICAV)

Director, Chairman of the Board of Directors: Spirica SA

Vice-Chairman: BES Vida

Chief Executive Officer: Crédit Agricole Assurances SA, Predica SA

Director: Icade SA (listed company), Caagis SAS, Crédit Agricole Vita SpA (foreign company), Pacifica SA, CA Indosuez Private Banking, CA Cheuvreux, Cedicam, Ubaf, Newedge Group, Lcl Obligation Euro, Korian (listed company)

Deputy CEO, member of the Executive Committee: Calyon

Managing Director: CLSA BV, Stiching CLSA Foundation

Permanent representative of Calyon, Director: Fletirec

Permanent representative of Predica, Director: Siparex Associés, La Médicale de France

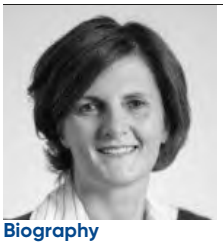
Permanent representative of Crédit Agricole Assurances SA, Director: Caci SA

Permanent representative of Predica, member of the Supervisory Board: CA Grands Crus SAS, Cape

Chairman and Chief Executive Officer, Director: Mescas

General Manager: SNGI, CA Assurances Italie Holding, Dolcea Vie

Non-voting member of the Board: Aéroports de Paris, CA Immobilier, La Médicale de France SA



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 logistics, polluted soils 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.

Patricia Savin

Age: 55
Nationality: French
Professional address: 6, rue Duret, 75116 Paris
Main function exercised: Partner at DS Avocats

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 2021: 205

Other Offices held within the Covivio group:

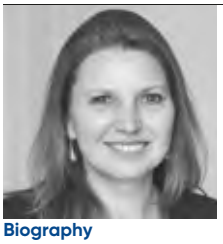
Member of the Stakeholders' Committee: Covivio

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 (listed company – until 21 July 2021)



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.

Catherine Soubie

Age: 56 years old
Nationality: French
French Professional address: 137, rue de l'Université, 75007 Paris
Main function exercised: Chief Executive Officer of Arfilia

Offices held within Covivio:

Independent Director

Chairman of the Appointments and Remunerations 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 2021: 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 (listed company)

Director and Chair of the Remuneration Committee: Sofina SA (listed 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 Share capital of members of the Board of Directors

Trading in Covivio shares by members of the Board of Directors and related persons in the 2021 fiscal year

Members of the Board of Directors[1]	Acquisitions of financial instruments	Average value (in €)	Sale of financial instruments	Average value (in €)	Number of shares held at 31/12/2021 (to the company's knowledge)
Jean Laurent	–	–			1,883
Leonardo Del Vecchio					1
(persons related to Leonardo Del Vecchio)	–	–	–	–	25,833,581[2]
ACM Vie	824,621 shares	72.76	–	–	8,114,538
Stéphanie de Kerdrel	–	–	–	–	0
Romolo Bardin	1,831 shares	72.45	–	–	15,108
Jean-Luc Biamonti	–	–	–	–	506
Covéa Coopérations	–	–	–	–	581
(persons related to Covéa Coopérations)	–	–	–	–	6,796,659
Olivier Le Borgne	–	–	–	–	0
Christian Delaire	–	–	–	–	241
Sigrid Duhamel	–	–	–	–	252
Alix d'Ocagne	–	–	–	–	0
Sylvie Ouziel	–	–	–	–	2,449
Olivier Piani	–	–	–	–	701
Predica	–	–	–	–	7,352,435
(persons related to Predica)	–	–	–	–	398,540
Jérôme Grivet	–	–	–	–	0
Patricia Savin	–	–	–	–	205
Catherine Soubie	–	–	–	–	686
TOTAL					**48,518,366**

(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.

(2) Including the shares held by Nicoletta Zampillo, a person related to Leonardo Del Vecchio.

To the company's knowledge, the non-executive corporate officers (and persons related to them) held 51.26% of the share capital at 31 December 2021.

After the end of the fiscal year, Alix d'Ocagne acquired 200 shares.

5.3.2.2 Methods of organisation and operation of the Board of Directors

5.3.2.2.1 Role of the Chairman of the Board of Directors

Since the Board of Directors' decision to separate the functions of Chairman of the Board and Chief Executive Officer, the Board is chaired by Jean Laurent, appointed to this position on 31 January 2011. On the occasion of the renewal of his duties on 17 April 2015 and 17 April 2019, for the duration of his term of office as Director, the Board of Directors 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 Remuneration 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.

In 2021, Jean Laurent chaired all the meetings of the Board of Directors and attended all the meetings of the Strategy and Investment Committee, and that of the CSR Committee, committees of which he is a member as well as those of the Audit Committee and the Remuneration Committee and appointments to which he was invited. 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 Management 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. 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 is responsible for approving all investments and transactions, notably relating to a sale or disposal, whose value exceeds €100 million. In connection with the strategy it has designed, it 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 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 Chief Executive Officer. The Board sets the limits on the powers of the Chief Executive Officer and the Deputy Chief Executive Officer. The Board of Directors may also appoint one or more Non-voting members and a Vice Chairman.

The Board implements the authorizations 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 and concluded under normal conditions 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 under 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 entered into in the 2021 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 investment protocol of 23 December 2020 concluded respectively on 22 April 2021 and 8 June 2021 between Covivio, MMA IARD and Generali Vie in the presence of Covivio Alexanderplatz S.à r.l
- shareholders' agreement signed on 8 June 2021 between Covivio, MMA IARD and Generali Vie in the presence of Covivio Alexanderplatz S.à r.l.
- subordination agreement entered into on 8 June 2021 between Covivio Alexanderplatz S.à r.l., Covivio, MMA IARD and Generali Vie
- agreement for the disposal of cooperative shares concluded on 20 December 2021 between Covivio and Predica in the presence of SCI 11 place de l'Europe
- agreement for the disposal of cooperative shares concluded on 20 December 2021 between Fédération and Predica in the presence of SCI Federimmo.

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 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.

Having implemented this procedure, the Board of Directors updated the internal charter of the Covivio group on related-party agreements published on the company's website to include these provisions.

In accordance with the procedure, at a meeting on 22 February 2022 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 relating to the composition of the Board of Directors

5.3.2.2.4.1 General rules applicable to the composition of the Board of Directors and to 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 office of Vice-Chairman is held 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, expiring at the end of the General Meeting convened in 2023 to approve the financial statements for the fiscal year ending 31 December 2022.

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.

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 loyalty duty 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 81 years-old		At the end of his Director's term of office expiring on 17 April 2015, the Board of Directors appointed Sergio Erede as Non-voting Board member and reconfirmed in the role on 17 April 2019 for a term of four[4] 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 Director, Sergio Erede provides the Board with his legal expertise as a recognised Italian business lawyer.
Ariberto Fassati 75 years-old		On 20 February 2019, the Board of Directors has also appointed a second Non-voting member for a period of 4 years, Ariberto Fassati, who previously presided the Board of Directors of Beni Stabili, in order to bring his expertise of the Italian finance at Sergio Erede's side.

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.

Yves Marque 54 year-old		These functions are currently held by Yves Marque, the Chief Operating Officer (COO) 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 does not fall within the scope of the provisions laid down in Article L. 225-27-1 paragraph 1 of the French Commercial Code.

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

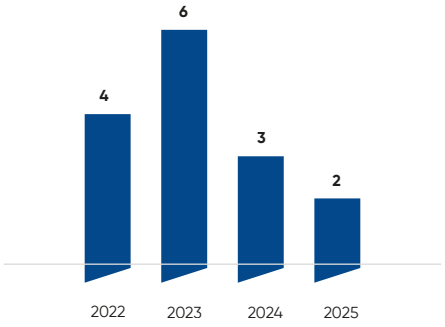
The term of office of Directors is, with some exceptions, four years. Given the company's desire to have a high proportion of independent Directors sitting on its Board, and pursuant to the rule set forth in article 9.5.6 of the Afep-Medef Code, as revised, on the loss of an independent Director's capacity after holding office for more than 12 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.

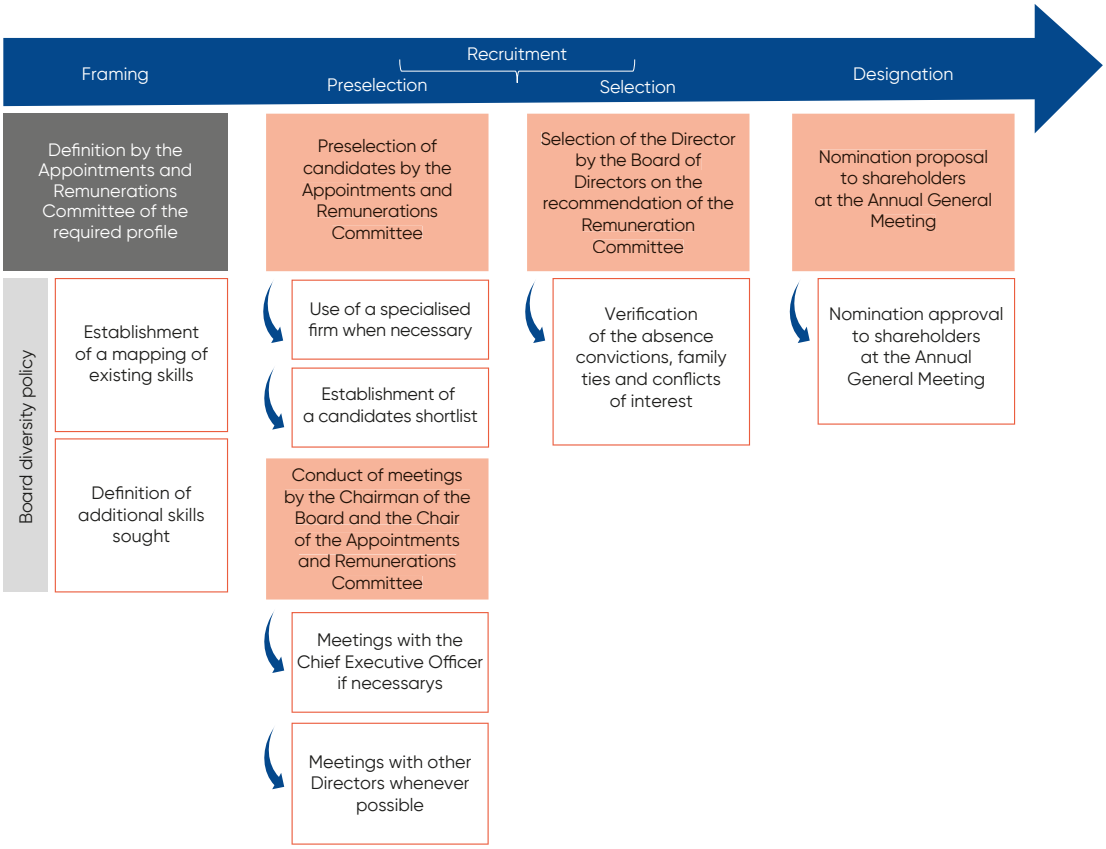
The shareholders' regular renewal of Directors has thus been facilitated, both due to the limitation of their terms of office to four years, and to the staggering of expiration dates for the various tenures, allowing the General Meeting to vote on several Directorships every year.

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 Remuneration 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 Remuneration 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.



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 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 he or she has 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

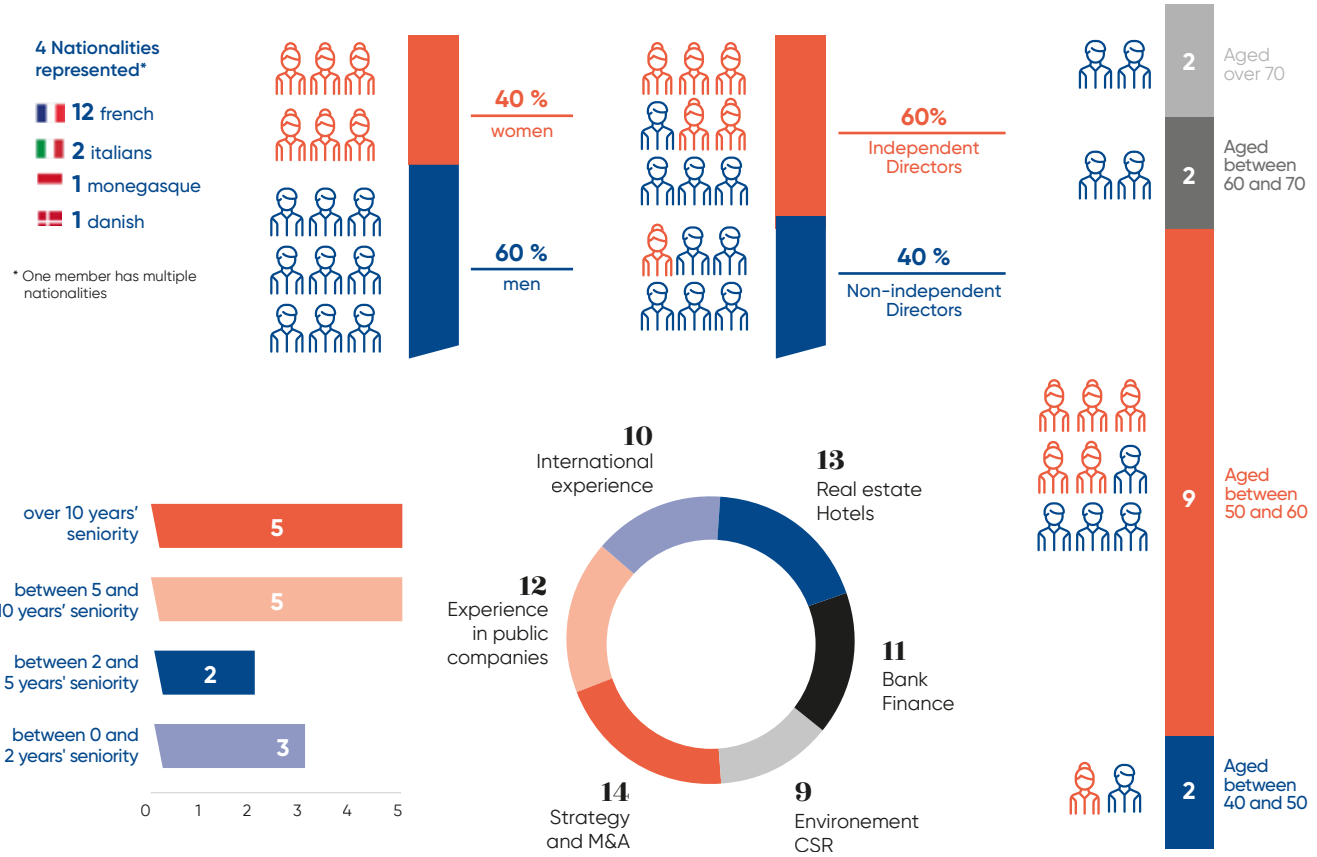
Each year, in the context of the review of its composition and of the renewal and/or appointment proposals submitted for approval to the annual General Meeting, the Board of Directors questions the desired balance of its composition and of the governance Committees set up, notably in terms of diversity. 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 the composition of the governance bodies:

Criteria	Targeted objectives	Implementation and results achieved during the financial year
Representation of women and men	❑ Seeking a balanced representation of women and men on the Board and Committees: → the proportion of women has 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: - 40% on the Board - 40% within the Audit Committee, - 60% within the CSR Committee, which, of course, can still improve with future movements. ❑ The Remunerations and Appointments 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, set by the Articles of Association, allows shareholders to vote with sucient frequency. ❑ The terms of office have been staggered since 2015, allowing shareholders to vote on several terms of office each year. ❑ Shareholders will be asked to renew the term of office as Director of Jean-Luc Biamonti for a period reduced to two years, thus making it possible to satisfy the 6th independence criterion for the duration of his term of office.
Independance of members	❑ Having a high proportion of independent members, guaranteeing an independence of judgment: → The percentage of members who are independent, which was 50% in 2014, has risen reach 60% since 2016.	❑ The Board of Directors considers that the proportion of Independent Directors of 60% is balanced with regard to the composition of the shareholders. ❑ Shareholders will be asked to approve the appointment of Daniela Schwarzer as a new independent Director 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.
Skills and experience	❑ Promote a diversity of skills and experiences. ❑ 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, which also set out the experience and area of expertise of each individual Director.
Age and seniority	❑ Seeking a balance between ages. ❑ Seeking a balanced distribution in terms of seniority on the Board.	❑ The Directors are aged between 42 and 86. ❑ The average age is 58. ❑ 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.
Nationalities	❑ 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 has four different nationalities (French, Danish, Monegasque and Italian) and will increase its percentage of international Directors in 2022 subject to the approval of the appointment of Daniel Schwarzer by shareholders. ❑ The majority of Directors have international experience. ❑ 3 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.



In view of the elements set out above and in view of the diversity policy implemented by the company, the Board of Directors considers that its composition for the 2021 financial year is relevant.

However, following the last annual assessment of the functioning of the Board of Directors and its Committees, the results of which are presented in Section 5.3.2.2.6.3. below, the Board suggests implementing one of the proposals made by the Appointments and Remuneration Committee with regards to its composition, by submitting to the approval of the shareholders the appointment of Daniela Schwarzer to replace Sigrid Duhamel whose term of office expires at the end of the Combined General Meeting of 21 April 2022 and who, at the request of BNP Paribas Real Estate, has not requested the renewal of her term of office for reasons of potential conflict of interest.

She brings her in-depth knowledge of the German economic and social context, which will help maintain the highest standards of commitment, independence and competence within the Board of Directors.

Thus, the changes that will be proposed to this General Meeting (as presented in paragraph 5.3.2.1.2.) In the context of the terms of office that are about to expire, will maintain the desired balance in the diversity of the Board's composition.

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 Remuneration 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 state 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 9.4 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 not leading 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.

Following the examination in February 2021 of the independence of these Directors by the Board of Directors, in view of the following observations, the company, 60% of whose Directors are independent, complies in the fiscal year 2021 with the threshold recommended by the Afep-Medef Code for independent Directors.

Jean-Luc Biamonti	Jean-Luc Biamonti has been a member of the Board of Directors in a personal capacity since 31 January 2011. 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 Jean-Luc Biamonti as an independent Director. It is recalled that the renewal of her term of office was proposed at the Combined General Meeting of 20 April 2021 for the duration of her independence, *i.e.* for a period of two years, ending at the end of the General Meeting to be held in April 2023.
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.
Sigrid Duhamel	Sigrid Duhamel has been a member of the Board of Directors in a personal capacity since 28 April 2014. 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 Sigrid Duhamel to be an independent Director.
Jean Laurent	Jean Laurent has been a member of the Board of Directors in a personal capacity since 31 January 2011, and has been its Chairman since the same date. He is not directly or indirectly in a business relationship with the company and does not represent any of its shareholders. Given the segregation of the duties of Chairman and Chief Executive Officer implemented by the Board of Directors, Jean Laurent has no management or executive prerogative within the company and, pursuant to Article L. 225-51 of the French Commercial Code, limits his duties as Chairman to the organisation and direction of the work of the Board of Directors and oversight of the smooth operation of the corporate bodies. His role is therefore non-executive. The remuneration for this role only includes a fixed portion, in proportion to the scope of his role and is not such as to compromise his independence. In terms of his status as an independent Director of Covivio, he was also a non-executive Director on the Board of Directors of Beni Stabili up until its takeover by Covivio completed on 31 December 2018. This non-executive role contributed to strategic coherence within the Group and was not likely to lead to conflicts of interest, as Jean Laurent abstained, at the Covivio level, from participating in any discussions or deliberations by the Board that could have possibly impacted the interests of the subsidiary. Therefore, this Directorship (which has come to an end at the end of 2018) never impacted Jean Laurent's status 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.
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 adopted by the Afep-Medef Code	Criterion 1: Employee or corporate officer during the 5 previous years	Criterion 2: Cross mandates	Criterion 3: Significant business relationships	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
Romolo Bardin	√	√	√	√	√	√	N/A	X	Non-independent
Jean-Luc Biamonti	√	√	√	√	√	√	N/A	√	Independent
Leonardo Del Vecchio	X	√	√	√	√	√	N/A	X	Non-independent
Christian Delaire	√	√	√	√	√	√	N/A	√	Independent
Sigrid Duhamel	√	√	√	√	√	√	N/A	√	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
Jean Laurent	X	√	√	√	√	√	√	√	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
Catherine Soubie	√	√	√	√	√	√	N/A	√	Independent

For reasons of potential conflict of interest, and at the request of BNP Paribas Real Estate, Sigrid Duhamel did not request the renewal of her term of office as independent Director.

With a view to providing for her replacement and anxious to continue the opening of its Board to independent Directors while respecting the principle of balanced representation of women and men on the Board of Directors, the company submits to the Combined General Meeting of 21 April 2022, the appointment of Daniela Schwarzer as a new Director.

On 22 February 2022, the Board of Directors assessed the independence of its members and decided, on the proposal of the Appointments and Remuneration Committee, to maintain in 2022 the independence of Jean-Luc Biamonti, Christian Delaire, Sigrid Duhamel (until the end of her term of office as Director 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.

The Board of Directors also reviewed the independence criteria for Daniela Schwarzer. It considered that it met all the Afep-Medef criteria. In particular, she does not have a direct or indirect business relationship with the company, and has not held any executive position within Covivio or any company in its group or within 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 that Daniela Schwarzer is an independent Director, subject to her appointment.

Criteria used by the Afep-Medef Code	Criterion 1: Employee as corporate officer during the 5 previous years	Criterion 2: Cross mandates	Criterion 3: Significant business relationships	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
Daniela Schwarzer	√	√	√	√	√	√	N/A	√	Independent

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 40% of the Board of Directors' members being women, the company has fulfilled the recommendations of the Afep-Medef Code since 2016, doing so a year earlier than the legal deadline set for April 2017. The appointment of Daniela Schwarzer as a new independent Director to replace Sigrid Duhamel will make it possible, through her experience and expertise, to complement the skills and diversity of the Board while maintaining the level of representation of women on the Board.

5.3.2.2.5.4 Nationality

Of the Directors on the Board, 27% are non-French, including two Italians, one person from Monaco and one Dane. This diversity, which gives the Board a great deal of openness in its debates, and makes it possible to broaden the analysis angle of the subjects examined during the meeting, will be enhanced with the appointment of Daniela Schwarzer, who has an excellent knowledge of political issues, German economic and demographic issues, as well as a good understanding of the country's public and private environments.

5.3.2.2.5.5 Training

The company ensures that new Directors complete an induction programme, to enable them to gain a better understanding of Covivio and its business sector. Thus, Directors who were not familiar with the markets and activities meet on several occasions with the company's Chief Executive Officer, the Deputy Chief Executive Officer, the General Secretary, the Risk, Compliance, Audit and Internal Control Director, as well as the Financial Director, and may also benefit, if they deem it necessary, from additional training on the specificities of the company, its business lines and its sector of activity. The latest edition of the strategic seminar of the Board of Directors, held in Bordeaux for two days in June 2021, also discussed in detail and in particular the economic and financial environment in which the company is evolving, as well as the various real estate markets.

5.3.2.2.5.6 Chief Executive Officer's presence on the Board of Directors

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 governing the organisation and operation 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 Investments Committee.

This system for the prevention of conflicts of interest may also be implemented when files are submitted to the Audit Committee.

In 2021, as part of the presentation and review of an investment file submitted to the Strategic and Investment Committee and the Board, the company was made aware of an identified conflict of interest. It was 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 listed 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 apply for any shares acquired at a later date. 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 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, conservation, borrowing, lending or exchange transactions that he or she has completed involving company 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 the transactions made during the calendar year is greater than €20,000. Any agreement governed by the provisions of Article L. 225-38 of the French Commercial Code is, furthermore, subject to the communication, authorisation and control formalities required 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 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. 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 person attending to the Board 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.
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 Work assessment by 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 two other internal assessments carried out in 2016 and 2019. The last internal assessment consisted of an anonymous and exhaustive questionnaire prepared on the basis of market practices, which he sent by the Secretary of the Board to all Directors and Non-voting members, reviewing its composition and organisation, the operating procedures of the Board and the Committees during 2019 and including for the first year the actual individual contribution of each of the Directors. During this assessment, no Director requested an individual interview with the Chief Operating Officer.

This third assessment, the results of which were handed to members on 13 February 2020, confirmed that the Board of Directors is deemed efficient, in a positive dynamic, and has all of the tools necessary for successful performance of its mission.

CONCLUSIONS OF THE INTERNAL ASSESSMENT CARRIED OUT IN 2019 AND ACTIONS TAKEN TO IMPLEMENT THE RECOMMENDATIONS MADE

STRENGTHS HIGHLIGHTED

- ❑ Members of the Board of Directors have diversified profiles and skills adapted to the challenges of the activity
- ❑ Quality meetings have been held because of the good relationships between the Directors and their involvement in the discussions
- ❑ The last Strategic Seminar has generated satisfaction as it enabled new challenges to be analysed and the Company's strategy decided
- ❑ Efficiency of the committees
- ❑ Excellent relations between management and members of the Board of Directors
- ❑ High transparency of the information communicated

AREAS FOR IMPROVEMENT PROPOSED BY THE DIRECTORS AND NON-VOTING BOARD MEMBERS	SOLUTIONS PROPOSED BY THE APPOINTMENTS AND REMUNERATIONS COMMITTEE
❑ Explore the possibility of further internationalising the Board of Directors	❑ Recruitment of a German Director at the next departure, Germany being the country with highest geographical exposure
❑ Further specify the rights and obligations of Directors	❑ Specific dedicated document, to be sent to the members Further specify the rights and obligations of Directors of the Board of Directors in 2021
❑ To obtain more information on the competitors and their strategy	❑ Enhanced communications to Board members on analyses and benchmarks on competition and peer strategy
❑ To devote more time to HR, CSR and compliance topics	❑ Dedicated segments on these topics included in the 2021 agenda ❑ Sequence of the strategic seminar on the carbon trajectory ❑ Creation of a CSR Committee

The next formal assessment of the Board of Directors will take place at the end of 2022

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.

Option to deliberate without the executive officers being present

The Internal Regulations of the Board in force provides 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 officers being present.

In 2021, this sequence took place at the end of the meeting of 17 February, 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.

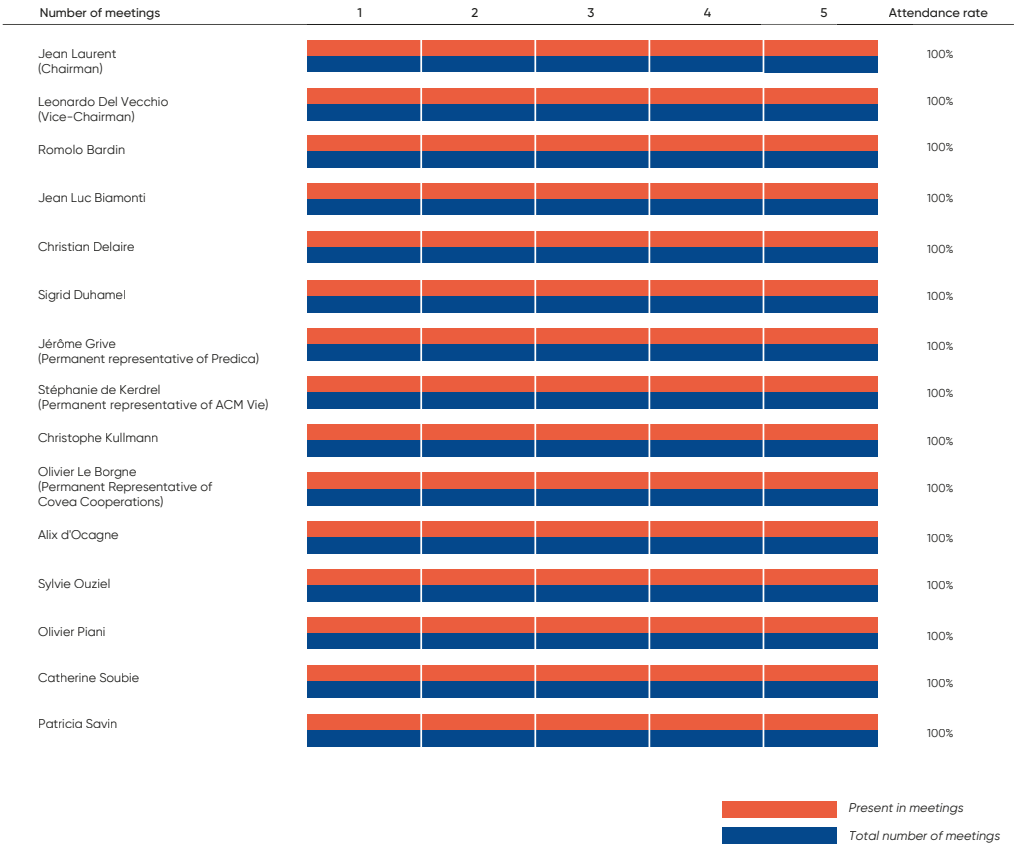
The deliberations of the Board of Directors are recorded in minutes prepared by the Secretary of the Board at the end of each meeting. After approval, they are transcribed in the register of minutes of Board meetings.

5.3.2.3 Activity of the Board of Directors in 2021

During the 2021 fiscal year, the Board of Directors met five 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 2021, the average attendance of Directors at Board meetings was 100%. It was 96% for all Committee meetings.



5.3.2.3.2 Main tasks 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, 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, recommendations and decisions of the Strategy and Investment Committee, the Appointments and Remuneration 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 corporate executive officers in their absence during the presentation of the proposals made by the Appointments and Remunerations Committee.

Monitoring of the Group's strategies and activities	• Monitoring the short-term consequences of the health crisis on the company's environment and markets • Approval of investment, development, asset sharing and disposal and legal restructuring transactions • Approval of the subscription to the capital increase of Covivio Hotels • Regular progress reports on the various projects previously authorised • Regular information on the development of the Group's activity, its portfolios, its financial situation, its financial indicators, its environment, its stock market performance and valuation and its cash position. • Monitoring of the political environment on the regulation of housing rents in Berlin • Approval of the 2025 Business Plan with regard to the strategic objectives set during the June seminar
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 2021 • Approved the proposals to renew Directors' terms of office expiring in April 2021 • Reviewed the independence of the Directors with regard to the criteria defined by the Afep-Medef Code • Renewal of the term of office of Sylvie Ouziel as member of the Audit Committee, of the term of office of Jean-Luc Biamonti as Chairman of the Audit Committee and member of the Appointments and Remuneration Committee, as well as the term of office of Jérôme Grivet as a member of the Appointments and Remuneration Committee and the Strategy and Investment Committee • Approval of updates to the Board's Rules of Procedure and its appendix relating to the guide on the prevention of insider trading • Creation of the CSR Committee and determination of its composition • Appointment of Olivier Piani as member of the Strategy and Investment Committee • Review of the composition of the Board of Directors with regard to the terms of office expiring in April 2022 • Communication of the governance agenda for 2021 and 2022 and abstention periods
General Meeting	• Convening of the General Meeting on 20 April 2021: 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 • Delegation granted to the Chief Executive Officer to answer written questions from shareholders at the Annual General Meeting • Approval of the procedures for holding the General Meeting in camera • Report of the General Meeting of the shareholders and results of voting on resolutions
Remuneration	• Approved the amount of the 2020 bonus, the 2020 long-term incentive, the criteria for allocation of the 2021 bonus to the Chief Executive Officer and the Deputy Chief Executive Officers, the amount of the long-term incentive granted to Christophe Kullmann and Olivier Estève for 2017, achievement of the performance conditions and the fixed remuneration of Dominique Ozanne • Approval of the remuneration policy for corporate executive officers submitted for approval to the General Meeting of 20 April 2021 • Approval of the financial conditions and the press release attached to the resignation of Dominique Ozanne from his mandate as Deputy Chief Executive Officer • Approval of the Group's management organisation proposal following the departure of Dominique Ozanne and the related press release • Approval of the remuneration components of the CSR Committee members • Approved the economic and CSR criteria for long-term incentive schemes for executive corporate officers • Approval of the terms and conditions of the free share plans allocated to corporate officers and Group employees

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 2020. • Determination of the allocation of the 2020 income proposed to the Annual General Meeting of 20 April 2021 and the amount of the dividend • Approval of the 2021 guidance and its revision • Update on liquidity and financing • Approved the financial statements and management planning documents and related reports • Authorization to update the EMTN (Euro Medium Term Notes) programme • Examination and approval of the consolidated financial statements for the first half of 2021 • Regular updates on the progress of the 2021 budget • Monitoring the landing of the 2021 budget and adoption of the budget for the year 2022 • 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 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 2020 (plus the matching contribution) in company shares.
Risk management	• Review of the organisation of 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 2021/2022 audit plan • Monitoring of tax disputes • 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 • 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, 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 • Review of CSR policy actions • 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 • Approval of the missions and scope of the CSR Committee and approval of its work programme • 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
Related-party agreements	• Review of all related-party agreements signed and/or authorised in 2020 • Voted on the continuing application of the related-party agreements signed and authorised during previous fiscal years, the performance of which continued into 2021 • Examination and authorisation to enter into new related-party agreements with regard to their interest for the company

5.3.2.3.3 Stakeholders Committee support 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, 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 Laurent, 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 2021. Its work has focused on the evolution of cities, the transformation of buildings and neighbourhoods, urban mobility, the reversibility of real estate uses, obsolescence of buildings, etc.

The work of this Committee will be reported to Covivio's Board of Directors in 2022.

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 Remuneration 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.

Yves Marque is the Secretary of the Board and as such acts as secretary of the Committees.

Summary of the composition of Committees in 2021

Audit Committee

5 members — 3 meetings

80% independant members
93% attendance

Jean-Luc Biamonti *, Chairman
Romolo Bardin
Christian Delaire *
Sigrid Duhamel *
Sylvie Ouziel *

Jean Laurent (guest)

Appointments and Remunerations Committee

4 members — 3 meetings

75% independant members
92% attendance

Catherine Soubie *, Chairwoman
Jean-Luc Biamonti *
Jérôme Grivet
Olivier Piani *

Jean Laurent (guest)
Sergio Erede (guest)

Strategic and Investments Committee

7 members — 5 meetings

29% independant members
97% attendance

Léonardo Del Vecchio, Chairman
Romolo Bardin
Jérôme Grivet
Stéphanie de Kerdrel
Jean Laurent *
Olivier Le Borgne
Olivier Piani *

Sergio Erede (guest)
Ariberto Fassati (guest)

CSR Committee

5 members — 1 meeting

80% independant members
100% attendance

Christian Delaire *, Chairman
Stéphanie de Kerdrel
Jean Laurent *
Alix d'Ocagne *
Patricia Savin *

* Independant members

Subject to the approval by the Combined General Meeting of 21 April 2022 of the renewal of the terms of office of Alix d'Ocagne, Romolo Bardin and ACM Vie, represented by Stéphanie de Kerdrel, the Board of Directors, on the proposal of the Appointments and Remuneration Committee, does not intend to change the composition of the Governance Committees as presented above, it being specified, however, that the composition of the Audit Committee will be updated if Sigrid Duhamel's term of office as independent Director is not renewed.

5.3.3.1 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.

5.3.3.1.1 Composition

Following the renewal of their term of office as Director, the Board of Directors, at its meeting of 20 April 2021, reappointed Jean-Luc Biamonti as Chairman of the Audit Committee and Sylvie Ouziel as a member. The composition of the Audit Committee was also updated on 21 July 2021 following the resignation of Patricia Savin as a member.

The Audit Committee now has five members, four of whom are independent (80%): Jean-Luc Biamonti (Chairman), Christian Delaire, Sigrid Duhamel, and Sylvie Ouziel.

The Audit Committee is chaired by an independent Director. In addition, Jean Laurent, in his capacity as independent Chairman of the Board of Directors, takes part in all Audit Committee meetings, but has no vote.

The Committee has one Italian member, one Danish member and one Monegasque member.

The Audit Committee members are chosen for their financial and accounting expertise, appraised in light of their educational backgrounds and professional 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

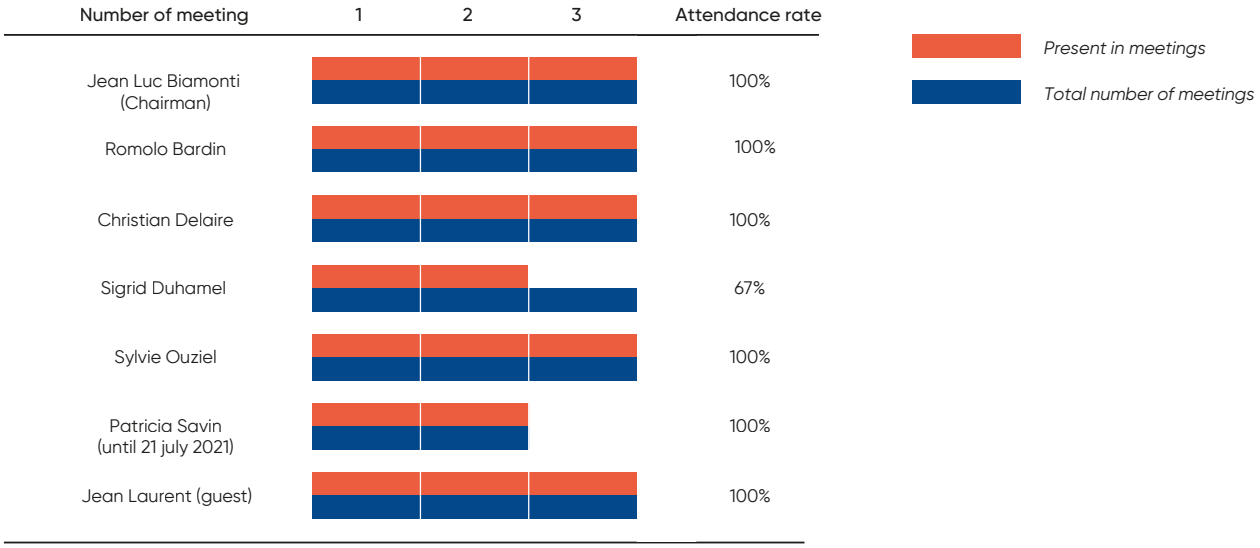
Under the terms of Article 23 of the Internal Regulations, the Audit Committee must monitor matters related to the preparation and control of accounting and financial information. In particular, it is responsible for:

- 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 company and consolidated 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 2021.

5.3.3.1.4 Work of the Audit Committee in 2021

The Audit Committee met three times, with 93% 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, the Director of Accounting 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 Chief Financial Officer 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 2021, the Audit Committee examined the following issues in particular:

Meeting of 10 February 2021	• Review of the highlights of the 2020 fiscal year and the summary of financial indicators • Property valuation report • Summary of portfolio rotation in 2020 • 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 2020 • Review of the planned press release on the financial income • Update on tax disputes • Presentation of fees relating to services other than the certification of financial statements (SACC)
Meeting of 15 July 2021	• Review of key events of the first half-year of 2021 and the summary of indicators as at 30 June 2021 • Property valuation report • Summary of portfolio turnover for the first half-year 2021 • 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 2021 • Review of the planned press release on the financial income
Meeting of 22 September 2021	• Update on the organisation and activity of the Risk, Compliance, Audit and Internal Control Director • 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 compliance news • Monitoring of the 2021 audit plan • Approval of the 2022 audit plan • Update on the ONE/SAP project

Following the meeting of 22 September 2021, 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 the Risk, Compliance, Audit and Internal Control Department.

5.3.3.2 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 officers.

5.3.3.2.1 Composition

Following the renewal of their term of office as Directors, the Board of Directors, which met on 20 April 2021, reappointed Jean-Luc Biamonti and Jérôme Grivet as members of the Appointments and Remunerations Committee.

At the end of the 2021 fiscal year, the Appointments and Remunerations Committee still has four members and invites the Chairman of the Board of Directors and the non-voting member, Sergio Erede to attend meetings. Independent Directors account for 75% of the members, including the Chairwoman of the Committee. The Appointments and Remunerations Committee includes a Monegascan national.

There is no executive corporate officer on this Committee. 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.

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 Remuneration 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:

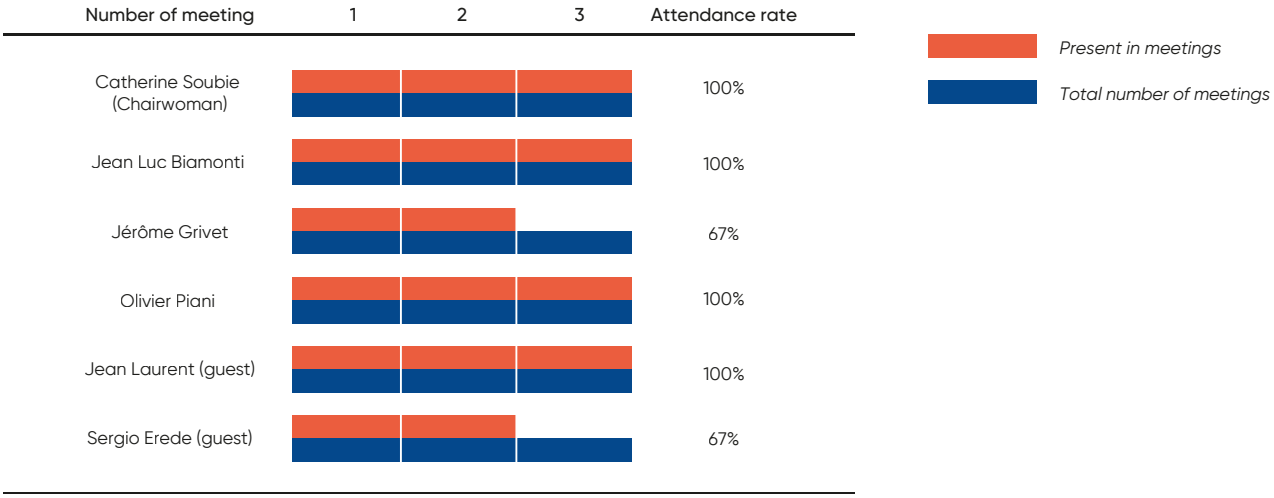
- evaluating any candidate for appointment to the Board or to the position of Chief Executive Officer or Deputy CEO, searching for or assessing possible candidates and expressing an opinion and/or recommendation to the Board, taking into consideration the desirable balance among Board members based on 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 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 2021, the Appointments and Remuneration Committee decided that it should recruit a new Director.

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 2021

The Appointments and Remunerations Committee met three times, with 92% attendance rate by its members.



In its 2021 meetings, the Appointments and Remunerations Committee examined the following subjects in particular:

Meeting of 10 February 2021	• Review of the composition of the Board of Directors: proposal for the renewal of Directors, review of the independence of Directors • Remuneration of executive corporate officers: review of the amount of the 2020 bonus, the 2020 long-term incentive, the criteria for the allocation of the 2021 bonus, the amount paid in respect of the 2017 long-term incentive plan performance conditions • Proposal of free share plans for executive corporate officers and Group employees
Meeting of 19 April 2021	• Review of the financial conditions relating to the departure of Dominique Ozanne
Meeting of 25 November 2021	• Review of the composition of the Board of Directors: proposal to renew three out of four Directors whose terms expire in April 2022 and proposal to recruit a new independent Director • Review of the LTI 2021 CSR criteria and review of the company's gender equality policy • Proposal of free share plans for Group employees

5.3.3.3 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.

5.3.3.3.1 Composition

Following the renewal of his term of office as Director, the Board of Directors, at its meeting of 20 April 2021, renewed Jérôme Grivet as a member of the Strategy and Investment Committee and also decided to appoint Olivier Piani as member. The Committee is chaired by Leonardo Del Vecchio. At the end of the fiscal year, the Strategy and Investment Committee is composed of seven members, and invites the non-voting members and all Directors to attend its meetings, who are free to attend if they so wish to the extent of their availability.

The Committee has two independent members, Jean Laurent and Olivier Piani, and two Italian members.

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 €100,000,000 (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 €100,000,000 (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 €30,000,000 (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 €30,000,000 (with the exception of intra-group transactions).

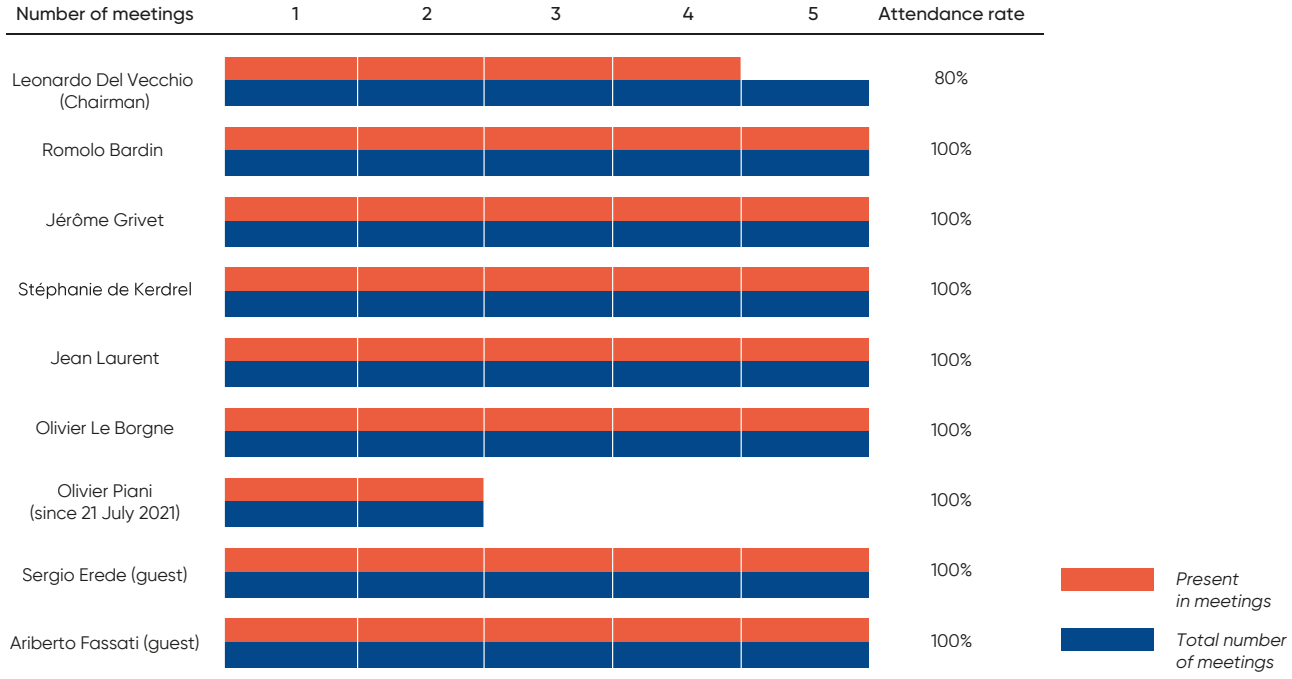
More generally, the Strategy and Investment Committee is in charge of:

- 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 2021.

5.3.3.3.4 Work of the Strategy and Investment Committee in 2021

The Strategy and Investment Committee met five times, with an attendance of 97% by its members. These meetings were also attended by a significant number of guest Directors.



In its 2021 meetings, the Strategic and Investments Committee examined the following subjects in particular:

Meeting of 20 April 2021	• Presentation and approval of planned disposals • Presentation of the investment transactions post-mortem
Meeting of 14 June 2021	• Presentation and approval of an investment project
Meeting of 21 July 2021	• Monitoring of governance decisions • Presentation and approval of planned investments and disposals
Meeting of 20 October 2021	• Monitoring of governance decisions • Presentation and approval of planned investments • Presentation of an investment operation post-mortem
Meeting of 25 November 2021	• Monitoring of governance decisions • Presentation and approval of planned investments and disposals

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 Remuneration 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.

5.3.3.4.1 Composition

The CSR Committee is composed of five members, four of whom are independent (80%): Christian Delaire (Chairman), Jean Laurent, Alix d'Ocagne and Patricia Savin. The CSR Committee is chaired by an independent Director.

5.3.3.4.2 Operation

The CSR 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 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 Chairman of the CSR Committee or, in his or her absence, the Chairman of the Board, sets the agenda of the CSR Committee meetings. It 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:

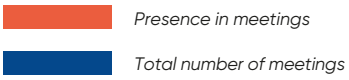
- examining and validating the Group's commitments and policy guidelines in terms of environmental, societal and social responsibility and governance (hereinafter "CSR")
- ensure their consistency with Covivio's Purpose and stakeholder expectations
- monitor its deployment
- more generally, ensuring 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 Remuneration 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.

It may use the services of external experts as required. The CSR Committee did not consider it necessary to use it in 2021.

5.3.3.4.4 Work of the CSR Committee in 2021

Given its recent creation, the CSR Committee met only once, with an attendance rate of 100%.

Number of meetings	1	Attendance
Christian Delaire (Chairman)		100%
Stéphanie de Kerdrel		100%
Jean Laurent		100%
Alix d'Ocagne		100%
Patricia Savin		100%



During this meeting, the CSR Committee examined the following topics in particular:

Meeting of 20 October 2021

- Definition of the CSR Committee's missions and scope
- Analysis of ratings assigned by non-financial rating agencies
- Determination of the work programme

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 21 April 2022 (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 (5, 6, 7 and 8) submitted for the approval of the Combined General Meeting of 21 April 2022. 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 5)

5.3.4.1.1.1 Composition 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 €400 thousand), divided into annual remuneration and a benefit in kind, in this case a company car. There is no variable remuneration, performance bonus or remuneration paid in treasury share. This remuneration is not usually reviewed during the course of the mandate. It has remained the same since 2011.

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 also has 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.

His remuneration was initially set by the Board of Directors on 31 January 2011 at €400K when the company became a limited company and the positions of Chairman and Chief Executive Officer were separate.

When he was reappointed as Chairman in 2015 and 2019, the Board of Directors agreed to maintain his annual remuneration and decided that he would continue to benefit from the Group's health and pension plans.

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 17 February 2022, it being specified that this remuneration policy has not been modified since 2011.

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 and any Deputy CEO (Resolutions 6 and 7)

5.3.4.1.2.1 Composition of the remuneration of the Chief Executive Officer and Deputy CEO

The remuneration of the Chief Executive Officer 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 part

The Appointments and Remunerations Committee and the Board of Directors ensure, on a regular basis, that the amount of fixed remuneration paid to executive officers is positioned correctly in relation to the market by using benchmarks relating to the remuneration of Directors of SBF80 companies and those companies with stock market capitalisation equivalent to that of Covivio, complemented by French and European sector-based research. For illustrative purposes, in 2021 the fixed remuneration of the Chief Executive Officer was €700 thousand, and that of the Deputy CEO was €400 thousand. In principle, the Board only reviews this remuneration at regular set intervals, in line with any potential changes to responsibilities or events that have affected the company, and more generally, at the time of the renewal of the mandate, where 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 consider paying 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.

The LTI target accounts for 40% of the Chief Executive Officer's total remuneration and one third of the total remuneration of the Deputy Chief Executive Manager. 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. In all cases, it is capped at 150% of the fixed salary.

100% of share allocations will be subject to 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.

Prior to the allocation in February 2019 of performance shares in respect of 2018, the conditions were as follows:

50%	**Presence condition and performance relative to the market:** ● the overall performance of Covivio's share compared with the "Eurozone" EPRA index, defined by the changes to the share price over the 3-year benchmark, taking into consideration all dividends or advances 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 5 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.
50%	**Presence conditions and internal performance condition not affected by the market:** ● the number of performance shares is weighted by a coefficient corresponding to the average rate of achievement of the bonus objectives between the year of allocation and the year preceding the acknowledgement of the achievement of the performance target ● this average performance rate will be applied to the target number of shares.

The second condition was amended by the Board of Directors, on the proposal of the Appointments and Remunerations Committee, following objections by certain proxy advisors and investors, who lamented the fact that there was overlap between the LTI and annual bonus criteria. From the 2019 LTI, it was replaced by performance conditions based on financial indicators and CSR objectives.

50%	**Presence condition and performance relative to the market:** ● the overall performance of Covivio's share compared with the "Eurozone" EPRA index, defined by the changes to the share price over the 3-year benchmark, taking into consideration all dividends or advances 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 5 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/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% = Feminisation of teams

Non-financial quantified 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 ILT awarded in 02/2020** and delivered in 02/2023, the 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
- **feminisation of teams:** objective based on an internal scoring of 100 pts, established by the Board and composed of 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), 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 the end of 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 ILT awarded in 02/2021** and delivered in 02/2024, 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)

- **feminisation 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 **ILT 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, so as not to count the same results twice.
- **feminisation 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)

These conditions combine external and internal performances, thus providing shareholders with assurances that:

- the long-term remuneration of senior managers is directly linked to Covivio's stock market performance
- it is also tied to the company's operating and non-financial 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 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 CEOs[1] for 2021 represented 20% 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
- job loss insurance with GSC.

5.3.4.1.2.1.6 Remuneration payable at the end of the term 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 and the Deputy CEO.

The benefits for Christophe Kullmann and Olivier Estève were approved by the Board of Directors on 21 November 2018 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 amount of remuneration is tied to the NAV over the last three fiscal years preceding termination of duties: if the change of the NTA NAV of Covivio is 25% lower than the average of fundamentals composing the EPRA Index, the portion of severance pay tied to this criteria shall 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

(1) Dominique Ozanne having resigned from his position as Deputy Chief Executive Officer with effect from 30 June 2021.

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 for serving as a Director or member of 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 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 Non-competition remuneration

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 and 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 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 Chief Executive Officer does not provide for the possibility of waiving its application in the event of exceptional circumstances.

Pursuant to Article R. 22-10-14 of the French Commercial Code, the Chief Executive Officer 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 Executive Officer may be dismissed at any time by the Board of Directors, at the suggestion of the Chief Executive Officer.

Christophe Kullmann and Olivier Estève have been appointed to their respective positions for a four-year term.

5.3.4.1.2.2 Decision-making process for determining, r eviewing and implementing the remuneration of the Chief Executive Officer and Deputy CEO

The remuneration policy for the Chief Executive Officer and 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 three times in 2021, 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:

- the remuneration is granted exhaustively *via* 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.

All conditions and components of remuneration allocated to Christophe Kullmann and Olivier Estève, proposed by the Appointments and Remunerations Committee were approved on 21 November 2018 by the Board of Directors upon their reappointment as Chief Executive Officer and Deputy CEO, respectively, for a four-year term from 1 January 2019.

The components of the remuneration were published on the company's website on 26 November 2018 in the case Christophe Kullmann and Olivier Estève.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the components of this remuneration policy applicable to the Chief Executive Officer and Deputy CEO were approved by the Board of Directors at its meeting on 22 February 2022.

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 8)

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 €800,000.

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.

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 Chairman of the Appointments and Remunerations Committee per annum: €7,000.
- Additional allowance for the Chairman of the Strategy and Investment Committee and of the CSR Committee per annum: €3,000.
- 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.

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 72% of the total remuneration allocated in 2021.

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 not French residents and who are physically present cannot be combined for Board and Committee meetings held on the same day.
- 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 €800,000 for the current year and subsequent years, until a new decision is made by a General Meeting.

The methods for distributing this remuneration to Directors were revised by the Board of Directors on respectively:

- 21 July 2021 following the creation of the CSR Committee
- 22 February 2022 in order to set an additional remuneration for the benefit of the non-French resident Directors who physically participate in the 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.

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 2021 (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 9) subject to the approval of the Combined General Meeting on 21 April 2022.

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 2021

5.3.4.2.1.1 Information mentioned in Article L. 22-10-9 of the French Commercial Code relating to the remuneration paid and/or awarded to executive corporate officers for the fiscal year ended 31 December 2021.

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 2021, 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 January 2019. This remuneration was unchanged in 2020 and 2021 and will remain unchanged 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 in 2020 and 2021 and will remain unchanged in 2022.

Lastly, the annual fixed remuneration of Dominique Ozanne was set at €400,000 by the Board of Directors on 13 February 2020. It remained unchanged in 2021 and was paid until the effective date of his resignation on 30 June 2021, in the amount of €200,000.

The relative proportion of fixed remuneration in 2021 represents:

- 27% of Christophe Kullmann's total remuneration
- 29% of Olivier Estève's total remuneration
- 49% of Dominique Ozanne'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 Deputy CEOs is equal to 100% of their fixed annual salary.

For 2021, 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 **2021**, 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 17 February 2022, 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	2021 Net income	target	Upside	Degree of achievement	2021 bonus in € thousands
30%	EPRA Earnings/share: Target = €4.10, maximum upside if > 4.50, 50% downside < €3.70 **2021 result = €4.35**	€210,000	€315,000	131%	€275,000
20%	NAV NTA/share: target of €99.38 **2021 result: €106.4**	€140,000	€210,000	150%	€210,000
30%	**Operational objectives** (1) Disposals: €901 million in disposals, with a +4% margin compared to appraisal values	€53,000	€79,000	125%	€66,000
	(2) Marketing: 180,000 m² of new leases	€53,000	€79,000	114%	€60,000
	(3) Hotel recovery: despite the 2021 successive waves not forecast in the budget, recovery of 23% of the decrease of 2020, +27% LfL change	€53,000	€79,000	130%	€68,000
	(4) Development pipeline: €1.8 billion at the end of 2021, pre-let at 47%, €485 million in deliveries let at 96%	€53,000	€79,000	125%	€66,000
20%	**Strategy, organisation and digital** (1) Review of the 5-year strategic plan (2) Switched to SAP in France in July 2021. Annual closing ensured on time. Continuation of the project in 2022-2023 (3) Germany Offices organisation and Hotels: establishment of new teams	€140,000	€210,000	110%	€154,000
		€700,000	**€1,050,000**	**128%**	**€898,000**

Consequently, the Committee made a proposal to the Board, which it approved on 22 February 2022, that the 2021 bonus should be paid at 128% of the target, *i.e.*, a total of **€898,000**. Subject to its approval by the Combined General Meeting of 21 April 2022, it will be paid in cash in the amount of **€700,000**, the upside of **€198,000** being granted in Covivio shares, delivery of which in 2025 remains subject to continued employment.

The **2020** bonus of **Olivier Estève**, **Deputy CEO**, was calculated:

- 80% based on quantitative targets
- 20% based on qualitative targets.

On 17 February 2022, 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	2021 Net income	target	Upside	Degree of achievement	2021 bonus in € thousands
30%	EPRA Earnings/share: Target = €4.10, maximum upside if > 4.50, downside 50% if < €3.70 **2021 result: €4.35**	€120,000	€180,000	131%	€157,000
20%	NAV NTA/share: target at €99.38 **2021 result: €106.4**	€80,000	€120,000	150%	€120,000
30%	**Monitoring of development projects in France** - Procurement of PCs for Paris and Bordeaux Offices assets - Residential pipeline: PCs obtained for committed projects €11 M of projects delivered Sales/pre-sales: €128 M with margins in line with BP Value creation of €161 M, office development margins €24.4 M in Europe	€40,000	€60,000	140%	€56,000
	Development Germany Alexanderplatz project: obtaining the FP + finalisation of the financing & launch of the Germany Offices work: obtaining the FP of the new commitments **Development Italy** Master plan Scalo porta Romana: masterplan	€30,000	€45,000	132%	€40,000
	Letting in France Offices: 60,096 m^2 let/pre-let	€20,000	€30,000	140%	€28,000
	Wellio revenue: €16.7 M	€10,000	€15,000	95%	€10,000
	Disposals of offices in France: €444 M	€10,000	€15,000	145%	€15,000
	Sicaf: outperformance of the sales plan (€186 M at 100%) Sale of car parks completed	€10,000	€15,000	140%	€14,000
20%	**Strategy/CSR** (1) input into strategic thinking (2) management of the design thinking approach, participation in the Stakeholders Committee, Innovation and Customer Focus Committee (3) Support in the deployment of Wellio in Italy (4) Intense press and media coverage on the "service office": 1st Covivio spokesperson in 2021 with 80 press releases (5) 2 SIMI awards for Silex2 and Gobelins (6) all well-being certified projects	€80,000	€120,000	125%	€100,000
		€400,000	**€600,000**	**€135,000**	**€539,000**

Consequently, the Committee made a proposal to the Board, which it approved on 22 February 2022, that the bonus should be paid at **135%** of the target, *i.e.*, a total of **€539,000**. Subject to its approval by the Combined General Meeting of 21 April 2022, it will be paid in cash in the amount of **€400,000**, the upside of **€139,000** being allocated in Covivio shares, the delivery of which in 2025 remains subject to continued presence.

As communicated on 22 April 2021 following her resignation effective 30 June 2021, the variable portion of the remuneration of Dominique Ozanne for the 2021 fiscal year was calculated on the basis of her annual fixed remuneration of €200,000 (maximum 100% of this remuneration), which takes into account his departure during the fiscal year.

The amount of this variable remuneration was determined according to the level of achievement of the objectives set by the remuneration policy applicable to the Deputy Chief Executive Officers approved by the Combined General Meeting of 20 April 2021 (7th resolution).

On 17 February 2022, the Appointments and Remuneration Committee noted the following levels of achievement for each objective:

Criteria	2021 Net income	target	Upside	Degree of achievement	2021 bonus (in €k)
30%	EPRA Earnings/share: Target = €4.10, maximum upside if > 4.50, downside 50% if < €3.70 **2021 result: €4.35**	€60,000	€90,000	131%	€79,000
20%	NAV NTA/share: target at €99.38 **2021 result: €106.4**	€40,000	€60,000	150%	€60,000
30%	Successful negotiations with operators	€15,000	€23,000	0%	€0 thousand
	€112 M in disposals	€10,000	€15,000	6%	€1000
	NAV NTA/Covivio Hotels share: €23.6	€10,000	€15,000	100%	€10,000
	EPRA/VOC Hotels share = €0.70	€15,000	€23,000	100%	€15,000
	AK success (€250 M)	€10,000	€15,000	100%	€10,000
20%	The qualitative part was related to: - contribution to the development of the new strategic plan - management of teams: COMEX, CODIR France - external outreach - the definition of a strategy and an appropriate organisation for Covivio's hotel sector The departure on 30 June 2021 leads to an assessment of the achievement of these objectives at 0%.	€40,000	€60,000	0%	€0 thousand
		€200,000	**€300,000**	**87%**	**€174,000**

As a result, the Committee proposed to the Board, which approved it on 22 February 2022, that the bonus be paid at 87% of the target, which itself already takes into account the sole presence in the 1st half-year 2021. This variable portion amounts to **€174,000**. Subject to its approval by the Combined General Meeting of 21 April 2022, it will be paid in cash.

The relative portion of annual variable remuneration accounts for:

- 35% of Christophe Kullmann's total remuneration
- 39% of Olivier Estève's total remuneration
- 42% of Dominique Ozanne's total remuneration.

5.3.4.2.1.1.3 Long-Term Incentive

The 2021 LTI was allocated on 22 February 2022 in accordance with the remuneration policy approved by the General Meeting.

The number of shares allocated is the following:

- Christophe Kullmann: 25,465 performance shares, *i.e.*, potentially up to 0.03% of the share capital
- Olivier Estève: 10,953 performance shares, *i.e.*, potentially up to 0.01% of the share capital

These allocations were made in compliance with the remuneration policy approved by the shareholders at the Combined General Meeting of 20 April 2021, consisting of allocating a total amount, then translated into the number of shares, taking into account the valuation made by an independent expert. However, 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 17 February 2022, the Appointments and Remuneration Committee reviewed the achievement of the performance criteria set for the shares granted in February 2019 under the 2018 LTI. Regarding the criterion of Covivio's relative TSR *vs* EPRA ex-UK, Covivio's performance is down by 25 points over the cumulative vesting period, while Covivio's performance over the same period was broadly in line with its direct peers in the markets in which it operates. For its part, the EPRA ex-UK index has changed considerably over the last two years, under the effect of the strong rise of German residential real estate (around 30%) and Nordic countries (around 25%) and the logistics and healthcare sectors. On the contrary, France and Offices are down significantly in the composition of the index. However, Covivio's Board did not wish to correct Covivio's relative stock market performance for the exogenous effects mentioned above, considering that the allocation scale allowing a portion of the shares to be delivered in the event of underperformance made it possible to play a role of absorbing these exogenous effects, and that it was important for investors to apply the existing rules in a rigorous and transparent manner. It therefore noted an achievement rate of **33.7%** on this portion of the shares. In addition, the annual target achievement rate for the period was on average **108%** for Christophe Kullmann and **107%** for Olivier Estève. As a result, the performance shares awarded in February 2018 were partially delivered in February 2018 to the beneficiaries:

- 8,838 shares for Christophe Kullmann, *i.e.*, 70.7% of the 12,500 shares granted
- 5,265 shares for Olivier Estève, *i.e.*, 70.2% of the 7,500 shares granted

In addition, the free shares allocated under the upside of the 2018 bonus were delivered, *i.e.*, **3,485** shares for Christophe Kullmann and **285** shares for Olivier Estève.

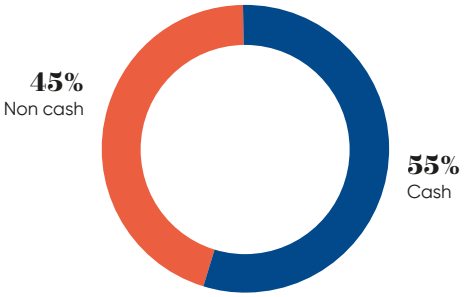
As a reminder, Dominique Ozanne was granted 7,500 shares in February 2019 under the 2018 LTI, as well as 1,188 shares under the upside of his 2018 bonus. Following his resignation, the Board noted that the presence condition necessary for the definitive allocation of these shares was not met. None of these shares was therefore delivered.

Finally, there is no stock option plan.

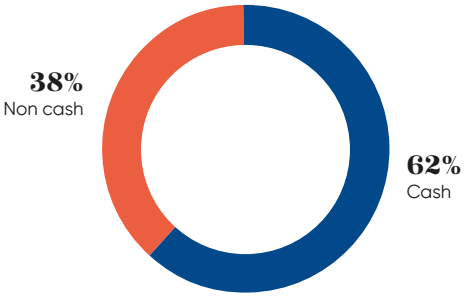
In summary, Christophe Kullmann's remuneration for 2021 is up by 18% compared to 2020, and by 1% compared to 2019.

The graph below reflects the change in the cash/non-cash mix from 2020 to 2021.

2020

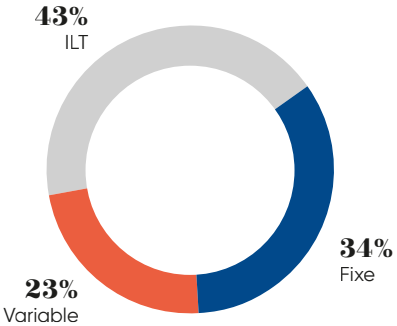


2021

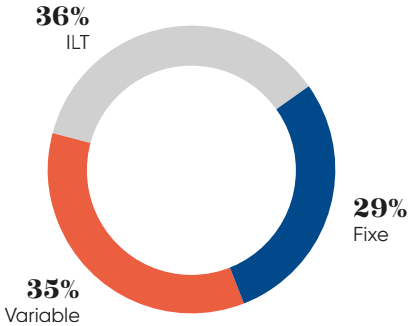


The change in the Fixed/Variable/LTI mix between 2020 and 2021 below shows that 71% of the Chief Executive Officer's remuneration is subject to performance requirements.

2020



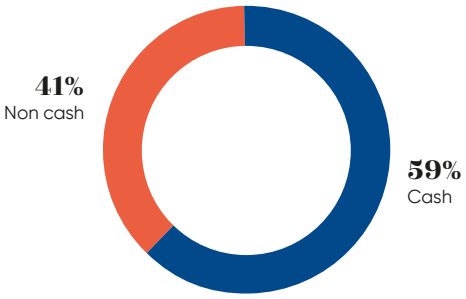
2021



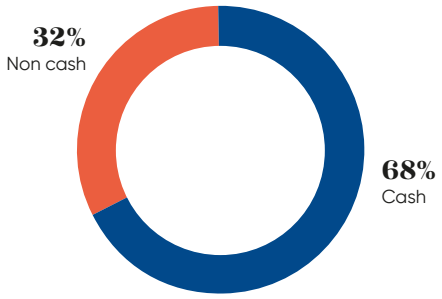
Olivier Estève's remuneration for 2021 was down by 27% compared to 2020, and 3% compared to 2019.

The graph below reflects the change in the cash/non-cash mix from 2020 to 2021

2020

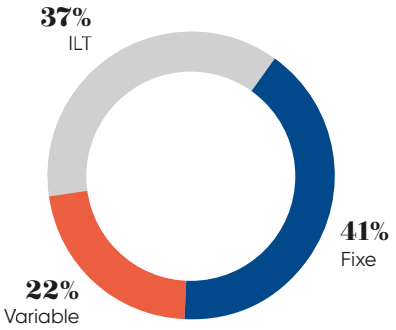


2021

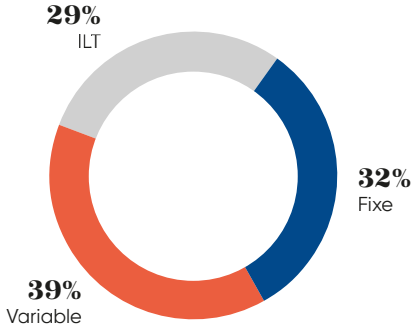


The change in the Fixed/Variable/LTI mix between 2020 and 2021 below shows that 68% of Olivier Estève's remuneration is subject to performance requirements.

2020



2021



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 paragraph 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:

- €3,196 thouthand for Christophe Kullmann
- €1,878 thouthand 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.

The amount and conditions for awarding this remuneration were the subject of a press release published on 26 November 2018 on the company's website.

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) and Dominique Ozanne (Deputy CEO until 30 June 2021) for the fiscal year ended 31 December 2021
- were drawn up in accordance with the Afep-Medef Code in its latest revised version
- 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

	2020		2021	
Christophe Kullmann: Chief Executive Officer	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Remuneration (see table 2 for details)	1,238,376	1,610,376	1,635,457	1,235,457
Valuation of multiannual variable remuneration	0	0	0	0
Valuation of options granted	0	0	0	0
Valuation of options granted (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	**2,168,376**	**2,540,376**	**2,565,457**	**2,165,457**

* 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

	2020		2021	
Christophe Kullmann: Chief Executive Officer	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Fixed remuneration	700,000	700,000	700,000	700,000
Annual variable remuneration(1)	498,000	870,000	898,000	498,000
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)	40,376	40,376	37,457	37,457
TOTAL	**1,238,376**	**1,610,376**	**1,635,457**	**1,235,457**

(1) The variable due for 2020, of €498,000, was paid in cash over 2021.
The variable amount due for 2021 of €898,000 comprises €700,000, paid in cash and 4016 free shares awarded in 2020. It will be paid subject to its approval by the General Meeting of 21 April 2022.

Table 1* – Summary of remuneration and options and shares allocated to each executive corporate officer

	2020		2021	
Olivier Estève: Deputy General Manager	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Remuneration (see table 2 for details)	683,926	939,926	977,976	680,976
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	**1,083,926**	**1,339,926**	**1,377,976**	**1,080,976**

* 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

	2020		2021	
Olivier Estève: Deputy General Manager	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Fixed remuneration	400,000	400,000	400,000	400,000
Annual variable remuneration[1]	242,000	498,000	539,000	242,000
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)	41,926	41,926	38,976	38,976
TOTAL	**683,926**	**939,926**	**977,976**	**680,976**

(1) The variable due in respect of 2020 of €242,000 was paid in cash. The variable amount due for 2021 of €539,000 comprises €400,000, paid in cash and 2,819 free shares. It will be paid subject to its approval by the General Meeting of 21 April 2022.

Table 1* – Summary of remuneration and options and shares allocated to each executive corporate officer

	2020		2021	
Dominique Ozanne: Deputy Chief Executive Officer up to 30/06/2021	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Remuneration (see table 2 for details)	643,326	875,326	409,065	441,065
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	360,000	0	400,000
Valuation of other long-term remuneration plans	0	0	0	0
TOTAL	**1,043,326**	**1,235,326**	**409,065**	**841,065**

* 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. On the occasion of his departure in 2021, Dominique Ozanne lost the benefit of the allocation of these shares.

Note: The share valuations are calculated by an independent expert.

Table 2 – Summary of remuneration for each executive corporate officer

	2020		2021	
Dominique Ozanne: Deputy Chief Executive Officer up to 30/06/2021	Amounts allocated in respect of 2020	Amounts paid in 2020	Amounts allocated in respect of 2021	Amounts paid in 2021
Fixed remuneration	393,000	393,000	200,000	200,000
Annual variable remuneration[1]	206,000	438,000	174,000	206,000
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)	44,326	44,326	35,065	35,065
TOTAL	**643,326**	**875,326**	**409,065**	**441,065**

(1) The variable due for 2020, of €206,000, was paid in cash in 2021.
The variable amount due for 2021 of €174,000 will be paid in cash, subject to approval by the General Meeting on 21 April 2022.

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 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 ESTEVE	None	None	None	None		
Dominique OZANNE	None	None	None	None		

Table 5 – Subscription or stock options exercised during the fiscal year by each executive corporate officer

Name of Executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price
Christophe KULLMANN	None	None	None
Olivier ESTEVE	None	None	None
Dominique OZANNE	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 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	17/02/2021	30,333	€30.66	17/02/2024	17/02/2024	-50% = relative stock market performance compared to EPRA -30% = relative economic criteria (evolution of EPRA Earnings and NAV) *vs* EPRA -20% = CSR criteria
Olivier ESTEVE	17/02/2021	13,046	€30.66	17/02/2024	17/02/2024	
Dominique OZANNE	17/02/2021	13,046	€30.66	NA	NA	

* For the year N-1

(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 Executive corporate officer	Plan date	Number of shares available during the fiscal year	Vesting conditions	Vesting date
Christophe KULLMANN	14/02/2018	14,823	Presence condition +relative stock market performance (1/2) and achievement of objectives (1/2)	14/02/2021
Olivier ESTEVE	14/02/2018	7,687		14/02/2021
Dominique OZANNE	14/02/2018	5,989		14/02/2021

Table 9 – Record of performance share allocationsInformation about performance shares

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
General Meeting date	27/04/2016	27/04/2016	27/04/2016	27/04/2016	27/04/2016	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
Total number of free shares awarded, the number of which awarded to:	**40,523**	**104,000**	**79,680**	**42,208**	**70,930**	**41,511**
Jean LAURENT	0	0	0	0	0	0
Christophe KULLMANN	15,877	0	0	15,985	0	18,710
Olivier ESTEVE	8,896	0	0	7,785	0	8,390
Dominique OZANNE (end of term of office: 30/06/2021)	7,000	0	0	8,688	0	7,411
Vesting date of France shares	14/02/2021	14/02/2022	21/11/2021	20/02/2022	21/11/2022	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
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
Number of shares vested at 31/12/2021	35,249	0	69,210	0	0	0
Number of cancelled or lapsed shares	5,274	34,000	10,470	11,188	5,310	9,661
Free shares still being vested at the end of the year	0	70,000	0	31,020	65,620	31,850

	Plan of 13 February 2020	Plan of 13 February 2020	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
	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019
	13/02/2020	13/02/2020	16/12/2020	16/12/2020	16/12/2020	17/02/2021	25/11/2021	25/11/2021	25/11/2021
	43,500	**4,340**	**19,500**	**6,020**	**71,805**	**61,675**	**126,000**	**9,090**	**80,000**
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	30,333	0	0	0
	0	0	0	0	0	13,046	0	0	0
	0	0	0	0	0	13,046	0	0	0
	13/02/2024	N/A	16/12/2024	16/12/2023	16/12/2023	17/02/2024	25/11/2025	25/11/2024	25/11/2024
	/	/	/	/	/	/	/	/	/
	13/02/2024	13/02/2023	16/12/2024	N/A	16/12/2023	17/02/2024	25/11/2025	N/A	25/11/2024
	/	/	/	/	/	/	/	/	/
	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	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
	0	0	0	0	0	0	0	0	0
	10,000			500	2,900	13,046		90	
	33,500	4,340	19,500	5,520	68,905	48,629	126,000	9,000	80,000

Table 11

	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	
Executive corporate officers	Yes	No	Yes	No	Yes	No	Yes	No
Christophe Kullmann Chief Executive Officer (CEO) Start of term of office: 01/01/2019 End of term of office: 31/12/2022		x		x	x			x
Olivier Estève Deputy CEO Start of term of office: 01/01/2019 End of term of office: 31/12/2022		x		x	x			x
Dominique Ozanne Deputy CEO Start of term of office: 14/02/2018 End of term of office: 30/06/2021		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 for I. 6 and 7 of Article L. 22-10-9 of the French Commercial Code

Information on the remuneration of corporate officers	2017 FY	2018 FY	2019 FY	2020 FY	FY 2021
Remuneration of the Chairman of the Board of Directors: Jean Laurent	446,000	440,592	400,000	400,000	400,000
Change (in %) of the remuneration of the Chairman of the Board of Directors	-0.4%	-1.2%	-9.2%	0.0%	0;0%
Remuneration of the Chief Executive Officer: Christophe Kullmann	2,085,213	2,049,611	2,158,594	2,540,376	2,165,467
Change (in %) of the remuneration of the Chief Executive Officer	-1.2%	-1.7%	5.3%	17.7%	-14.8%
Remuneration of the Deputy CEO: Olivier Estève	1,211,026	1,181,118	1,177,627	1,339,926	1,080,966
Change (in %) in the remuneration of the Deputy CEO	4.2%	-2.5%	-0.3%	13.8%	-19.3%
Remuneration of the Deputy CEO: Dominique Ozanne	N/A	1,095,510	1,171,895	1,235,326	1,041,055
Change (in %) of the remuneration of the Chief Executive Officer	N/A	N/A	7.0%	5.4%	-15.7%
Information on the scope of the listed company: Covivio					
Average employee remuneration	111,938	107,783	97,882	107,832	115,446
Change (in %) of the average employee remuneration	11.9%	-3.7%	-9.2%	10.2%	7.1%
Ratio of Jean Laurent to average employee remuneration	4.0	4.1	4.1	3.7	3.5
Change of the ratio (in %) compared with the prior fiscal year	-11.0%	2.6%	0.0%	-9.2%	-6.6%
Ratio of Jean Laurent to median employee remuneration	5.8	5.7	5.5	5.0	4.9
Change of the ratio (in %) compared with the prior fiscal year	-3.2%	-2.0%	-3.9%	-9.2%	-1.3%
Ratio of Christophe Kullmann to average employee remuneration	18.6	19.0	22.1	23.6	18.8
Change of the ratio (in %) compared with the prior fiscal year	-9.5%	2.1%	16.0%	6.8%	-20.4%

Information on the remuneration of corporate officers	2017 FY	2018 FY	2019 FY	2020 FY	FY 2021
Ratio of Christophe Kullmann to median employee remuneration	27.3	26.6	29.7	31.7	26.7
Change of the ratio (in %) compared with the prior fiscal year	-1.5%	-2.5%	11.5%	6.8%	-15.9%
Ratio of Olivier Estève to average employee remuneration	10.8	11.0	12.0	12.4	9.4
Change of the ratio (in %) compared with the prior fiscal year	-6.8%	1.3%	9.8%	3.3%	-24.6%
Ratio of Olivier Estève to median employee remuneration	15.9	15.4	16.2	16.7	13.3
Change of the ratio (in %) compared with the prior fiscal year	1.4%	-3.3%	5.5%	3.3%	-20.4%
Ratio of Dominique Ozanne to average employee remuneration	N/A	10.2	12.0	11.5	9.0
Change of the ratio (in %) compared with the prior fiscal year	N/A	N/A	17.8%	-4.3%	-21.3%
Ratio of Dominique Ozanne to median employee remuneration	N/A	14.2	16.1	15.4	12.8
Change of the ratio (in %) compared with the prior fiscal year	N/A	N/A	13.2%	-4.3%	-16.8%
Additional information on the extended scope: UES Covivio					
Average employee remuneration	103,650	106,533	96,202	106,310	108,980
Change (in %) of the average employee remuneration	-6.5%	2.8%	-9.7%	10.5%	2.5%
Ratio of Jean Laurent to average employee remuneration	4.3	4.1	4.2	3.8	3.7
Change of the ratio (in %) compared with the prior fiscal year	-6.5%	-3.9%	0.5%	-9.5%	-2.4%
Ratio of Jean Laurent to median employee remuneration	5.8	5.7	5.4	5.0	4.9
Change of the ratio (in %) compared with the prior fiscal year	-6.5%	-2.0%	-6.4%	-6.9%	-1.3%
Ratio of Christophe Kullmann to average employee remuneration	20.1	19.2	22.4	23.9	19.9
Change of the ratio (in %) compared with the prior fiscal year	-5.0%	-4.4%	16.6%	-6.5%	-16.8%
Ratio of Christophe Kullmann to median employee remuneration	27.3	26.6	28.9	31.7	26.6
Change of the ratio (in %) compared with the prior fiscal year	-4.9%	-2.5%	8.5%	9.5%	-15.9%
Ratio of Olivier Estève to average employee remuneration	11.7	11.1	12.2	12.6	9.9
Change of the ratio (in %) compared with the prior fiscal year	-2.1%	-5.1%	10.4%	3.0%	-21.3%
Ratio of Olivier Estève to median employee remuneration	15.9	15.4	15.8	16.7	13.3
Change of the ratio (in %) compared with the prior fiscal year	-2.1%	-3.3%	2.8%	5.9%	-20.4%
Ratio of Dominique Ozanne to average employee remuneration	N/A	10.3	12.2	11.6	9.6
Change of the ratio (in %) compared with the prior fiscal year	N/A	N/A	18.5%	-4.6%	-17;8%
Ratio of Dominique Ozanne to median employee remuneration	N/A	14.2	15.7	15.4	12.8
Change of the ratio (in %) compared with the prior fiscal year	N/A	N/A	10.2%	-1.9%	-16.8%
Company performance					
EPRA NAV (in € per share)	94.5	99.7	105.8	100.1	106.4
Change (in %) compared with the prior fiscal year	8.9%	5.5%	6.1%	-5.4%	6.3%
EPRA Earnings (in € per share)	4.86	5.08	5.31	4.21	4.35
Change (in %) compared with the prior fiscal year	0.0%	4.5%	4.5%	-20.7%	3.3%
Dividend (€ per share)	4.50	4.60	4.80	3.60	3.75
Change (in %) compared with the prior fiscal year	2.3%	2.2%	4.3%	-25.0%	4.2%
Portfolio (bn €100%)	21.2	22.8	24.0	25.7	26.7
Change (in %) compared with the prior fiscal year	9.9%	7.8%	5.3%	7.1%	3.9%
Net revenue (bn €100%)	856.2	964.4	980.7	816.1	838.2
Change (in %) compared with the prior fiscal year	0.0%	12.6%	1.7%	-16.8%	2.7%

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 2021

5.3.4.2.2.1 Information mentioned in 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 20 April 2021 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 set on 17 April 2019 by the Board for the duration of his new four-year term, at a total fixed amount of €400K. There was no change in this remuneration from the previous term. It has therefore remained unchanged since 2011.

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 2021, this remuneration of €400K was broken down as follows:

- €391 thousand fixed remuneration
- €9 thousand benefits in kind (company car).

In respect of the fiscal year ended 31 December 2021, the Chairman 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 2021 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 €631,250, 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 2021 fiscal year, was €42,083.

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 €79,200 in 2021.

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 €30,720 in 2021.

These deductions, totalling €109,920, 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
- Predica, a Covivio Director, is also a member of the Supervisory Board of Covivio Hotels, and received a gross sum of €4,100 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 €3,900 from Covivio Hotels in respect of this position.

In respect of the fiscal year ended 31 December 2021, 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 28% of total remuneration.

With 40% 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 on 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 2021 to Jean Laurent (Chairman 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 in January 2020 and the AMF Recommendations.

Table 3 – Table 3 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

	Fiscal year ending 31 December 2020		Fiscal year ending 31 December 2021	
Non-executive 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	€400,000	€400,000	€400,000	€400,000
Total	**€400,000**	**€400,000**	**€400,000**	**€400,000**
Leonardo Del Vecchio				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€30,000	€30,000	€40,000	€40,000
Other remuneration	€0	€0	€0	€0
Total	**€30,000**	**€30,000**	**€40,000**	**€40,000**
ACM Vie represented by Stéphanie de Kerdrel[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€43,000	€43,000	€42,250	€42,250
Other remuneration in respect of her position on the Supervisory Board of Covivio Hotels	€3,500	€3,500	€3,900	€3,900
Total	**€46,500**	**€46,500**	**€46,150**	**€46,150**
Romolo Bardin				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€52,000	€52,000	€51,000	€51,000
Other remuneration	€0	€0	€0	€0
Total	**€52,000**	**€52,000**	**€51,000**	**€51,000**
Jean-Luc Biamonti				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€66,000	€66,000	€64,000	€64,000
Other remuneration	€0	€0	€0	€0
Total	**€66,000**	**€66,000**	**€64,000**	**€64,000**
Covéa Coopérations represented by Olivier Le Borgne[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€37,000	€37,000	€39,000	€39,000
Other remuneration	€0	€0	€0	€0
Total	**€37,000**	**€37,000**	**€39,000**	**€39,000**
Christian Delaire				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€42,000	€42,000	€42,500	€42,500
Other remuneration	€0	€0	€0	€0
Total	**€42,000**	**€42,000**	**€42,500**	**€42,500**
Sigrid Duhamel				
Remuneration (fixed, variable) in respect of her Covivio Directorship	€28,000	€28,000	€35,000	€35,000
Other remuneration	€0	€0	€0	€0
Total	**€28,000**	**€28,000**	**€35,000**	**€35,000**
Alix d'Ocagne				
Remuneration (fixed, variable) in respect of her office as Director of Covivio	€21,250		€29,250	€29,250
Other remuneration	€0		€0	€0
Total	**€21,250**		**€29,250**	**€29,250**
Sylvie Ouziel				
Remuneration (fixed, variable) in respect of her Covivio Directorship	€38,000	€38,000	€38,000	€38,000
Other remuneration	€0	€0	€0	€0
Total	**€38,000**	**€38,000**	**€38,000**	**€38,000**

	Fiscal year ending 31 December 2020		Fiscal year ending 31 December 2021	
Non-executive officers	Amounts allocated	Amount paid	Amounts allocated	Amount paid
Olivier Piani				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€37,000	€37,000	€40,250	€40,250
Other remuneration	€0	€0	€0	€0
Total	**€37,000**	**€37,000**	**€40,250**	**€40,250**
Predica represented by Jérôme Grivet[1]				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€0	€0	€46,000	€46,000
Other remuneration in respect of her position on the Supervisory Board of Covivio Hotels	€0	€0	€4,100	€4,100
Total	**€0**	**€0**	**€50,100**	**€50,100**
Patricia Savin				
Remuneration (fixed, variable) in respect of her Covivio Directorship	€42,000	€42,000	€37,000	€37,000
Other remuneration	€0	€0	€0	€0
Total	**€42,000**	**€42,000**	**€37,000**	**€37,000**
Catherine Soubie				
Remuneration (fixed, variable) in respect of her Covivio Directorship	€44,000	€44,000	€42,000	€42,000
Other remuneration	€0	€0	€0	€0
Total	**€44,000**	**€44,000**	**€42,000**	**€42,000**
TOTAL	**€883,750**		**€954,250**	**€954,250**

(1) Remuneration was paid to the company and not its permanent representative.

5.3.4.3 Remuneration paid and/or allocated to the Chairman of the Board of Directors and members of the General Management in respect of the fiscal year ended 31 December 2021 ("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 2021 or allocated in respect of the same year, to the Chairman of the Board of Directors, Chief Executive Officer and Deputy CEOs of the company, are the subject of separate draft resolutions (Resolutions 10, 11, 12 and 13) submitted for the approval of the Combined General Meeting on 21 April 2022.

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 2021 (Resolution 10)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€391 K paid in 2021	This fixed remuneration was approved upon his reappointment for a four-year term from 17 April 2019. It will remain unchanged in 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 thousand	Not applicable
Valuation of benefits of any kind	€9 thousand	This amount includes a company car.

Elements of remuneration due or granted for the fiscal year ended which are subject, or have been subject, to a vote by the General Meeting under the related-party agreements procedure	Amount subject to a vote	Presentation
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 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	€700,000 paid in 2021	This fixed remuneration was approved upon his reappointment for a four-year term, from 1 January 2019. It will remain unchanged in 2022.
Annual variable remuneration	€898,000	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 2021 described in section 5.3.4.2.1.1.2. of the 2021 Universal Registration Document, the Board approved a bonus that represents 128% of the target. It will be paid in cash in the amount of €700,000, the upside of €198,000 being paid in Covivio shares, which will be vested in 2025 subject to continued employment. The payment of this annual variable remuneration is subject to approval by the Combined General Meeting of 21 April 2022 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	€930,000	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 2021 Universal Registration Document.
Remuneration allocated in respect of Directorship	€0 K	Not applicable
Valuation of benefits of any kind	€37,000	This amount comprises a company car and GSC unemployment insurance.

Elements of remuneration due or granted for the fiscal year ended which are subject, or have been subject, to a vote by the General Meeting under the related-party agreements procedure	Amount subject to a vote	Presentation
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 5.3.5.1.2.1.6. and 5.3.4.2.1.1.4. of the 2021 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 General Meeting of 17 April 2019, through a vote on Resolution 6.
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 Olivier Estève in his capacity as Deputy General Manager in respect of the fiscal year ended 31 December 2021 (12th Resolution)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€400,000 paid in 2021	This fixed remuneration was approved upon his reappointment for a four-year term, from 1 January 2019. It will remain unchanged in 2022.
Annual variable remuneration	€539,000	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 2021 described in section 5.3.4.2.1.1.2. of the 2021 Universal Registration Document, the Board approved a 2021 bonus that represents 135% of the target. It will be paid in cash in the amount of €400,000 upside €139,000 being paid in Covivio shares, which will be vested in 2025 subject to continued employment. The payment of this annual variable remuneration is subject to approval by the Combined General Meeting of 21 April 2022 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	€400,000	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 2021 Universal Registration Document.
Remuneration allocated in respect of Directorship	€0	Not applicable
Valuation of benefits of any kind	€39,000	This amount comprises a company car and GSC unemployment insurance.

Elements of remuneration due or granted for the fiscal year ended which are subject, or have been subject, to a vote by the General Meeting under the related-party agreements procedure	Amount subject to a vote	Presentation
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 5.3.5.1.2.1.6. and 5.3.4.2.1.1.4. of the 2021 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.
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 Dominique Ozanne in his capacity as Deputy General Manager up to 30 June 2021 in respect of the fiscal year ended 31 December 2021 (13th Resolution)

Elements of remuneration due for the fiscal year ended	Amounts, or valuation for accounting purposes, subject to vote	Presentation
Fixed remuneration	€200,000 paid in 2021	On 13 February 2020, the Board of Directors decided to value Dominique Ozanne's annual fixed remuneration at €400,000. It was paid in the amount of €200,000 following his resignation effective 30 June 2021.
Annual variable remuneration	€174,000	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 2021 described in section 5.3.4.2.1.1.2. of the 2021 Universal Registration Document, the Board approved a 2021 bonus that represents 87% of the target. The payment of this annual variable remuneration is subject to approval by the Combined General Meeting of 21 April 2022 of the remuneration components for Dominique Ozanne.
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 K	No performance shares were granted to Dominique Ozanne under the LTI 2021.
Remuneration allocated in respect of Directorship	€0	Not applicable
Valuation of benefits of any kind	€35,000	This amount comprises a company car and GSC unemployment insurance.

Elements of remuneration due or granted for the fiscal year ended which are subject, or have been subject, to a vote by the General Meeting under the related-party agreements procedure	Amount subject to a vote	Presentation
Severance pay	€0	The potential indemnity as detailed in 5.3.4.1.2.1.6. and 5.3.4.2.1.1.4. of the 2021 Universal Registration Document is only intended to be paid in the event of a forced departure linked to a change in control or strategy, which excludes cases where the Deputy CEO leaves the company at his own initiative. Following the resignation of Dominique Ozanne with effect from 30 June 2021, no compensation was paid.
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 2021

	Fiscal year ending 31 December 2020		Fiscal year ending 31 December 2021	
Non-voting members	Amounts allocated	Amount paid	Amounts allocated	Amount paid
Sergio Erede				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€42,000	€42,000	€46,000	€46,000
Other remuneration	€0	€0	€0	€0
Total	**€42,000**	**€42,000**	**€46,000**	**€46,000**
Ariberto Fassati				
Remuneration (fixed, variable) in respect of his Covivio Directorship	€43,000	€43,000	€39,000	€39,000
Other remuneration	€0	€0	€0	€0
Total	**€43,000**	**€43,000**	**€39,000**	**€39,000**
TOTAL	**€85,000**	**€85,000**	**€85,000**	**€85,000**

5.3.5 Specific procedures relating to shareholder participation in General Meetings and summary of current financial delegations i n 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.

In the context of the Covid-19 epidemic, the Covivio General Meeting of 20 April 2021 was held for the second consecutive year behind closed doors (without the shareholders and other persons entitled to attend in person or by telephone or audiovisual conference) in accordance with the provisions of Article 4 of Order no. 2020-321 of 25 March 2020 (as extended and amended by Order no. 2020-1497 of 2 December 2020 and extended by Decree No. 2021-255 of 9 March 2021) adapting the rules governing meetings and deliberation of meetings and governing bodies of legal persons and entities without legal personality governed by private law due to the Covid-19 epidemic.

In order to maintain the shareholder dialogue, to which Covivio is particularly committed, the company organised a question-and-answer session during the General Meeting, allowing shareholders to ask questions in writing about the webcast broadcast from the opening of the meeting.

The terms and conditions for participation in General Meetings, as provided for by law and regulations, are detailed in the meeting notices and convening notices available on the Covivio website in the section dedicated to General Meetings.

In view of the still uncertain context of the evolution of the Covid-19 epidemic, shareholders are invited to regularly consult this section to find out how to participate in the Combined General Meeting of 21 April 2022, which may be subject to evolve according to health and/or legal and regulatory requirements.

5.3.5.2 Summary of financial authorisations currently in force in the area of capital increases

The General Meeting regularly grants the Board of Directors financial 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 currently in force granted by General Meetings of the shareholders on 17 April 2019 and 20 April 2021 concerning capital increases and the use made of them in 2021 and after the year end.

General Meeting date	Description of the authorisation	Validity of the delegation	Use of the authorisation	
17 April 2019 Thirtieth resolution	Authorization 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 Expiry on 17/06/2022	2021: Free allocation of 276,765 shares	2022: Free allocation of 50,753 shares
20 April 2021 Eighteenth 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 €28,000,000.	26 months Expiry on 20/06/2023	None	
20 April 2021 Twentieth 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 €70,000,000. The nominal amount of the total debt instruments convertible to equity likely to be issued may not exceed €750,000,000 (the total cap for all debt securities that may be issued pursuant to said delegation and pursuant to delegations of authority granted under Resolutions 21, 22 and 23).	26 months Expiry on 20/06/2023	None	
20 April 2021 Twenty-first 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 €28,000,000. The nominal cap on the issue of debt securities set at €750,000,000 (set against the overall cap for all debt securities set by Resolution 20).	26 months Expiry on 20/06/2023	None	
20 April 2021 Twenty-second 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 23). The nominal cap on the issue of debt securities set at €750,000,000 (set against the overall cap for all debt securities set by Resolution 20).	26 months Expiry on 20/06/2023	None	
20 April 2021 Twenty-third 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 (against the overall nominal capital increase set by Resolution 22). The nominal cap on the issue of debt securities set at €750,000,000 (set against the overall cap for all debt securities set by Resolution 20).	26 months Expiry on 20/06/2023	None	
20 April 2021 Twenty-fourth 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 €500,000.	26 months Expiry on 20/06/2023	None	

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(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.

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 one-tenth of the number of shares held. 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 General Meeting in question.

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 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 2021

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 financial 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 S.à r.l., 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 and purpose

Shareholders 'agreement authorised by your Board of Directors on 25 November 2020 and entered into on 8 June 2021.

Terms and conditions

The purpose of the shareholders' agreement is to organise relations between the partners of the Luxembourg company Covivio Alexanderplatz S.à r.l., as part of the development project located at Alexanderplatz in Berlin of a real estate complex of approximately 60,000 m^2 mixed use of offices, shops and housing (the "**Project**").

b) Nature and purpose

Amendment no. 1 to the investment protocol of 23 December 2020 (the "**Initial protocol**"), authorised by your Board of Directors on 20 April 2021 and concluded on 22 April 2021.

Terms and conditions

The main purpose of amendment No. 1 to the initial Protocol, which is part of the Project, is to postpone the deadline for achieving the conditions precedent from 20 April 2021 to 20 July 2021.

c) Nature and purpose

Amendment no. 2 to the initial protocol by amendment no. 1 of 22 April 2021, authorised by your Board of Directors on 20 April 2021 and concluded on 8 June 2021.

Terms and conditions

The main purpose of this amendment, which is part of the Project, is:

i) defining the terms and conditions for the implementation of transitional financing for the Project by your company (the "**Covivio financing**") and,

ii) to lift the condition precedent provided for in the initial Protocol relating to the obtaining of financing which will be subject to bank refinancing.

d) Nature and purpose

Subordination agreement authorised by your Board of Directors on 20 April 2021 and concluded on 8 June 2021.

Terms and conditions

The purpose of the subordination contract, which forms part of the Project, is to subordinate payments to the partners of Covivio Alexanderplatz S.à r.l., (including intra-group loans and/or loans). or advances in shareholders 'current accounts that would be granted to Covivio Alexanderplatz S.à r.l.) to settle sums that became due under the Covivio Financing.

Covivio financing covers:

i) a development loan for a maximum amount of €321 million, with a 2.25% interest until 31 December 2022, then 3.0% as of 1 January 2023 and is accompanied by a non-use commission of 0.70% until 31 December 2022 and then 1.20% from 1 January 2023 and,

ii) a VAT credit of a maximum amount of €10 million, bearing interest at a rate of 1% and with a non-use commission of 0.40%.

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.

With Indigo Infra SAS

Person concerned

Predica, a Director of your Company represented by Jérôme Grivet, indirectly holding more than 40% of the share capital and voting rights of Indigo Infra S.A.S.

a) Nature and purpose

Disposal agreement authorised by your Board of Directors on 20 April 2021 and concluded on 11 June 2021

Terms and conditions

The transfer agreement relates in particular to the sale by your company to Indigo Infra SAS of:

- 100% of the shares and voting rights of République, it being specified that the latter holds 100% of the shares and voting rights of La Comédie car park and 50.8% of the shares and voting rights of Parking de la Gare Charles de Gaulle
- 100% of the shares and voting rights of the SCI Esplanade Belvédère II and
- 50% of the shares and voting rights of Gespar.

The disposal agreement, entered into in order to organise the terms and conditions for the implementation of this transaction, provides for the payment of a disposal price calculated on an enterprise value of €36.8 million adjusted in particular for the amount of net debt, as well as a disposal price adjustment mechanism based on the revenue generated in 2022 by République, Gespar and SCI Esplanade Belvédère II.

The transaction took place on 25 January 2022.

b) Nature and purpose

Memorandum of understanding on the principles of general collaboration between your company and the Indigo group, authorised by your Board of Directors on 20 April 2021 and concluded on 25 January 2022.

Terms and conditions

The purpose of the memorandum of understanding 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.

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 exit from a non-strategic activity that requires the mobilisation of resources to manage it.

With Predica, Fédération (a wholly-owned subsidiary of your company), in the presence of SCI Federimmo and SCI 11 Place de l'Europe.

Person concerned

Predica, a Director of your company represented by Jérôme Grivet.

Nature and purpose

Two share transfer agreements authorised by your Board of Directors on 25 November 2021 and signed on 20 December 2021, covering:

i. 60% of the share capital and voting rights of the SCI Federimmo, owner of an office building located in the 15th arrondissement of Paris (the "**Suffren Transaction**")

ii. 50.09% of the share capital and voting rights of the SCI 11 place de l'Europe, owner of a real estate complex in Vélizy-Villacoublay (the "**Europe Transaction**")

(Suffren Transaction and Europe Transaction are collectively referred to as together as the "**Transaction**").

Terms and conditions

The disposal agreements, entered into in order to organise the terms and conditions for the implementation of the Transaction (it being stipulated that the Suffren Transaction and the Europe Transaction are indivisible), provide for the payment of an overall provisional disposal price calculated on the basis of an agreed value of the buildings set at approximately €325 million, the final price being determined on the basis of the financial statements of Federimmo and the SCI 11 Place de l'Europe, which will be closed on the Transaction completion date.

In accordance with the AMF recommendations, a fairness opinion was issued by an independent expert, which confirms the fairness of the project's financial terms. This opinion has been provided for shareholders on the company's website for this General Meeting.

Interest of the agreement for the company

Your Board of Directors justified these disposal agreements as follows: the signature of these disposal agreements enables your company to contribute to the realisation of the disposal plan approved by the Board of Directors for the 2021 fiscal year and to deploy the strategy approved by the latter.

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

Predica, a Director of your company represented by Mr. 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 and purpose

Investment memorandum of understanding authorised by your Board of Directors on 25 November 2021 and signed on 22 December 2021.

Terms and conditions

Your company has undertaken to acquire from Icade 6,531 shares in the SCI Factor E and sell 3,469 shares in the SCI Orianz, as well as the corresponding receivables.

The price of the shares in each of the companies was determined firmly and definitively on the basis of the appraisal values of the buildings at 30 June 2021 and the financial statements at 30 September 2021, and resulted in a payment of €1,020,000 (excluding transfer taxes) for which your company will be liable on the completion date.

The parties have agreed to exchange their corresponding receivables at their par value, so that your company will owe an additional balance of €461,102 to Icade on the completion date.

The Transaction took place on 18 January 2022.

Interest of the agreement for the company

Your Board of Directors justified this agreement as follows: the signing of this exchange protocol enables your company to implement in advance the agreements initially agreed between your company and ANF Immobilier under a shareholders' agreement entered into on 1 September 2016.

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 S.à r.l., subsidiary of your Company

Person concerned

Covéa Coopérations, a Director of your company represented by Olivier Le Borgne, and an affiliate of MMA IARD.

Nature and purpose

Investment memorandum of understanding authorised by your Board of Directors on 25 November 2020 and signed on 23 December 2020.

Terms and conditions

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., and more specifically to:

(i) set the terms and purpose of the respective investments of shareholders of Covivio Alexanderplatz S.à r.l.

(ii) determine the main agreements that Covivio Alexanderplatz S.à r.l. and the parties must sign for the implementation of the Project and

(iii) set the timeline for the advancement of works on the Project.

It also provides for the conclusion between these same parties of a shareholders' agreement relating to Covivio Alexanderplatz S.à r.l., also authorised by your Board of Directors on 25 November 2020.

With Covivio Alexanderplatz S.à r.l., a subsidiary of your Company, and BRE/GH II Berlin II Investor GmbH, an indirect subsidiary of Covivio Hotels

Person concerned

MM. Christophe Kullmann, Chief Executive Officer and Director of your company and Chairman of the Supervisory Board of Covivio Hotels, and Olivier Estève, Deputy Chief Executive Officer of your company, member of the Supervisory Board of Covivio Hotels and Manager of Covivio Alexanderplatz S.à r.l., 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 and purpose

Framework Deed authorised by your Board of Directors on 20 February 2019 and concluded on 26 April 2019.

Terms and conditions

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 and purpose

Addendum 1 to the Neighbour Agreement of 26 April 2019, and amendment no. 1 on 8 and 9 April 2020, by the legal representatives of Covivio Alexanderplatz S.à r.l. 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.

Terms and conditions

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 S.à r.l. 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:

(c) Covivio Alexanderplatz S.à.r.l. 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 hotel restaurant that will be demolished as part of the Project and

(d) Covivio Alexanderplatz S.à.r.l. agrees to offset any operating losses incurred by the hotel operator due to the relocation of this restaurant.

With OPCI Predica Bureaux, in the presence of Predica and/or the company 6 rue Fructidor

Person concerned

Predica, a Board member of your Company represented by Jérôme Grivet, and a shareholder of OPCI Predica Bureaux.

Nature and purpose

Investment memorandum of understanding and shareholders' agreement for 6 rue Fructidor authorised by your Management Board Meeting of 23 July 2019 and concluded on 29 October 2019.

Terms and conditions

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 the SCI DS Campus, in the presence of Predica SCI Latécoère and SCI Latécoère 2

Person concerned

Predica, a Board member of your Company represented by Jérôme Grivet and a shareholder of S.C.I. DS Campus.

a) Nature and purpose

Addendum 3 to the shareholders' agreement dated 18 June 2015 in respect of S.C. I. Latécoère 2, authorised by your Management Board meeting of 17 October 2019 and concluded 12 December 2019.

Terms and conditions

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 partners 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 and purpose

Addendum 1 to the shareholders' agreement dated 19 October 2012 in respect of S.C.I. Latécoère, authorised by you Management Board meeting of 19 February 2015 and concluded on 19 October 2012.

Terms and conditions

Amendment no. 1 to the shareholders' agreement of 19 October 2012, amended on 24 July 2017, whose purpose is to govern the relations of the partners of SCI Latécoère as part of the "DS Campus" operation consisting of the sharing of a real estate complex located in Vélizy-Villacoublay (Yvelines).

With Assurances du Crédit Mutuel Vie S.A., in the presence of SCI N2 Batignolles

Person concerned

Assurances du Crédit Mutuel Vie S.A., a Board member of your Company represented by Mrs. Stéphanie de Kerdrel, and a shareholder of SCI N2 Batignolles

Nature and purpose

Shareholders' agreement in respect of S.C.I. N2 Batignolles authorised by your Management Board Meeting on 14 February 2018 and concluded 25 May 2018.

Terms and conditions

The purpose of the shareholders' agreement is to govern the relations between the partners of SCI N2 Batignolles as part of the "N2" operation consisting of the sharing of a real estate asset under construction located in the ZAC Clichy Batignolles in Paris (17th district).

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

Assurances du Crédit Mutuel Vie S.A., a Board member of your Company represented by Stéphanie de Kerdrel, and a shareholder of S.C.I. du 15 rue des Cuirassiers and S.C.I. du 9 rue des Cuirassiers.

Nature and purpose

Shareholders' agreements relating to S.C.I. du 15 rue des Cuirassiers and S.C.I. du 9 rue des Cuirassiers, authorised by your Management Board meeting of 19 October 2017 and concluded on 7 December 2017.

Terms and conditions

The shareholders' agreements were intended to organise the shareholder relationships within S.C.I. du 9 rue des Cuirassiers and S.C.I. 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 S.A.

Nature and purpose

The provision of a yield guarantee in the framework of the Silex development, authorised by your Management Board meeting of 19 October 2017 and concluded 7 December 2017.

Terms and conditions

In the framework of the Silex project and of the determination of the financial terms and conditions of its investment in the companies, Assurances du Crédit Mutuel Vie S.A. 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 S.A. 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 S.C.I.s to Assurances du Crédit Mutuel Vie S.A. in the form of any interim or final 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 S.C.I.s to Assurances du Crédit Mutuel Vie S.A. 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 cost borne by your Company in respect of this guarantee amounted to €945.8 thousand in 2021.

With Predica, in the presence of SCI 11 Place de l'Europe.

Person concerned

Predica, a Board member of your company represented by Jérôme Grivet.

Nature and purpose

Shareholders' agreement in respect of S.C.I. 11 Place de l'Europe authorised by your Management Board meeting on 7 November 2013 and concluded on 19 December 2013.

Terms and conditions

The purpose of the shareholders' agreement is to govern the relations between the partners of SCI 11 Place de l'Europe as part of the "Campus Eiffage" project, which involves the sharing of real estate complexes in Vélizy-Villacoublay (Yvelines).

With the SCI New Vélizy, in the presence of Predica

Person concerned

Predica, a Board member of your company represented by Jérôme Grivet and a shareholder of SCI New Velizy

Nature and purpose

The shareholders' agreement in respect of SCI Lenovilla. authorised by your Management Board meeting of 25 April 2012 and concluded on 1 February 2013.

Terms and conditions

The shareholders' agreement is to govern the relations of the partners of the SCI Lenovilla as part of the "New Vélizy" operation consisting of the sharing of a real estate complex located in Vélizy-Villacoublay (Yvelines).

Courbevoie and Paris-La Défense, 11 March 2022

The Statutory Auditors

MAZARS

Claire Gueydan-O'Quin

ERNST & YOUNG et Autres

Anne Herbein

5.5 Report of the Statutory Auditors on the share capital reduction

Combined General Meeting of 21 April 2022

Twentieth 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 eighteen 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 twenty-four 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.

Courbevoie and Paris-La Défense, 11 March 2022

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 pre-emptive subscription rights

Combined General Meeting of 21 April 2022

Twenty-first, twenty-second, twenty-third and twenty-fourth 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 (*Code de commerce*), 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 pre-emptive subscription rights, 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' pre-emptive subscription rights (twenty-first resolution), of 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 pre-emptive 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-second 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-third 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-fourth 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-first, twenty-second, twenty-third and twenty-fourth 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 €71,000,000 in respect of the twenty-first and €28,000,000 in respect of the twenty-second 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-third and twenty-fourth 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-first, twenty-second, twenty-third and twenty-fourth resolutions, may not exceed €750,000,000, 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 company's financial statements, on the proposal to waive pre-emptive 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-second 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-second resolution to waive shareholders' pre-emptive 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' pre-emptive subscription rights.

Courbevoie and Paris-La Défense, 11 March 2022

The Statutory Auditors

MAZARS

Claire Gueydan-O'Quin

ERNST & YOUNG et Autres

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 21 April 2022

Twenty-fifth 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 (*Code de commerce*), 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 pre-emptive subscription rights for existing shareholders, reserved for the benefit of employees subscribing to a corporate savings plan of your Company and other related companies and economic interest groupings, as provided for by Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code (*Code du travail*), for up to a total nominal amount of €500,000.

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 pre-emptive 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 company's financial statements, on the proposal to waive pre-emptive 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 pre-emptive 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 and/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, 11 March 2022

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Claire Gueydan-O'Quin	Anne Herbein

5.8 Statutory Auditors' report on the authorisation to grant free shares, existing or to be issued

Combined General Meeting of 21 April 2022

Twenty-sixth resolution

To the General Meeting of Covivio,

In our capacity as Statutory Auditors of your company and in execution of the mission provided for by Article L. 225-197-1 of the French Commercial Code, we hereby present to you our report on the project for the authorisation of free shares, existing or to be issued, to employees (or certain categories of them) and/or eligible corporate officers (or some of them), both of your company and of companies and economic interest groups related to it within the meaning of the provisions of Article L. 225-197-2 of the French Commercial Code, transaction on which you are asked to vote. The total number of shares that may be allocated under this authorisation may not represent more than 1% of the share capital of your company on the date of the decision of their allocation by the Board of Directors.

On the basis of its report, your Board of Directors proposes that the authorisation, for a period of thirty-eight months, of the allocation of free shares, existing or to be issued.

It is the responsibility of the Board of Directors to prepare a report on any transaction it wishes to be able to carry out. It is our responsibility to report to you, where applicable, our observations on the information provided to you on the proposed transaction.

We have performed the procedures that we deemed necessary to comply with the professional standards applicable in France to such engagements. These procedures consisted mainly in verifying that the methods envisaged and given in the Board of Directors' report comply with the provisions provided for by law.

We have no matters to report on the information given in the Board of Directors' report on the proposed free share allocation transaction.

Courbevoie and Paris-La Défense, 11 March 2022

The Statutory Auditors

MAZARS

Claire Gueydan-O'Quin

ERNST & YOUNG et Autres

Anne Herbein

5.9 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 auditors is presented in paragraph 4.2.7.6. annex to the consolidated accounts.



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6.1 Company overview

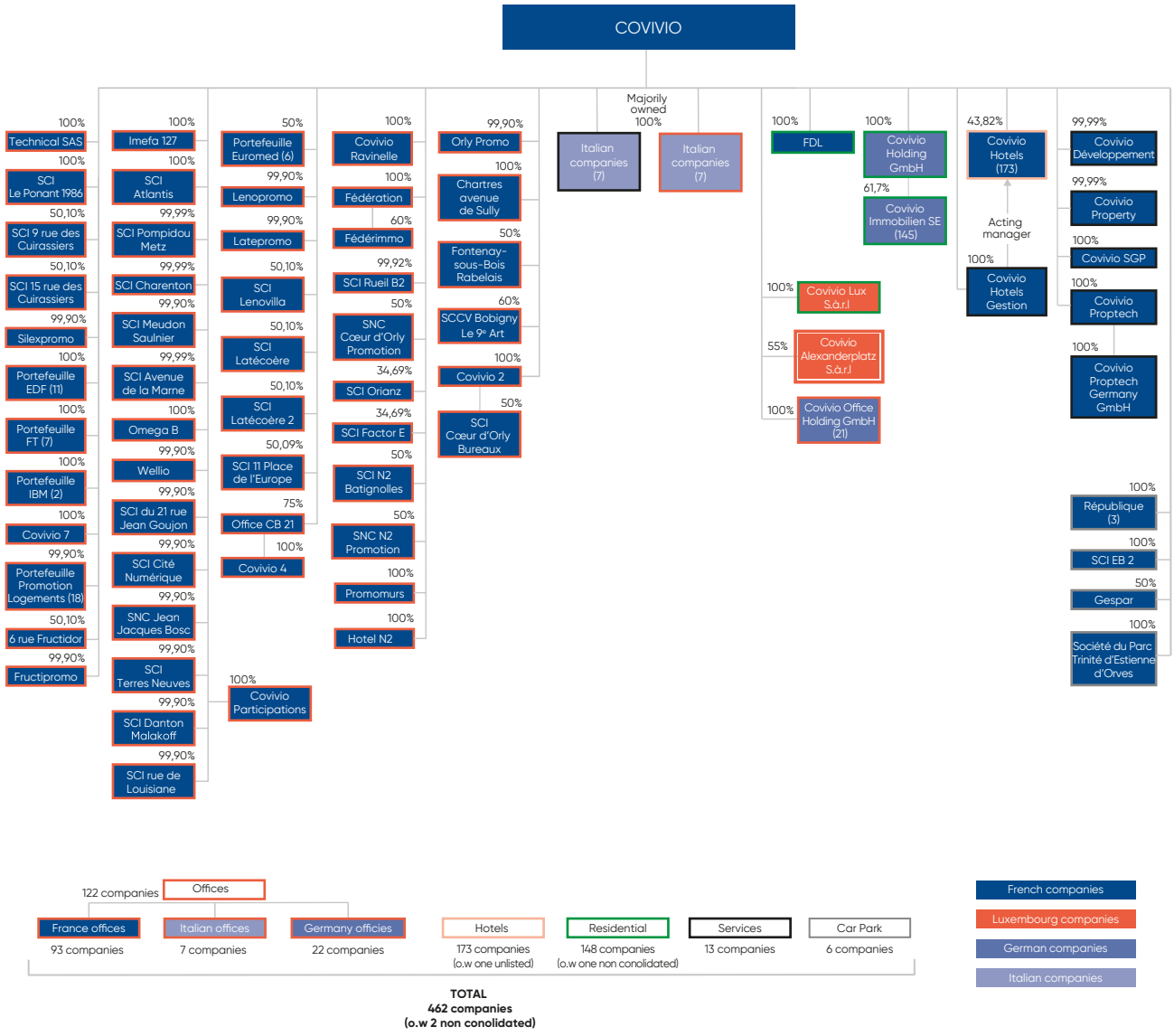
6.1.1 History of the company (Group Share data)

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 Foncière des Régions 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 hotels 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 Executive Officer 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, 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.

6.1.2 Group organisation chart

6.1.2.1 Simplified legal organisation chart of the Group at 31 December 2021



After the end of the financial year, Covivio acquired from Icade on 18 January 2022, 65.21% of the share capital and voting rights of SCI Factor E in exchange for the sale of 34.69% of the share capital and voting rights of SCI Orianz, as well as the corresponding receivables. Covivio also sold the car park companies République, SCI EB 2 and Gespar to Indigo Infra SAS on 25 January 2022.

6.1.2.2 Simplified portfolio of the Group as at 31 December 2021



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 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 TI 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, 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.

The Covivio bonds issued on 17 September 2019 (Green Bond), 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.

Covivio bonds issued on 20 January 2021 (Green Private Placement as part of its EMTN programme set up on 14 October 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 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 30 March 2015 in the amount of €125 million, with maturity at 30 March 2022, carry a fixed coupon of 2,125% and are listed on Euronext Dublin under ISIN code XS1209112793
- 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
- 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.

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 object, 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 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 accessible 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 *Autorité des Marchés Financiers* (French Financial markets authority) (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 interim 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 interim dividend 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 the law of November 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 shall 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 in its favour, on the other. Thus, the sums distributed by the Company that must, in respect of 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 an amount equal to the amount of the Spanish Levy or Levy due by the company or SOCIMI for 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, in 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 conditions of quorum and majority 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 holds indirectly, by intermediary of the company, a percentage of the share capital or rights to dividends of listed real estate investment companies 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**") (together a "**Concerned Shareholder**") is required to register all of the shares of the company that they own in their name and ensure that the entities that they control in the meaning of Article L. 233-3 of the French Commercial Code register all of the shares of the company that they own in their name.

  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 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 (a "**General Meeting**") 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 Shareholding

Covivio includes among its important shareholders the groups Delfin, Crédit Agricole Assurances, Covéa and Assurances du Crédit Mutuel.

6.3.1 Information on the share capital

As at 1 January 2021, Covivio's fully subscribed share capital was €283,632,696 divided into 94,544,232 fully paid-up shares, each with a par value of €3 and all of the same class.

At year-end, and taking into account the capital increases completed in 2021, Covivio's 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.

Since the close of 2021, the company's share capital has increased to €284,174,598. It now comprises 724,866 shares.

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 593,884 at the end of the fiscal year.

These shares may be new or existing shares, it being specified that 132,135 shares acquired by the company under its share buyback programme areallocated to the free share allocation plans approved by the Board of Directors on 13 February 2020 and 16 December 2020 (the "**2020 Plans**").

Information on the allocation of free shares is provided in Section 6.3.9.2 below of this chapter.

Potential capital at 31 December 2021

The table below shows what the theoretical evolution of the company's share capital would be, taking into account the maximum potential creation of shares resulting from the definitive allocation of free shares, after deducting the amount of 132,135 existing shares of the company allocated to the 2020 Plans.

Number of shares at 31/12/2021	94,648,691
Number of potential shares to be issued	461,749, or a potential dilution of 0.49%
Total number of shares in the share capital	95,110,440, *i.e.*, a potential theoretical capital of €285,331,320

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.

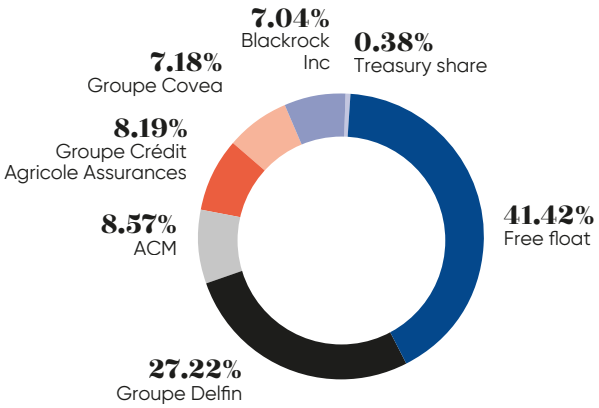
To the best of the company's knowledge, the distribution of the share capital and voting rights over the last three fiscal years among the shareholders or groups of shareholders who own or are likely to own, taking into account the shares and voting rights subject to the same treatment under article L. 233-9 of the French Commercial Code, 5% or more of the share capital or voting rights, is as follows.

	31/12/2021				31/06/2020				31.12.2019			
	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	39,197,424	41.42	41.42	41.57	41,261,773	43.64	43.64	43.77	39,844,573	45.68	45.68	45.77
Delfin Group[3]	25,765,290	27.22	27.22	27.32	25,765,290	27.25	27.25	27.33	23,161,231	26.55	26.55	26.61
Assurances du Crédit Mutuel	8,114,538	8.57	8.57	8.61	7,289,917	7.71	7.71	7.73	6,624,678	7.60	7.60	7.61
Groupe Crédit Agricole Assurances	7,750,975	8.19	8.19	8.22	7,750,975	8.20	8.20	8.22	7,046,310	8.08	8.08	8.09
Covéa Group	6,797,240	7.18	7.18	7.21	6,797,240	7.19	7.19	7.21	6,176,962	7.08	7.08	7.10
Blackrock Inc	6,662,926	7.04	7.04	7.07	5,414,767	5.73	5.73	5.74	4,191,595	4.81	4.81	4.82
Treasury shares	360,298	0.38	0.38	/	264,270	0.28	0.28	/	174,557	0.20	0.20	/
TOTAL	**94,648,691**	**100%**	**100%**	**100%**	**94,544,232**	**100%**	**100%**	**100%**	**87,219,906**	**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 SARL is a holding company that belongs to the Del Vecchio family. Delfin SARL is primarily involved in financial business and equity investments and controls Aterno and DFR Investment. It also controls the Luxottica Group S.p.A, the world leader in the production, wholesale distribution and retail sale of glasses and sunglasses.



To the company's knowledge:

- there has been no significant change in the share capital structure and voting rights since year-end
- 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 2021, Covivio directly held, outside the terms of the liquidity agreement (61,297), 299,001 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 45,721 individuals and 2,193 financial institutions as shareholders of the company.

6.3.4 Threshold crossing disclosures

During fiscal year 2021, the company was informed of the following legal and statutory threshold crossings:

Shareholder	Date limit exceeded	Upward threshold crossing		Downward threshold crossing		Shares	Voting rights	% of the share capital	% of the voting rights
		Legal	Articles of Association	Legal	Articles of Association				
Blackrock Inc.	19 January 2021	/	6% and 7%	/	/	6,640,594	6,640,594	7.02%	7.02%
Blackrock Inc.	30 March 2021	/	/	/	7%	5,686,603	5,686,603	6.01%	6.01%
Norges Bank Investment Management	8 April 2021	/	2%	/	/	1,908,319	1,908,319	2.02%	2.02%
Blackrock Inc.	5 November 2021	/	7%	/	/	6,622,642	6,622,642	7.00%	7.00%
Blackrock Inc.	19 November 2021	/	/	/	7%	6,597,842	6,597,842	6.98%	6.98%
Blackrock Inc.	30 November 2021	/	7%	/	/	6,662,926	6,662,926	7.04%	7.04%

After the end of the fiscal year, the company was informed of the following legal and/or statutory threshold crossings:

Shareholder	Date limit exceeded	Upward threshold crossing		Downward threshold crossing		Shares	Voting rights	% of the share capital	% of the voting rights
		Legal	Articles of Association	Legal	Articles of Association				
Blackrock Inc.	19 January 2022	/	/	/	/	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%

6.3.5 Declarations of intent

No declaration of intent was made during the 2021 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 years:

	31 December 2017	31 December 2018	31 December 2019	31 December 2020	31 December 2021
Share capital	€224,489,892	€248,708,694	€261,659,718	€283,632,696	283,946,073
Number of shares	74,829,964	82,902,898	87,219,906	94,544,232	94,648,691

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 €)
17 January 2017	Capital increase without preferential subscription right and with a priority period	5,076,786	384,769,610.94	73,834,638	221,503,914
15 February 2017	Final allocation of free shares	35,812	/	73,870,450	221,611,350
6 November 2017	Final allocation of free shares	5,493	/	73,875,943	221,627,829
22 November 2017	Capital increase remunerating contributions in kind	916,951	16,721,090	74,792,894	224,378,682
4 December 2017	Final allocation of free shares	37,070	/	74,829,964	224,489,892
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

Date	By type	Number of shares issued	Share premium amount (in €)	Number of shares	Capital amount (in €)
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

Following the close of the fiscal year, 76,175 new shares were issued, bringing the capital to €284,174,598, divided into 724,866 shares.

Date	By type	Number of shares issued	Share premium amount (in €)	Number of shares	Capital amount (in €)
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

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 2021 fiscal year, representing 486,469 Covivio shares, *i.e.*, 0.51% of the capital.

6.3.8 Information about the share buyback programme

In 2021, Covivio used the authorisation granted by the General Meeting of 22 April 2020, and that granted by the General Meeting of 20 April 2021, and implemented on the same day by a decision of the Board of Directors, to renew and continue the liquidity agreement with Exane BNP Paribas under the same conditions.

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 €150 million
- 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:
  - implementing 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
  - allocating grants to employees and corporate officers of the company and/or companies in its group
  - delivering shares upon the exercise of rights attached to securities entitled to the allocation of shares
  - holding and delivering them as payment or in exchange under potential external growth transactions, mergers, spin-offs or contributions
  - cancelling shares
  - using them 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 250,747 treasury shares held by the company at 20 April 2021, of which:

- 53,038 shares resulting from the liquidity agreement entered into with Exane BNP Paribas, and updated 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
- 197,709 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 Group.

The terms and conditions relating to the new buyback programme were set forth in the share buyback programme description posted on the company's website on 20 April 2021.

Changes in treasury shares presented by type of objectives pursued by the company were as follows during the 2021 fiscal year:

		Movements over the period							
(in number of shares)	Position at 31/12/2020	Acquisition	Sale	Reclustering	Reallocation	Cancellation	Position at 31/12/2021	Fraction of the share capital at 31/12/2021	Nominal value at 31/12/2021 (in €)
Liquidity agreement	66,561	583,749	589,013	-	-	-	61,297	0.06	183,891
Employee shareholding plan coverage	197,709	132,135[1]	-	30,843[2]	-	-	299,001	0.32	897,003
SHARES HELD BY THE COMPANY	**264,270**						**360,298**	**0.38%**	**1,080,894**

(1) Shares acquired under the share buyback programme and allocated to the free share allocation plans approved by the Board of Directors on 13 February 2020 and 16 December 2020.

(2) Transfer following the allocation of shares to employees of the Covivio ESU as part of the 2020 incentive investment, increased by the matching contribution.

The transactions completed under the liquidity agreement during fiscal year 2021 broke down as follows:

	Acquisition		Sale	
Share buyback programme	Number of shares	Average price per share (in €)	Number of shares	Average price per share *(in €)*
General Meeting of 22 April 2020	110,093	71.13	123,616	71.59
General Meeting of 20 April 2021	473,656	75.33	465,397	75.44
TOTAL	**583,749**	**74.54**	**589,013**	**74.63**

As at 31 December 2021, Covivio held 360,298 treasury shares representing 0.38% of the capital, valued at €27,307,565.96, or €75.79 per share, representing a par value of €1,080,894.

The company did not use derivatives in its share buyback programmes in fiscal year 2021.

The transaction costs during fiscal year 2021 amounted to €28,393 ex-tax.

As the authorisation that was granted by the General Meeting on 20 April 2021 was for a period of 18 months, a new share buyback programme will be submitted to the General Meeting on 21 April 2022.

6.3.9 Share subscription and share purchase options and allocation of free shares

6.3.9.1 Share subscription and 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 2021 fiscal year, the Board of Directors, at the proposal of the Appointments and Remunerations Committee and pursuant to the delegation of powers granted by the General Meeting of 17 April 2019, awarded 276,765 free shares as detailed below, representing 0.29% of the capital as at 31 December 2021:

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
17 February 2021	61,675	Corporate officers and employees of the Covivio group	€30.66[1] €43.27[2]		€43.27[2]		3 years			/	
	9,090	Employees of the Covivio group (group plan)	€50.32[2]		N/A	3 years		N/A	/		N/A
25 November 2021	80,000	Employees of the Covivio group (discretionary plan)		€50.32[2]			3 years			N/A	
	126,000	Covivio group employees (long-term incentive plan)		€31.74[1]			4 years			/	

(1) Allocations subject to performance requirements.

(2) Allocations not subject to performance requirements.

The 2021 free share allocations 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 22 February 2022, the Board of Directors allocated 50,753 free shares.

During the 2021 fiscal year, 104,459 free shares were granted to the beneficiaries indicated below:

		Number of allocated free shares delivered in 2021			
Delivery date of the free shares	Date of the free share plan	French beneficiaries	Italian beneficiaries	German beneficiaries	Number of beneficiaries
15 February 2021	14 February 2018	31,249	2,000	2,000	6
22 November 2021	21 November 2018	44,410	6,450	18,350	366

After the end of the fiscal year, 76,175 free shares were delivered to the beneficiaries indicated below:

		Number of allocated free shares delivered in 2022			
Delivery date of the free shares	Date of the free share plan	French beneficiaries	Italian beneficiaries	German beneficiaries	Number of beneficiaries
14 February 2022	14 February 2018	33,644	7,840	9,568	17
21 February 2022	20 February 2019	20,623	]	2,500	4
23 February 2022	20 February 2022		2,000	/	1

The free shares allocated over the last five years are presented in section 5.3.4.2.1.2. of the Board of Director's report on corporate governance.

6.3.9.3 Details of adjustments made to share subscription options and free shares

No adjustments were made in 2021.

6.4 Stock market – dividend

6.4.1 Data Sheet

CAPITALISATION
at 31/12/2021
€6,834 M

Share sheet - Euronext Paris
- ISIN code: FR0000064578
- Mnemonic 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, DJSI World, Euronext Vigeo, Euronext® CDP Environment France EW
- Standard and Poor's rating: BBB+, stable outlook

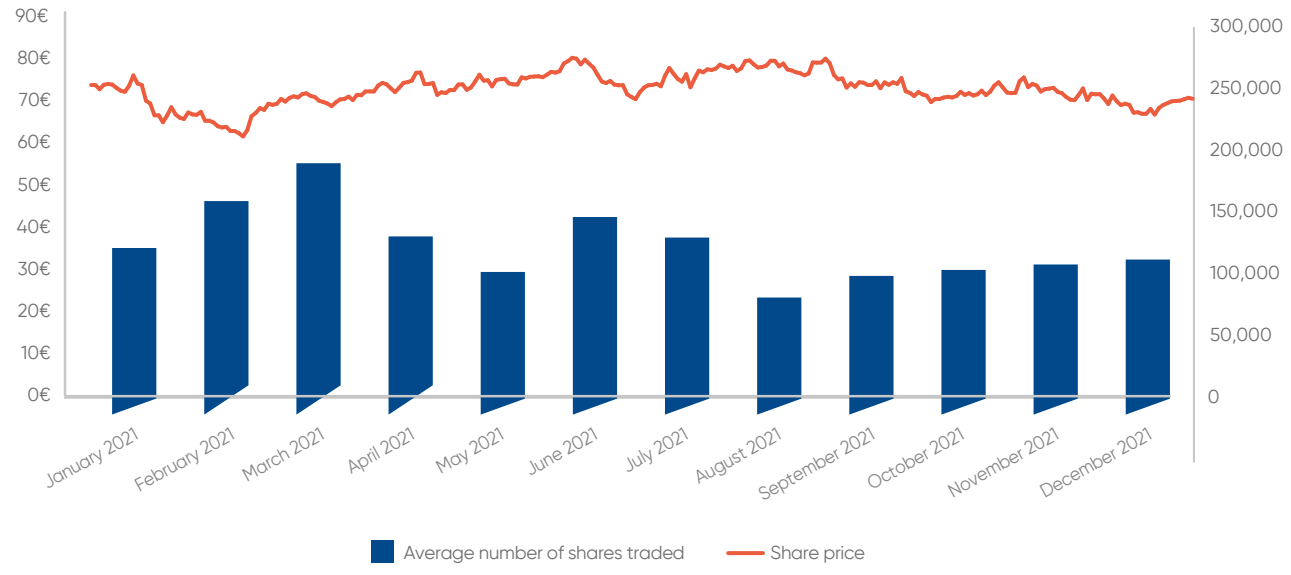
NUMBER OF SHARES LISTED
at 31/12/2021
94,648,691

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 2021

The closing Covivio share price for the year was €72.20, bringing stock market capitalisation to €6.8 billion at the end of fiscal year 2021. In 2021, the Covivio share fell by 4.2%, and increased by +0.6% 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
2016	Current	€4.40	€0.5115	€3.8885
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[1]	Current	€3.75]	€0.9761][1]	€2.7739]

(1) Dividend proposed to the Combined General Meeting of 21 April 2022.

(2) In case of option for a progressive rate of the revenue tax.

6.4.4 Dividend distribution policy

Covivio will propose the distribution of a dividend of €3.75 per share for 2021 to the General Meeting of 21 April 2022, up by +4.2% compared to the previous fiscal year and representing a distribution rate of 86% (dividend/EPRA Earnings). Covivio aims to distribute a dividend in line with the evolution of its EPRA Earnings.

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 21 April 2022, having noted that the profit of €287,595.66 for the fiscal year, increased by the retained earnings of €1,301,993.20, gives distributable profit of €288,897,130.86:

- to allocate the distributable profit as follows:
  - **(i)** €31,337.70 to the legal reserve, bringing the amount of the legal reserve to 10% of share capital at year-end, *i.e.*, €28,394,607.30
  - **(ii)** €288,865,793.16 as a dividend payment to shareholders
- to also distribute a sum of €66,352,454.34 entirely from the merger premium account.

Thus, each share will receive a dividend of €3.75.

The dividend will be paid on 27 April 2022.

On the basis of the total number of shares comprising the share capital as of 22 February 2022, *i.e.*, 94,724,866 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 €355,218,247.50 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 €262,754,598.10.

The dividend withheld on the profits subject to corporation tax totals €92,463,649.40.

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 in the event of a change in the number of shares entitled to dividends, the total amount of the dividend will be adjusted accordingly by deduction from the "Merger premium" account
- 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.

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 Executive Board (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 Executive Officer.

The maximum number of Deputy Executive Officers 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 Executive Officers.

With respect to third parties, the Deputy Executive Officers have the same powers as the Chief Executive Officer.

The age limit for holding the position of Deputy Executive Officer is 67.

Irrespective of the term for which they have been granted, the functions of Deputy Executive Officer 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 Executive Officers.

If the Chief Executive Officer relinquishes his or her duties or is prevented from carrying them out, the Deputy Executive Officers 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 Executive Officers 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, and the company République (a non-listed company), operator of parking facilities
- an equity investment in residential real estate in Germany through Covivio Immobilien SE (an unlisted European company) and in France through Foncière Développement Logements (a SIIC unlisted since 29 December 2017).

The group consolidated by Covivio was thus constituted on 31 December 2021 of 460 separate legal entities, of which 122 were in the Office sector including 93 in France, 7 in Italy, 22 in Germany, 172 companies in Hotels in Europe, 147 in the Residential sector, 13 service companies and six in 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:

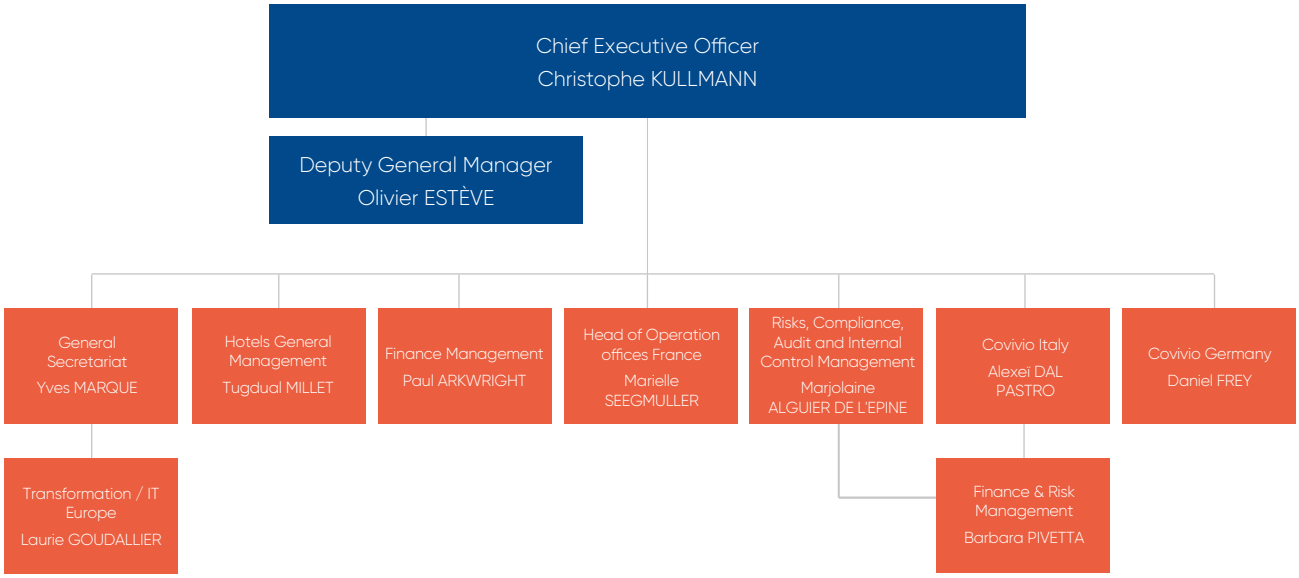
- Asset Management services: this function is focused on the real estate strategy to adopt regarding the assets held (disposal, renovations, financial management, etc.). Asset by asset, it consists of creating value to meet the expectations of the Group's companies by optimising the "profitability/risk" 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, etc.). Property Management requires extensive expertise in leases, expense management, technical 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 of central departments and personnel who work in the regional Offices. Rental property management of the residual accommodation of *Foncière Développement Logements* is outsourced to Quadral Property.

The service agreements are straightforward and non-exclusive contracts.

The specialisation by type of assets of the different companies of the Covivio group prevents 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 4.2.2.10.2 and 4.2.5.12, in part 3, 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 2021, S&P confirmed Covivio's financial rating of BBB+ with a stable outlook.

6.7 Major contracts

During the last two financial 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 2021 and presented below.

		ISIN code	Issue date	Nominal amount	Maturity	Rate	Outstanding at end-2021
Covivio	**Bond issues**	XS1209112793	30 March 2015	€125 M	30 March 2022	2,125%	€125 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
		FR0013519279	23 June 2020	€500 M	23 June 2030	1,625%	€500 M
	Green bonds	FR0013170834	20 May 2016	€500 M	20 May 2026	1,875%	€500 M
		FR0013447232	17 September 2019	€500 M	17 September 2031	1,125%	€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 on 25 November 2021, making it possible to determine the contractual framework within which Covivio's future issues will be carried out.					
Covivio Hotels	**Bond issues**	FR0013367422	24 September 2018	€350 M	24 September 2025	1,875%	€350 M
		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 program.

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 547, 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 2022

Mr. Christophe Kullmann
Chief Executive Officer of Covivio

6.8.3 Declaration by the person responsible for the information

Paul Arkwright
Chief Financial Officer
Address: 30, avenue Kléber - 75116 Paris
Telephone: +33 (0)1 58 97 51 85
e-mail: paul.arkwright@covivio.fr
Website: www.covivio.eu

6.8.3.1 Provisional timetable for financial reporting

	Date	Negative window period[1]
Publication of revenue of the first quarter of 2022	21 April 2022	6 April 2022 to 21 April 2022 inclusive
Publication of half-year results for 2022	21 July 2022	21 June 2022 to 21 July 2022 inclusive
Publication of revenue of the third quarter of 2022	20 October 2022	5 October 2022 to 20 October 2022 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 Historic 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, the following information is incorporated by reference in this Universal Registration Document:

- the consolidated financial statements and the annual statements for the fiscal year ended 31 December 2020 and the report by the Statutory Auditors concerning same appear on pages 253 to 380 of the 2020 Universal Registration Document filed with the AMF on 15 March 2021 under no. D.21-0123
- the consolidated financial statement and the annual statements for the period ended 31 December 2019 and the report by the Statutory Auditors concerning same appear on pages 229 to 354 of the 2019 Reference Document filed with the AMF on 20 March 2020 under no. D.20-0149.



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Concordance tables

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Concordance table for the Universal Registration Document

(pursuant to the sections of Appendices I and 2 of (EC) Regulation no. 2019/980 of 14 March 2019)

1.	**Responsible parties, third-party information, appraiser statements and approval of the competent authority**		
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1.4.	Third-party information	N/A	
2.	**Statutory Auditors**		
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3.	**Risk factors**		
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5.5.	Possible dependence (Patents/Licences/Industrial and Commercial Contracts)	N/A	
5.6.	Competitive position	N/A	
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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; 294 and following
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10.	**Information on trends**		
10.1.	Principal trends	1.1; 1.3	14; 31
10.2.	Events that could influence trends	4.2.4	2 and following 279 and following
11.	**Earnings projections or estimates**	**N/A**	
12.	**Administrative, management and supervisory bodies and General Management**		
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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	479 and following 495 and following 499
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16.1.	Shareholders owning more than 5% of the share capital or voting rights	6.3.3	527
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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	331 and following
2 – Consolidated financial statements	4.1; 4.2	255 and following
3 – management report	6; Concordance table with the management report	517; 547
4 – Statement of individuals assuming responsibility for the document	6.8.2	540
5 – Statutory Auditors' report on the annual financial statements (including the observations on corporate governance) and the consolidated financial statements	4.3 4.6	326 and following 370 and following
6 – Report from the Board of Directors on corporate governance	5.3	423 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 (Articles L. 232-1 II and L. 233-26 of the French Commercial Code)	1.1	14 and following
Significant events occurring between the end of the financial year and the reporting date 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	325 and 366
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Information on the number of shares purchased and sold during the financial year under a share buyback programme, and characteristics of these transactions (Article L. 225-211 of the French Commercial Code)	6.3.8	529 and following
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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	288 and following; 360

Type of information	Relevant parts	Pages
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• Remuneration policy for corporate officers (L. 22-10-8 of the French Commercial Code)	5.3.4.1	473 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	479 and following 495 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	477
• 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	424 and following 436 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	450 and following
• Summary of capital increase authorisations still in effect (Article L. 225-37-4-3 of the French Commercial Code)	5.3.5.2	499 and following
• Methods by which General Management exercises powers and limitations to the powers of the Chief Executive Officer and the Deputy Managing Directors (L. 225-37-4 4 and 22-10-10 3 of the French Commercial Code)	5.3 and 5.3.1.2	423 and 427
• 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	430 and following; 448
• 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	453 429
• Application of the corporate governance Code for listed companies (L. 22-10-10 4° of the French Commercial Code)	5.3	423
• Specific procedures for shareholder participation in the General Meeting (L. 22-10-10 5° of the French Commercial Code)	5.3.5	499
• 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	450
• Elements that could be relevant in the event of a public offer (L. 22-10-11 of the French Commercial Code)	5.3.6	501
• 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	428 and 448

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".

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.

Portfolio

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.

Occupancy rate

- 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 €/m² 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 on the period
- restatement of work carried out on assets under development during the N period.

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